

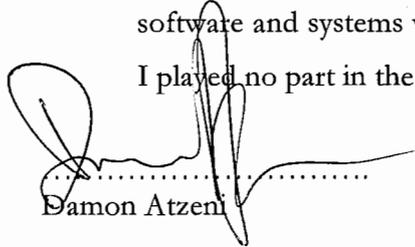
HEALTH PAYROLL SYSTEM COMMISSION OF INQUIRY

STATEMENT OF DAMON ANTHONY ATZENI

I, DAMON ANTHONY ATZENI care of Crown Law, State Law Building, 50 Ann Street, Brisbane, state as follows:

BACKGROUND

1. I was employed with Queensland Health from 1996, initially as a Clinical Nurse Consultant, within the Moreton Bay Nursing Care Unit. My qualifications include a Certificate of Nursing in General and Mental Health and a Graduate Diploma in Community Mental Health.
2. During my time in Queensland Health, I was promoted within the health system. I worked in rostering and project management at the Princess Alexandra Hospital for Systems (ESP) Implementation. I later became the Client Representative at CorpTech for Queensland Health and I was a Human Resource Business Integration Manager as part of the QHEST project.
3. I became the Queensland Health Client Representative, providing project support in an administrative role at CorpTech from 2005 to 2007. This related to the Shared Services Initiative, part of the aims of which was a standard system across government to deliver cost savings and efficiency, in areas including finance, HR and payroll.
4. I had a number of immediate supervisors at CorpTech. The last of these was Joanne Taylor. Her supervisor was Darrin Bond. Phillip Hood was a Director of Technology, but not my direct supervisor.
5. As Client Representative for Queensland Health, my job was to liaise between Queensland Health and CorpTech, in relation to the work being done and decisions being made for the Shared Services Initiative, particularly relating to Queensland Health's business requirements.
6. The Shared Services Initiative was to provide solutions including the introduction of a new payroll and rostering system at Queensland Health. As the project developed, software and systems were selected for these purposes, such as SAP and Workbrain, but I played no part in the selection of those materials.

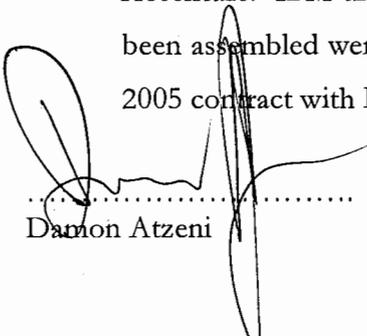


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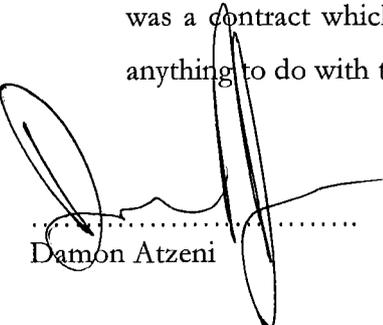
7. I was aware of a contract which had been entered into with IBM in or about 2005 for licensing arrangements for software. I had no direct role in that contract at the time.
8. After 2007, I moved from the CorpTech offices back to Queensland Health where I took over the position of Business Integration Manager at QHEST. QHEST stands for the Queensland Health Enterprise Systems Transition project. At QHEST, my role was to identify the business requirements, liaise with stakeholders and prepare for the implementation of whatever products would be supplied. For payroll for example, the transition was from Lattice to SAP. For rostering, the change was from ESP to Workbrain. For recruitment, the new product was Recruit ASAP. There was also a learning development system, SABA.
9. During my time at QHEST I reported to two different individuals. From 2007-2008, I reported to and took direction from Mr Nigel Hey, Director, QHEST, who in turn reported to Mr Paul Monaghan (Executive Director, Shared Service Partner). From 2008-2010, I reported to and took direction from Ms Amanda Doughty, Project Manager, QHEST and, occasionally, Mr Anthony Price, Executive Director, QHEST (who in turn reported to Mr Adrian Shea, Executive Director, Corporate Services). Both Mr Shea and Mr Monaghan reported to Mr Michael Kalimnios.
10. By the time I returned to Queensland Health in 2007, I was aware that CorpTech had commenced the first HR rollout at the Department of Housing. This took place with a number of contractors; Accenture, SAP and IBM. Accenture was the main subcontractor. I was aware of some problems in the rollout of that initiative.
11. Housing was a very small and uncomplicated agency compared to Queensland Health. Given the problems in Housing, I expected much greater problems for the same type of solution in Queensland Health.
12. Since my position with CorpTech was to identify the business requirements for Queensland Health in relation to the payroll replacement, I was concerned how this solution would work with Queensland Health, and indeed, I was quite skeptical.
13. Based on what I had seen of the rollout of the project in the Department of Housing, it appeared to me to take a long time to get to the point where the system was complete enough to go live, and apparently without great success. From what I understood, the work done in that project had some flaws in it. That project was primarily conducted by Accenture. IBM did have a role in ensuring that the elements of the solution which had been assembled were not dismantled or displaced. This was a flow-on from the existing 2005 contract with IBM.


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14. My view at that stage was that Accenture, as the primary sub-contractor, took too long to complete that project and the price was too high. I am not sure whether I discussed these concerns with any particular person, although it may have come up in general conversation. I was concerned, given the relative simplicity of Department of Housing, how much more expensive this would be in Queensland Health and, in particular, how long Queensland Health would have to wait for it to be implemented. The result was that I personally was apprehensive about the same process being attempted at Queensland Health.
15. I was not alone in this. The briefing note of my superior, Mr Hey, of the 15th February 2007 (wrongly dated 2006) (Exhibit DAA-1 hereto) sets out the concerns, such as the continued use of the unsupported Lattice system, and the options. The concerns were raised with Mr Bradley, the Under Treasurer, by Ms Schreiber, the Director General, Queensland Health, in her letter of the 26th February (Exhibit DAA-2).
16. The implementation of the finance and HR solutions was considered carefully during early 2007. I attach the following relevant documents concerning the process:
Mr Hey's email to myself about the 15th February briefing note, of 22/02/2007 (Exhibit DAA-3);
The further briefing note of 28th March, for the HR Board (Exhibit DAA-4);
The HR Board Agenda for 2nd April 2007 (Exhibit DAA-5);
The draft minutes of that meeting – note item 4 page 4 (Exhibit DAA-6);
My email to Emma Bailey of the 5th April attaching a briefing note for the Executive Management Team (Exhibit DAA-7);
An email from the Queensland Health Shared Services Provider (QHSSP) Directorate of the 5th April enclosing the agenda for the Governing Board meeting of the 10th April (Exhibit DAA-8);
An email of the 10th April attaching a briefing note for the SSP Governing Board (Exhibit DAA-9);
An "options overview" (Exhibit DAA-10);
A further undated briefing note to the Executive Management Team (Exhibit DAA-11);
17. I was generally aware that IBM had a limited role in Queensland Health between 2005 and 2007 while I was working at CorpTech. This related to a data migration tool which was a contract which had been awarded after an open tender process. I did not have anything to do with that process.

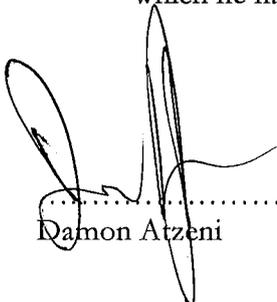

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18. After I left CorpTech and returned to Queensland Health, as outlined above, I and others perceived that following a review of the Shared Services Initiative, that Initiative may be coming to an end, at least as concerned Queensland Health. If that happened, there would be a significant further delay in the rollout of any systems for HR, so the feeling in Queensland Health was, we should go it alone and seek an implementation partner with knowledge of the systems, particularly Workbrain. As instructed by my superior Mr Hey, I spoke to and e-mailed Jason Cameron of IBM in relation to this. I had known Jason for some time at this stage, having met him whilst at CorpTech. We had common interests, particularly because we each had a child born at about the same time. He was an acquaintance, but not a close friend.
19. By this stage I personally thought that the Shared Services Initiative would not proceed and as a result, the intended replacement of Queensland Health's payroll and rostering systems through the whole of government approach would be at risk.
20. Later in 2007 I became aware that there had been a review of CorpTech's activities, referred to as a "CorpTech snapshot review". This was apparently conducted by Mr Uhlmann, a consultant for a company called Arena. This review in fact proposed that further progress of the initiative be by a Program Manager or an Operations Program Manager rather than a prime contractor. Later, in September 2007, I discovered that the proposed initiative by Queensland Treasury was for a prime contractor model. When this was put in train, there was an assessment panel assembled to assess the tenders for the position of prime contractor and I was part of the assessment panel.

JASON CAMERON

21. Jason Cameron was IBM's representative within CorpTech during the time Accenture was the prime sub-contractor for CorpTech. As I was the Client Representative for Queensland Health, I liaised with him about the system which was being implemented and its suitability for Queensland Health's requirements. As I have mentioned, we had children born at about the same time and this gave us a common interest. However, I did not socialize with Mr Cameron and had no significant contact with him outside work. At one point I joined Facebook so that I could see the picture of Mr Cameron's baby which he had posted. I have had no recent contact with him.


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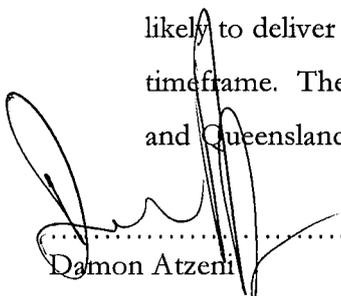

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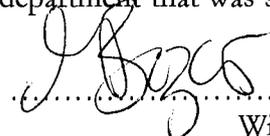
LOCHLAN BLOOMFIELD

- 22. Mr Bloomfield was Mr Cameron's immediate supervisor at IBM. I met him at the time when Queensland Health was looking for an implementation partner, and he was present when that was being discussed with myself and my supervisor, Nigel Hey. At the same time, we had similar discussions with representatives of Accenture.
- 23. When I had returned to Queensland Health and was working in QHEST, we were interested in engaging a consultant to analyse the scope of work which would be required for the replacement of Lattice. My role in that was making contact with IBM through Mr Cameron, simply because he was a known point of contact. We requested their services to assist Queensland Health to identify how we might move forward with the implementation of the payroll and rostering solution. We made similar contact with Accenture, and in particular, Mr Porter from that company. I personally did not have as much contact with Accenture as IBM.

E-MAILS

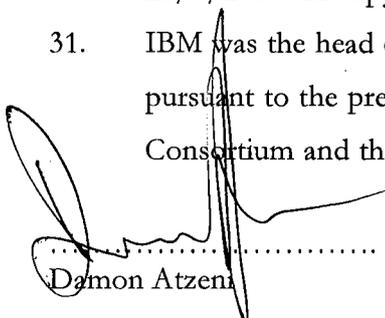
- 24. I have been shown a print-out of an e-mail dated 4/2/2007 at 3:29pm from Jason Cameron to Mr Hey and myself (Exhibit DAA-12). This is an e-mail confirming that it was possible for Queensland Health to engage IBM under the current CorpTech contract, that is, the contract which had been on foot since 2005. As the e-mail explains, this request would be forwarded through CorpTech as part of Queensland Treasury, being the original contracting party. This process would not have required IBM to go through a separate tender process. As the e-mail explains, it could only happen with the knowledge of CorpTech (part of Queensland Treasury), the contracting party.
- 25. I have been shown an e-mail from myself to Mr Cameron and others dated 8/03/2007 at 1:45pm (Exhibit DAA-13). I was providing an electronic version of the business requirements of Queensland Health, something which was already held by the Shared Services Initiative.
- 26. I had contact and meetings with Mr Cameron concerning IBM's possible solutions as to the scope of works for the Queensland Health requirements. An example is the e-mail from Mr Cameron to myself on the 15/03/2007 at 3:21pm (Exhibit DAA-14). The Queensland Health concern at this stage was that the Shared Services Initiative was not likely to deliver any satisfactory solution for Queensland Health, certainly in a reasonable timeframe. There had been problems with the solution for the Department of Housing, and Queensland Health as a much larger and more complex department that was so far

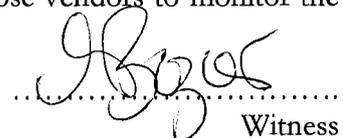

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down the track in terms of implementation as to not being on the horizon. Finding a solution for Queensland Health was becoming much more urgent. The arrangements to find a solution were not solely my concern. At all times I acted with the knowledge and consent of my Director and management. This included Mr Hey and Mr Glentworth. Another member of the team was Dennis Brown, the Contract Manager, and he was involved in the process of obtaining assistance from IBM; see my e-mail of 3/4/2007 at 1:40pm (Exhibit DAA-15). Mr Cameron was kept informed of this; the subsequent e-mail to him is Exhibit DAA-16. However the same request was made of Accenture; see exhibit DAA-17.

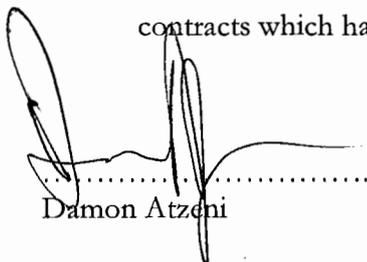
27. Another matter which was raised with Mr Cameron was the enterprise structure within SAP, that is, how the system was set up and what components would meet Queensland Health's Decision Support System reporting requirements. This was raised with Mr Cameron in the e-mail of 6/4/2007 at 4:44pm (Exhibit DAA-18).
28. The request to Queensland Treasury for IBM's assistance was agreed; see e-mail from Queensland Treasury (Maree Blakeney) to myself of 18/4/2007 at 2:37pm (Exhibit DAA-19).
29. I have been asked about an e-mail from myself to Mr Hey on the 24/4/2007 at 7:15am (Exhibit DAA-20). This is responding to a statement (related in an email attached to Hey's email – Exhibit DAA-21) made by Gerard (Gerard Bradley, the Under-Treasurer who was in control of CorpTech at the time). He had rejected the request by Mr Kalimnios, as set out in Ms Schreiber's letter, to move Queensland Health forward (ahead of Education and other departments) in the implementation. This is why I referred to it as a good political move (keeping the peace with the other Departments) but I was concerned at the risks. The suggestion at that time was that Lattice might be supported by Logica – a very expensive option which never happened. I remained concerned that the potential failure of Lattice could be a looming disaster.
30. On the 30/4/2007, I forwarded to Mr Cameron a copy of the Workforce Edge document which was the strategic analysis of the rostering transition prepared for QHEST. This was to assist in the scoping work done by IBM. A copy of the relevant e-mail is Exhibit DAA-22. The document had been sent to me by Debra James on the 23/4/2007. A copy of the relevant e-mail is Exhibit DAA-23.
31. IBM was the head of the consortium of vendors of products which were being delivered pursuant to the previous contract from 2005. This was generally referred to as the IBM Consortium and there would be regular meetings of all of those vendors to monitor the

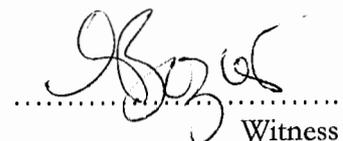

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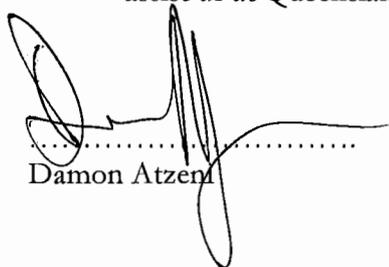
progress of the products that were being delivered and implemented. An example of one of these meetings is the e-mail from Mr Cameron to myself of 21/6/2007 (Exhibit DAA-24).

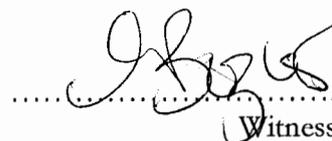
32. I sent Mr Cameron the Queensland Health Standard Service Agreement for the work which IBM was to do on the 29/6/2007 (Exhibit DAA-25). Mr Cameron responded saying that IBM would not accept those terms (Exhibit DAA-26). The response of Mr Brown was that Queensland Health would not be receptive to IBM's suggested changes and it would be appropriate to commence a tender process (Exhibit DAA-27). However, I later sent a standard GITC contract to Mr Cameron on 20/7/2007 (Exhibit DAA-28). This was acceptable to IBM, as indicated in Mr Cameron's e-mail to me at 4:51pm on 24/7/2007 and my response (Exhibit DAA-29).
33. During the period between May and August 2007, IBM carried out scoping work for the job of the replacement of the Lattice system with the SAP system. I am unaware of the contract price paid to IBM for that service. I am not aware of any actions taken by anyone to keep the price at a level below a requirement for Director-General or Ministerial approval, such as to avoid a briefing note for Cabinet. As far as I am aware, no briefing notes were done in relation to the service contract with IBM.
34. One of the solutions that Queensland Health required within the Workbrain application was a leave planner function. This was discussed in the e-mail from Mr Cameron to myself on 25/7/2007 at 4:18pm and my response (Exhibit DAA-30). This was part of the Workbrain scoping task, but as Mr Cameron said, it would have required significant extra work.
35. During this period, I was not aware of the intention of CorpTech to move to a prime contractor model. It was my general view that the Shared Services Initiative was not proceeding, or not proceeding in any prompt or meaningful way, from a Queensland Health perspective. I was sent an e-mail from Mr Cameron on 30/7/2007 at 3:28pm providing a link to an announcement by the Premier about the Shared Services Initiative (Exhibit DAA-31). I did not read that attachment at the time but I recall reading it sometime later.
36. On 2/8/2007, Mr Cameron sent me an e-mail at 4:24pm (Exhibit DAA-32). This was a statement identifying the cancellation of the tender for a Transition Manager position for Other SAP Functionality (OSF) in QHEST. Mr Cameron was also enquiring about the contracts which have been mentioned earlier.


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37. On 8/8/2007, Mr Cameron sent me an e-mail at 10.27am (Exhibit DAA-33). Mr Cameron had made a presentation to CorpTech and I enquired of him how it went. There was discussion of IBM needing to complete an RFO (Request for Offer) process. It has been suggested to me that at this stage, Queensland Treasury had already commenced an RFP (Request for Proposal) process in relation to becoming the prime contractor and communicated with SAP, IBM, Logica and Accenture. I was unaware of this at the time. I did not consider Mr Cameron's e-mail of 8/8/2007 related to his company's tender for, or attempts to become, the prime contractor in respect of the Queensland Health payroll project. I had no knowledge of a decision having been made by the Under Treasurer to proceed with the prime contractor model at that time. My interest was on the question of whether Workbrain would be chosen as the award interpreter program, as opposed to it being part of the SAP solution. I was hopeful of moving the whole project forward.
38. I was copied into an e-mail of 13/8/2007, sent by Mr Cameron to Mr Hey, requesting an opportunity to present IBM's position on delivering a Lattice replacement program (Exhibit DAA-34). This is consistent with how the project was proceeding.
39. I have been asked about an e-mail from Susan Bishop of IBM to myself dated 14 August 2007 at 1:38pm (Exhibit DAA-35). This was a reference to an IBM presentation for a product called an Enterprise Service Bus. This is a tool that joins together or coordinates different products, such as Workbrain and SAP. Queensland Health was looking at what sort of service bus we could use to integrate our products. It was not something which was relevant to a whole of government solution, rather it was for application within Queensland Health.
40. I have been referred to an e-mail from myself to Mr Hey of 30/8/2007 at 3:06pm concerning the DETA (Department of Education Training and Arts) requirements path. (Exhibit DAA-36). I received the attachments from Mr Cameron by email on 28/08/2007 at 1.45pm (Exhibit DAA-37) and the email refers to where the files were stored on the central server. At that stage we were sharing what the Department of Education was doing in terms of how they were planning their roll-out. It was being considered how Queensland Health could actually work alongside them or in parallel, and these aspects were being considered and planned. They had already done a lot of work around their requirements path and it was being considered whether that could assist us at Queensland Health.


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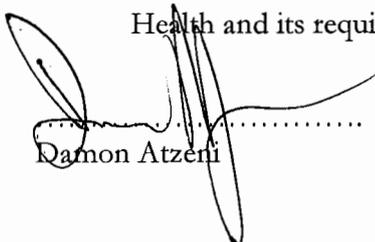
41. I sat on the assessment panel which assessed the tenders which were called for in September and finally awarded in December 2007. The tender process is described as an Invitation to Offer, or ITO process. I have been asked whether during this time I received a CD containing IBM's proposed response to the ITO. I did not. From memory I think I may have, in or around this timeframe, received documents from IBM which had been prepared in relation to their 2005 contract, because it was considered that this may have had some relevance to what was happening at the time. I cannot specifically recall the media on which these documents were provided to me; however if they were provided by CD, I probably would have opened that CD on my computer. I am not sure if I discussed it or mentioned it to any work colleagues at the time. I certainly did not knowingly give IBM any assistance in compiling their response to the 2007 ITO. I did not give any information to IBM relating to any information I may have had about Accenture prior to any presentations. I did not give IBM any assistance in their bid to obtain the December 2007 contract.

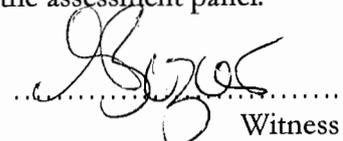
CONFLICT

42. I recall filling out a conflict of interest form for the purpose of sitting on the assessment panel and to the best of my recollection, I declared the fact that we (myself and colleagues from Queensland Health) had been working with IBM and also that I knew the majority of the parties. My memory is that I recorded on the form that I knew Accenture through working with CorpTech and that we had been working with IBM. I had no deeper connection with IBM; I had no relatives employed there, no other formal or informal links and I was not a shareholder.

43. At the time I sat on the assessment panel, I did not consider that it was inappropriate for me to do so because of any preference or perceived preference for IBM. I knew people from both Accenture and IBM. As I have outlined earlier, there had been problems with the work Accenture had done at Queensland Housing, from what I had seen. There had also been contact between myself and others at Queensland Health and Mr Cameron and others at IBM during the months leading up to September 2007. I did not, and do not consider that this led me to discharge my duties on the assessment panel in anything other than an honest and fair fashion.

44. There were a limited number of people in positions such as mine with the necessary technical, operational and environmental knowledge and background of Queensland Health and its requirements such as to fit them for service on the assessment panel.

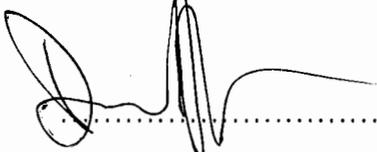

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45. I did not advantage IBM over any other tenderer, and I was of course one of many on the panel. I can understand in hindsight how it may be perceived that I had a proximity with IBM such as to reconsider my position on the panel, but this did not occur to me at the time and my actions were bona fide.
46. I have been asked about a meeting of the assessment panel being addressed by Mr Burns, at a point approximately two-thirds of the way through the assessment process, after the first scoring had been done by the functional and business team. It has been suggested that at that point, Accenture were ahead of IBM in the scoring, and Mr Burns' address had some impact on changing that situation. I don't recall this incident.
47. I do have some memory that at some point the point scores for Accenture and IBM changed. I can't now recall exactly why that was, although it seems consistent with the process set out in the Team Evaluation Report document of the 19/10/2007 (Exhibit DAA-38), which sets out steps for reviewing and moderating scores in stages 2 and 3. I do recall IBM being successful because they were more competitive on price, however, the price was not part of the earlier assessment by the functional and business team.
48. In relation to Mr Burns, I did not hear him ever personally express a preference for who should be successful in obtaining the tender. After he had finished his work at CorpTech, he obtained a job in Queensland Health. This would have been in 2008. As far as I am aware, he was contracted by Michael Kalimnios. I had no part in that process. I am certainly not aware of IBM having any influence in that process. Mr Burns' position was to do with project assurance and he was a mentor for Tony Price, who was the newly appointed Executive Director of QHEST following the departure of Mr Hey.
49. I make this statement voluntarily to the Commission of Inquiry. The contents of this statement are true and correct to the best of my knowledge. I acknowledge that any false or misleading statements could amount to an offence against the Commissions of Inquiry Act 1950 or contempt of the Commission.

Dated this 1 day of March

2013 at Brisbane in the State of Queensland



Damon Atzeni



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**QUEENSLAND HEALTH PAYROLL SYSTEM
COMMISSION OF INQUIRY**

Annexure to DAMON ANTHONY ATZENI

Items to be annexed to the statement of Damon Anthony Atzeni dated 1 March 2013:

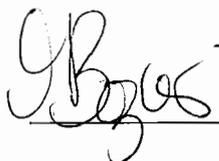
- DAA-1 Briefing Note of Nigel Hey dated 15 February 2007.
- DAA-2 Letter from Ms Schreiber to James Bradley dated 26 February 2007.
- DAA-3 Email from N Hey to D Atzeni dated 22 February 2007.
- DAA-4 Briefing Note from N Hey for HR Board dated 28 March 2007.
- DAA-5 HR Board Agenda dated 2 April 2007.
- DAA-6 Draft minutes of HR Board Meeting 2 April 2007.
- DAA-7 Email from Emma Bailey attaching briefing note for the Executive Management Team dated 5 April 2007.
- DAA-8 Email from QHSSP Directorate dated 5 April 2007.
- DAA-9 Email from Andrea Sams attaching briefing note for SSP Governing Board dated 10 April 2007.
- DAA-10 "Options Overview" Document.
- DAA-11 Further updated briefing note to Executive Management Team.
- DAA-12 Email from Jason Cameron to N Hey and D Atzeni dated 4 February 2007.
- DAA-13 Email from D Atzeni to J Cameron dated 8 March 2007.
- DAA-14 Email from J Cameron to D Atzeni dated 15 March 2007.
- DAA-15 Email from D Atzeni dated 3 April 2007.
- DAA-16 Email from D Atzeni to J Cameron dated 3 April 2007
- DAA-17 Email from D Atzeni to D Brown dated 3 April 2007
- DAA-18 Email from D Atzeni to J Cameron dated 6 April 2007.
- DAA-19 Email from M Blakeney to D Atzeni dated 18 April 2007.
- DAA-20 Email from D Atzeni to N Hey dated 24 April 2007.
- DAA-21 Email from N Hey to D Atzeni dated 24 April 2007
- DAA-22 Email from D Atzeni to J Cameron dated 30 April 2007.
- DAA-23 Email from Debra James to D Atzeni dated 23 April 2007 attaching Strategic Analysis of Rostering Transition prepared by Workforceedge.
- DAA-24 Email from J Cameron to D Atzeni dated 21 June 2007.

Witness signature: _____

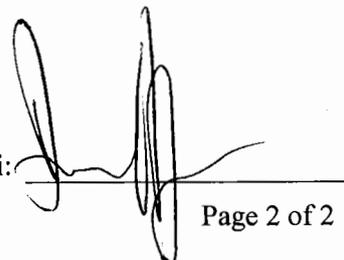
Damon Anthony Atzeni _____

- DAA-25 Email from D Atzeni to J Cameron dated 29 June 2007 attaching draft Queensland Health Service Agreement.
- DAA-26 Email from J Cameron to D Atzeni dated 3 July 2007.
- DAA-27 Email from D Brown to N Glentworth dated 3 July 2007
- DAA-28 Email from D Atzeni to J Cameron dated 20 July 2007 attaching standard GITC contract.
- DAA-29 Email from J Cameron to D Atzeni dated 24 July 2007.
- DAA-30 Email from J Cameron to D Atzeni dated 25 July 2007.
- DAA-31 Email from J Cameron to D Atzeni dated 30 July 2007.
- DAA-32 Email from J Cameron to D Atzeni dated 2 August 2007.
- DAA-33 Email from J Cameron to D Atzeni dated 8 August 2007.
- DAA-34 Email from J Cameron to N Hey and D Atzeni dated 13 August 2007.
- DAA-35 Email from Susan Bishop to D Atzeni dated 14 August 2007.
- DAA-36 Email from D Atzeni to N Hey dated 30 August 2007.
- DAA-37 Email from J Cameron to D Atzeni dated 28 August 2007.
- DAA-38 Team Evaluation Report dated 19 October 2007.

Witness signature:



Damon Anthony Atzeni:



DAA-1

**Queensland Health
BRIEFING NOTE FOR INFORMATION**

TO: Executive Director, QHSSP
Executive Director, Corporate Services,
Queensland Health

| |
|---|
| OK |
| Dated / / |
| <u>Noted</u> / Approved / Not Approved |
| Further information required |
|  |
| Dated 23 / 7 |

COPIES: Senior Director HR,
Queensland Health
Senior Director Finance,
Queensland Health
Manager HR Operations, QHSSP
Director Business Mgt, QHSSP

FROM: Nigel Hey
Director, QHEST

SUBJECT: Finance and HR Implementation Options

PURPOSE

To advise ED QHSSP and EDCS QH of the options that are available for bringing forward the implementation of the Whole-of-Government HR and Finance solutions.

RECOMMENDATION

It is recommended that the ED QHSSP and EDCS QH note the options and authorise that the required pre-work detailed below be undertaken immediately within the QHEST project.

FUNDING SOURCE

- Nil required

CURRENT ISSUES

The options outlined below represent a significant departure from the existing implementation arrangements. To succeed, changes are required to the governance relationships between Queensland Health, QHSSP, CorpTech, and the Shared Services Agency (SSA). Bringing the implementation dates forward will put significant though manageable pressure on the QHEST project team, QH and QHSSP, particularly in preparing the organisations for change. A number of options have been considered by QH and QHSSP, and these options have been further informed by recent discussions with SSS and SSA representatives. Some options, such as proceeding to develop a product set outside the Standard Offering or using outsourcing arrangements to provide Payroll systems did not make sufficient organisational, political or commercial sense to be fully considered.

These options were developed with the following in mind:

1. The risk of continuing to use the LATTICE system for payroll purposes without maintenance and support is unacceptable to either QH or the QHSSP.

| | | |
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| Author's Name Nigel Hey Position: Director, QHEST Unit/District: QHSS Tel No: 3234 1813 Date: 15/2/06 | Cleared by: Name Position Unit/District: Tel No Date: | Cleared by: Name: Position: AHS: Tel No: Date: |
|---|--|---|

2. Continuing uncertainty regarding go-live dates for the HR and Finance solutions is unacceptable from an organisational perspective.
3. There are business benefits associated with the implementation which are not directly related to the Payroll risk, that must be maintained, otherwise there is a significant risk that they will not be realised.
4. That QH and QHSSP are committed to the Shared Services Initiative and in partnering arrangements with CorpTech and the SSA.
5. That QH and QHSSP are committed to the Workbrain implementation if the product meets QH and QHSSP requirements and can be delivered in the timeframes required by QH and QHSSP, and further that this needs to be determined by the end of March 2007 at the latest.
6. That immediate business benefits can be realised by bringing forward the SAP Finance implementation due to the dependencies between SAP Finance and HR.
7. That complex governance arrangements, that will not enable the implementation to proceed in the timeframes required, are an unacceptable risk.

Table 1 - Options Summary

| | Option 1 Accelerated Standard Offer, Develop QH solution in parallel with other agencies. | Option 2 Recast Schedule 9, implement Standard Offering |
|---|--|--|
| <i>Option Summary</i> | <ul style="list-style-type: none"> • Standard Offering + Agency specific functionality for SAP HR developed in-house (health) with support from CorpTech/SSS • ESP (rostering) retained and upgraded for ESS/MSS workflow • Middleware moved to XI • SAP Finance implementation prior to SAP HR go-live • CorpTech/SSS continue with current release schedule for the rest of sector. • SABA developed then deployed across QH | <ul style="list-style-type: none"> • Negotiate a change to the sector release schedule to bring QH to the front for SAP HR and Finance. • Priority to be given to SAP HR Payroll. • SAP Finance implementation prior to SAP HR go-live • SABA developed then deployed across QH • Investigate rostering solution • Workbrain guarantee to meet targets include testing and UAT |
| Target Dates | <ul style="list-style-type: none"> • SAP HR Payroll implemented in Jan/Feb 2008 (using materials, including functional specifications developed by Education). • Cutover to Workbrain in mid-late 2009 • Other elements of the standard offering scheduled to minimise change impacts. | <ul style="list-style-type: none"> • SAP HR Payroll implemented by July 2008 • SAP Finance implemented prior to SAP HR Payroll • Workbrain (if functionality meets agency requirements) development is accelerated to meet above implementation dates. |
| Application Development | <ul style="list-style-type: none"> • Existing teams at CorpTech/SSS, supplemented in-house by a team of developers and implementation partners | <ul style="list-style-type: none"> • Existing teams at CorpTech/SSS |
| Schedule | <ul style="list-style-type: none"> • Flexible scheduling for SABA, rostering, ESS/MSS and other supporting functionality | <ul style="list-style-type: none"> • Scheduled by SSS using existing arrangements and timelines |
| Rollout Strategy | <ul style="list-style-type: none"> • Flexible, big bang possible if some implementations occur earlier or later than SAP HR (e.g SABA) | <ul style="list-style-type: none"> • Determined by SSS methodology with QH and QHSSP. Current constraints remain. |
| Standard Offering | <ul style="list-style-type: none"> • Maintain alignment, reconcile with CorpTech/SSS at the end of release cycle. • Communicate changes or customisations through existing channels. • Upgrade of ESP in early 2008 then migration | <ul style="list-style-type: none"> • Maintain alignment, upgrades as part of normal release schedule. • Investment in Workbrain required to assess fit and function. |
| Author's Name Nigel Hey Position: Director, QHEST Unit/District: QHSS Tel No: 3234 1813 Date: 15/2/06 | | Cleared by: Name: Position: Unit/District: Tel No: Date: |
| | | Cleared by: Name: Position: AHS: Tel No: Date: |

| | Option 1 Accelerated Standard Offer, Develop QH solution in parallel with other agencies. | Option 2 Recast Schedule 9, implement Standard Offering |
|------------------------|--|---|
| | to Workbrain ensures that value is gained from the ESP investment and that W-o-G considerations are maintained. | |
| Resourcing | <ul style="list-style-type: none"> • Development team required • Recall QH and QHSSP staff from CorpTech, SSS and SSA • Increased reliance on externals, esp. current implementation partners. • Work closely with Education and use already developed resource schedules and structures | <ul style="list-style-type: none"> • Invest in CorpTech and SSS to bring resourcing levels up. |
| Governance | <ul style="list-style-type: none"> • Core QH team focused on requirements, business benefits, schedule maintenance, project mgt. • Implementation team in QH SSP, with virtual team elements. • Benefits realisation responsibility of Agency. • Relationships with CorpTech, SSA streamlined. | <ul style="list-style-type: none"> • Core QH team focused on requirements, business benefits, schedule maintenance, project mgt. • Tighten controls and communication around existing governance. • Relationships with CorpTech, SSA streamlined. |
| Support | <ul style="list-style-type: none"> • Supported and maintained post implementation by CorpTech. • Support process to be detailed in writing by CorpTech | <ul style="list-style-type: none"> • Existing planned arrangements. • Support process to be detailed in writing by CorpTech |
| Summary FOR | <ul style="list-style-type: none"> • Resolves LATTICE support issues • Existing IP and knowledge can be re-used • Able to leverage off development work to date • Able to leverage off work done by Education to date • Improved control over the implementation • Improved risk control (although more risk is accepted) • Some cost benefits from compressing the implementation timeframes • Business benefits associated with supporting projects and applications retained • Alignment with shared services goals maintained • Reduced change effort required (through maintenance of ESP) • No need to invest heavily in existing systems | <ul style="list-style-type: none"> • Resolves LATTICE support issues • Existing IP and knowledge can be re-used • Able to leverage off development work to date • Risk does not change • Some loss of business benefits by disconnecting go-live dates of supporting projects and tools. • Alignment with shared services goals maintained • Reduced change effort required (if ESP maintained) • No need to invest heavily in existing systems |
| Summary AGAINST | <ul style="list-style-type: none"> • There is a significant cost associated with creating a development environment of this size and complexity. • Focus on Payroll will mean that other elements of the standard offer cannot be deployed until '09 (unless parallel projects are run) • There may be some difficulties in sourcing appropriate development resources at short | <ul style="list-style-type: none"> • No real improvement in implementation control. • Sector dissatisfaction (esp. those agencies with LATTICE) • Questions over early release functionality (ie QH specific config will not be available until after release 7). • Agency specific components will probably be excluded. |

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| Author's Name Nigel Hey Position: Director, QHES'T Unit/District: QHSS Tel No: 3234 1813 Date: 15/2/06 | Cleared by: Name Position Unit/District: Tel No Date: | Cleared by: Name: Position: AHS: Tel No: Date: |
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| | Option 1 Accelerated Standard Offer, Develop QH solution in parallel with other agencies. | Option 2 Recast Schedule 9, implement Standard Offering |
|------------|--|--|
| | notice. | |
| Next Steps | <ul style="list-style-type: none"> • Cost analysis and technical feasibility study undertaken by implementation partner • Discussion with SSA/CorpTech | <ul style="list-style-type: none"> • Discussion with SSA/CorpTech to determine feasibility • Obtain buy-in from other impacted agencies. |

There are further issues associated with the sequencing of the implementations which need to be analysed in depth. Further work will need to be undertaken by the project team to fully work through these points and to engage with other QH stakeholders to understand the wider impacts.

Bringing the implementations forward will probably result in the loss of some benefits from support activities such as data cleansing. For example, compressing the implementation timeframes will possibly reduce the quality of LSL and Increment data for migration and result in less comprehensive user role mapping.

Required Pre-Work

Both option 1 and option 2 require further work to be undertaken prior to the end of March 2007. This work includes:

- Feasibility study by CorpTech
- Detailed cost assessment of both options by QH and QHSSP
- Discussions with Education regarding sharing intellectual property and development materials
- Agreement on new governance structures both internally and externally to reflect a more traditional (and proven) development and implementation model.
- Functionality assessment of Workbrain by QHSSP and agency workforce staff
- Assessment of upgrade costs/challenges associated with ESP, and a functionality assessment
- Determination of "must have" functionality for QH and QHSSP (for example is ESS/MSS a requirement in the initial deployment?).
- Rapid benefits and impacts assessment of each standard offering element to determine sequencing options for implementation.

Option 1

This option enables QH and QHSSP to maintain a very high level of control over the development of the Standard Offering, while re-using work that has already been completed across the sector. The rapid deployment (early 2008) ensures that there is time to "bed in" the Payroll solution, and if the focus were on mitigating the LATTICE risk, other functionality could be brought on line later in 2008 into 2009 which would bring QH back into line with current SSS schedules.

Work on current releases in SSS can be maintained as the development of an appropriate release could occur in parallel with current SSS scheduling. This option precludes the immediate use of Workbrain, but keeps Workbrain as the preferred future state rostering solution for QH and QH SSP. This will improve sector-wide access to an appropriate rostering tool.

The bulk of the cost associated with this option is the increased number of developers that are required, however, as a large volume of work has already been completed by other agencies this should not be too

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excessive. There are also savings to be made from the current forecast as the implementation time line is compressed.

This option is most effectively managed using an implementation partner and governance arrangements that ensure QH requirements are driven from a core coordination team through to a QH SSP implementation team. A partnering approach is preferred with SSA, SSS and CorpTech, however, as the implementation will run in parallel with the existing release schedule the approach will need to be simplified so as not to impact on solution delivery to the rest of the sector.

Option 2

This option provides a reasonable level of control over the development and implementation of the standard offer, but leaves some risk exposure given the very small window of contingency between the implementation and end of support dates.

QH and QHSSP will need to be very clear about their expectations and requirements for improving their visibility and control over the development and implementation. Under this option a simplified governance model is also a pre-requisite for effective implementation, preferably along more traditional or commercial lines.

This option provides for a moderate change in costs associated with the implementation, assuming that QH needs to increase its investment in CorpTech/SSS to ensure that a future release can be brought forward to meet the timelines. Further information is required from these agencies to determine an appropriate figure.

As stated, a commitment to a course of action must occur prior to the end of March 2007, and of course there are risks with either approach. Committing to Option 2 (assuming Workbrain meets QH and QH SSP requirements) precludes the ESP upgrade option (as work on this must also commence immediately). So if development cannot be completed on time, the agency runs the risk of having no suitable rostering product to drive payroll.

BACKGROUND

As part of the Shared Service Initiative, new Whole-of-Government finance/materials management and human resource management information system (HRMIS) will be introduced to all agencies. Queensland Health's Finance and Materials Management Information System (FAMMIS) will be replaced with a newer version of SAP (MySAP 2004). The new HRMIS will replace LATTICE and ESP and comprises a core personnel system (SAP), learning and performance system (SABA) and rostering toolset (Workbrain). The management of these implementations in Queensland Health is undertaken by the Queensland Health Enterprise Solutions Transition projects (QHEST).

A series of recent briefing notes have identified significant risks associated with LATTICE support, and in particular the impact of Queensland Health being unable to deliver its payment obligations to approximately 65,000 staff. These risks are compounded by uncertainty regarding slippages to schedule 9 (which advises that Queensland Health implementation will occur by December 2008).

An options paper was presented to the QH SSP outlining a range of possible options for resolving this issue and a subsequent meeting was held with QHEST team members, SAP technical resources and appropriate SSP staff.

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| Author's Name Nigel Hey Position: Director, QHEST Unit/District: QHSS Tel No: 3234 1813 Date:15/2/06 | Cleared by: Name Position Unit/District: Tel No Date: | Cleared by: Name: Position: AHS: Tel No: Date: |
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The ED SSP also met with SSP ED's and proposed that QH take responsibility for its own implementation efforts on 2/2/07. The primary drivers for this decision were concerns associated with SSS delivery performance (to date) and the support issues associated with LATTICE. The Director QHEST was directed to undertake planning activities to progress further discussions with the corporate purchaser.

MEDIA IMPLICATIONS AND KEY MESSAGES (Optional)

N/a

ATTACHMENTS

N/a

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| Author's Name Nigel Hey Position: Director, QHEST Unit/District: QHSS Tel No: 3234 1813 Date: 15/2/06 | Cleared by: Name Position Unit/District: Tel No Date: | Cleared by: Name: Position: AHS: Tel No: Date: |
|---|--|---|

DADAA-2



Queensland Health

Enquiries to: Michael Kalimnios
Telephone: (07) 323 41685
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File Ref: DG047227

Mr Gerard Bradley
Under Treasurer
Treasury
GPO Box 611
BRISBANE QLD 4001

Dear Mr Bradley *Gerard*

As you would be aware, there have been significant discussions between the Shared Service Agency (SSA), Shared Service Solutions (SSS) and Queensland Health Officers over recent weeks, regarding the challenges to Queensland Health in relation to the Whole of Government Human Resource Solution (HRS) implementation. Queensland Health is currently scheduled for go-live with HRS in October 2008. The successful implementation of the proposed HRS for Queensland Health relies on the availability, compatibility and dual implementation of an integrated rostering, scheduling and payroll system.

It is now evident that Queensland Health faces a number of significant risks in relation to the HRS. The most significant of these risks centres on our current payroll solution, LATTICE, and rostering software, Environment for Scheduling Personnel (ESP). These systems roster and pay approximately 61,000 staff each fortnight, the majority of who are on 24 hour rosters and are paid via a complex award interpretation configuration tailored within the software. The LATTICE system will be withdrawn from vendor support in June 2008. The vendor has notified in writing that any extension to this support arrangement after 30th June 2008 will not be considered. The market skill for this now highly customised superseded LATTICE technology is no longer available. We have already experienced some significant issues with the reliability of the supported LATTICE product. It is totally unacceptable to maintain the system in an unsupported environment post June 2008, as it is our judgment that risk of system failure, and therefore an inability to pay Queensland Health staff, given recent performance, would be extremely high.

Given these concerns, Queensland Health believes the HRS implementation should be brought forward and reprioritised to enable a 1st Quarter 2008 go-live. Further, given the integral links between the Whole of Government Finance Solution (SAP) and the HRS, this early implementation should incorporate a dual implementation of both SAP and HRS, as currently planned. Our assessment of this revised timing would mean Queensland Health's implementation needs to be reprioritised as urgent and would require almost immediate commencement. As you would also appreciate Queensland Health is currently budgeting to provide \$37.5 million of internal funds, for Agency/QHSSP costs of implementation of SAP and HRS Solutions. We have no capacity to absorb any other costs associated with reprioritisation, and would have the expectation that any such costs should not be borne by Queensland Health.

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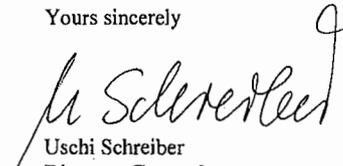
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I note we are meeting on 7 March to discuss a number of issues pertaining to Queensland Health. I would like to use part of that meeting to discuss these issues and reach final agreement on the way forward.

We have provided further specific details of our concerns to the SSA via Mr Brett Matthews and Ms Geraldine Cavallo. However, should Officers of your Department require further information, please contact Michael Kalimnios, Executive Director, Corporate Services, on 3234 1685 or Ms Liz John, Principle Business Services Officer on 3234 1625. In the mean time I will ensure that the Acting Executive Director QHSSP, Paul Monaghan and the Director QHEST, Nigel Hey, continue to work proactively with the SSA and SSS on the SAP and HRS implementation.

Yours sincerely



Uschi Schreiber
Director-General
26/2/07

DAA-3

From: Nigel Hey
To: Damon Atzeni; Jim Sams
Date: 22/02/2007 9:29 am
Subject: Options
Attachments: Briefing Note v1.0.DOC

Hi Damon, Jim

Here is the final draft can you have a quick look please. It is now only two options and I've cut out all my diagrams and just left it plain and simple. Any major issues - either we do it ourselves with EQ and an early 08 golive or stick to the current plan for July with workbrain and all the risks that that entails.

I ahve to have this up to Michael in half an hour so any feedback in the next 20 mins if possi.

Thanks

Nigel

+++
Nigel Hey
Program Director, QHEST
Enterprise Solutions Transition
Queensland Health
Tel:+617 3234 1813

DAA-4

**Queensland Health
BRIEFING NOTE FOR INFORMATION**

| |
|-------------------------------------|
| OK |
| Dated / / |
| Approved / not Approved |
| Further information required |
| |
| Dated / / |

TO: HR Board

FROM: *Nigel Hey*
 Director QHEST

SUBJECT: Progress of the Queensland Health Enterprise Solutions Transition (QHEST) program

PURPOSE

To provide information on the progress of the Queensland Health Enterprise Solutions Transition (QHEST) program of work.

RECOMMENDATION

It is recommended that the HR Board note the progress of the QHEST program and consider all activities, competing demands and dependencies associated with the program.

CURRENT ISSUES

In February 2007 significant business risk was identified around the HR/Payroll/Rostering solution being unsupported from 1/8/07 due a contract extension with the vendor beyond August 2008 being non-negotiable.

The imperative to have a fully supported and functional HR/Payroll/Rostering solution (system and business processes) implemented within Queensland Health by 1 July 2008 has seen a number of changes in QHEST's prioritisation of activity.

A number of whole-of-Government HR Solution scheduling negotiations have commenced to address this issue. It will be necessary for QH to make key business model decisions identifying the agencies preferred future state for HR Service Delivery.

Key Program Activities

- Implementation Product Rollout Options with associated risks and supporting management strategies developed and presented to the HR Branch.
 - Queensland Health responsible for critical decisions around the preferred Business Model and future state for HR processes to enable the effective deployment of standardised system processes across the organisation.
- Infrastructure requirements aligned to Implementation options presented to inaugural ICT Project Board – to facilitate Information Division and QHEST Program proactively manage the infrastructure requirements associated with Queensland Health's preferred methods of deployment.
- Initiation of communication and engagement with the Agency & SSP stakeholder groups and a practical approach to ongoing change and information distribution.
 - Launch of targeted communication events scheduled to occur post endorsement of Agency preferred implementation model and approach.

PROPOSED ACTIONS

- Queensland Health Executive Management Team (EMT) presented with Queensland Health's preferred implementation model and approach for endorsement 5th April 2008.

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|--|--|--|--|--|
| Author's Name: Rosalie Crumblin Position: Project Manager, QHEST Unit/Dist: QH SS Tel No: 32341692 Date:28/03/07 | Cleared By: Nigel Hey Position: Director, QHEST Unit/Dist: QH SS Tel No: 3234 1813 Date:28/03/07 | | | |
|--|--|--|--|--|

- The schedule variation to support Queensland Health's business imperative of HR/Payroll/Rostering Solution implemented by 1/7/08 to be endorsed by the CEO Governing Board on 17th April 2008

BACKGROUND

The Queensland Health Enterprise Solutions Transition (QHEST) is a program of work that was formally established in August 2006 to coordinate the delivery of the whole of Government Shared Service Initiative's Corporate Service Solution Standard Offering to Queensland Health. QHEST consists of two major project areas – Human Resources (including rostering) and Finance with numerous supporting initiatives and project functions across Integration, Information Management/Information Systems, Program Delivery, Process & Performance Management and the Enterprise Systems Consolidation projects that all contribute to the effective delivery of a standardised solution in the required timeframe.

Queensland Health was initially scheduled to implement the entire whole-of-Government HR Standard Offer (SAP, WB, SABA and RASP) from 2007 for go-live in 2009

ATTACHMENTS:

Nil

COMMENTS

| | | | | |
|--|--|--|--|--|
| Author's Name: Rosalie Crumblin Position: Project Manager, QHEST Unit/Dist: QH SS Tel No: 32341692 Date:28/03/07 | Cleared By: Nigel Hey Position: Director, QHEST Unit/Dist: QH SS Tel No: 3234 1813 Date:28/03/07 | | | |
|--|--|--|--|--|

HR BOARD AGENDA

Date and Time: 2 April 2007 8:30am – 9:30am

Venue: 19th Floor Conference Room

HR Board Members: Michael Schafer (A/Chair), Nigel Cumberland, Mary Kelaher, Dr Peter Lewis-Hughes, Terry Mehan, Paul Monaghan (ex-officio capacity), Bronwyn Nardi, Jan Phillips, Roxanne Ramsey, Uschi Schreiber, Gloria Wallace, Sabrina Walsh, Prof Andrew Wilson, Dr Jeannette Young

Apologies: Michael Kalimnios, Dr Stephen Duckett

Secretariat: Jane Carlisle 3234 1180

Agenda Items

Actions

1. Confirmation of minutes
2. Action list - see attachment
3. Agenda
 - 3.1. Queensland Health People Plan – *Raymond Winn*
 - 3.2. SARAS Policy Review – *Tanya Day*
 - 3.3. PAD Policy Review - *Tanya Day*
 - 3.4. HR Delegations Manual - *Tanya Day*
 - 3.5. IBB Review – *Colin Graham*
 - 3.6. Indigenous Health Worker Career Structure Review – *Ainslie Carius*
 - 3.7. HR Operational Plan update - *Raymond Winn*
4. Whole-of-Government HR Solution – *Nigel Hey*
5. Sub-Committee updates
 - 5.1. Workforce, Recruitment and Retention – *Bronwyn Nardi*
 - 5.2. Organisational Development – *Jan Phillips*
 - 5.3. ER/IR and Policy - *Raymond Winn*
 - 5.4. Occupational Health and Safety – *Nigel Cumberland*
6. Other Business (5mins)

Next Meeting – 14 May 2007, 9:00am-10:00am

19th Floor Conference Room, QHB

**Queensland Health
HR BOARD MINUTES
2 APRIL 2007**

PRESENT:

Michael Schafer (A/Chair)
Nigel Cumberland
Martin Jarman
Mary Kelaher
Dr Peter Lewis-Hughes
Bronwyn Nardi
Jan Phillips
Roxanne Ramsey
Gloria Wallace
Jane Carlisle (secretariat)

Guests

Damon Atzeni (QHEST), Ainslie Carius (Workforce Strategy and Change), Tanya Day (Policy and Recruitment), Colin Graham (Industrial Relations), Karen Innes-Walker (Learning and Development), Raymond Winn (HRM Performance and Systems).

APOLOGIES:

Dr Stephen Duckett, Michael Kalimnios, Terry Mehan, Uschi Schreiber, Sabrina Walsh, Prof Andrew Wilson, Dr Jeannette Young

ITEM 1 Confirmation of minutes

Minutes from previous meeting (1 December 2006) ratified by Michael Schafer.

ITEM 2 Action List

3.3 - October HR Board – Staff Complaints process

Consultation complete, documentation being reworked based on feedback.

3.3 – November HR Board – Review IBB process / implementation

The review of IBB implementation is progressing (see agenda item 3.5).

3.7 – November HR Board – Advertising exemption

Draft letter prepared for Department of Premier and Cabinet highlighting QH advertising needs and exemption requirements.

4.2 – December HR Board – PAD Policy review

Stephen Duckett, Peter Lewis-Hughes, Jeannette Young provided feedback on PAD policy to HR Branch. Policy review to specify PAD compliance and recording in Lattice or QIS (see agenda item 3.3).

4.3 – December HR Board – Integrated Safety System

Nigel Cumberland undertaking stocktake of processes that underpin Integrated Safety System.

ITEM 3 Agenda

3.1 Queensland Health People Plan

Mary Kelaher provided an update on the development of the QH People Plan. Additional consultation with General Managers has progressed on integration with other planning processes and implementation of the Plan. A draft is due to be completed in May with broader consultation on the implementation to progress in May 2007.

3.2 SARAS Policy Review

Mary Kelaher discussed the reviewed SARAS policy and the options for implementation. Jan Phillips raised concern that the proposed level of funding for QH doesn't compare well with other agencies. It was suggested that consideration be given to align the level of funding with the rest of the public sector. Alternative forms of professional support already exist and could be incorporated into the Policy. It was agreed that the consultation phase of the Policy review to progress.

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| Agreed Actions: HR Branch to commence consultation on the SARAS Policy and look to review the level of funding and incorporate other sources of professional support. |
|--|

3.3 Performance Appraisal and Development (PAD)

Mary Kelaher provided an update on the review of the PAD policy and progress of implementation. The revised IRM had been issued including an option to monitor compliance. Discussion followed on:

- the option to monitor compliance in the Compliance Control Certificate.
- the impact of new Area Health Service structures and appointment of new District Managers on the ability to be ready to report compliance top down.
- PAD plans to reflect the direction of the Area Health Services.
- the option to measure the progressive increase of compliance in the first 12 months.

Members agreed to report PAD at the highest level of compliance that is realistic for the area of accountability. This will be recorded six monthly in Lattice or QIS and monthly on the Compliance Control Certificate.

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|---|
| Agreed Actions: Members to report for area of accountability the highest level of PAD compliance that is realistic. This will be recorded six monthly in Lattice or QIS and monthly on the Compliance Control Certificate. |
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3.4 HR Delegations Manual

Mary Kelaher presented the HR Delegations Manual, highlighting the changes in the devolution of powers according to position level. Gloria Wallace requested that the NSW comparison information be checked. As the HR Delegations has a major impact on Area Health Services and all General Managers were not present, it was agreed to discuss the draft HR Delegations out-of-session. This item will be carried over to the next meeting so the members can discuss the impact of the changes.

Agreed Actions:

- **HR Branch to check NSW comparison information.**
- **HR Branch to seek feedback on the Manual from the General Managers prior to the May HR Board meeting.**
- **Secretariat to carry agenda item over to the next meeting so the members can discuss the impact of the changes.**

3.5 Interest Based Bargaining (IBB) Review

Colin Graham discussed the review of IBB and consultation forums. Key discussion included:

- The need for a group to resolve issues.
- Management group delivered papers with a series of recommendations.
- Unions would like to reconvene RIBB for a final week and ask the Executive Management Team to close out RIBB.
- The function of the Queensland Health Reform Consultative Group as a consultative group. It is chaired by Stephen Duckett, includes all unions and has a forward-looking focus. Gloria Wallace raised concern that decisions were being made that impacted on service delivery without representation of Area Health Services and Districts Health Services. It was requested that the terms of reference and membership for this Panel be reviewed and options for consultation through this forum be discussed at the next meeting.
- The definition of 'consultation' to be addressed in the IBB Review.
- Enormous amount of resource is being consumed by IBB process. Requested that the QH management position on IBB is discussed at next meeting.
- Get an agreed position to move forward, signed off by Department of Industrial Relations, about what needs to be taken forward by QH to drive reform.

Agreed Actions:

HR Branch to:

- **request the Terms of Reference and Membership for QH Reform Consultative Group and discuss at the next meeting.**
- **include the definition of consultation in the IBB review.**
- **bring the QH management position on IBB to the next meeting.**
- **get an agreed position to move forward, signed off by Dept of Industrial Relations, about what needs to be taken forward by QH to drive reform.**

3.6 Indigenous Health Worker Career Structure

Ainslie Carius discussed the Indigenous Health Worker Career Structure developed in response to the Operational Officers subsidiary agreement negotiations. Central agencies were not supportive of funding the structure so QH has to fund from within existing agreement, preliminary costing of \$3million over 3 years. The Career Structure was finalised in March 2007. The career structure was developed with representatives from each Area Indigenous Workforce Unit, based on the new training agenda and the scope of practice was used to determine the levels of the structure. Members agreed on the Indigenous Health Worker Career Structure subject to identification of funding.

| |
|--|
| Agreed Actions: Members agreed on the Indigenous Health Worker Career Structure subject to identification of funding. |
|--|

3.7 HR Operational Plan Dashboard Report

Mary Kelaher spoke to the HR Operational Plan Dashboard Report and the progress of the various items. Karen Innes-Walker provided an explanation of the status of the Whole-of-Agency Training and Development initiative reported as 'off-track'. Work is underway to define a Learning and Development Framework for QH which will include an activity map of key L&D activities, bring together the key players, reduce duplication of activity and allow a network to be developed. This work is not fully scope and currently unfunded.

ITEM 4 Whole-of-Government HR Solution Implementation

Damon Atzeni provided an update on the progress of the whole-of-government HR Solution with key activities being:

- implementation options being presented to EMT next week
- selected option to go to the Governing Board
- Lattice will not be supported after 1.8.2008
- the system roll-out will be 'big bang' ie all at once with huge staff requirements – phase 1 (230 FTE), phase 2 (270 FTE).

The Queensland Health bandwidth was raised as a risk. A full risk analysis is under development. Data cleansing is progressing so longitudinal data will not be affected and will be maintained in DSS.

ITEM 5 Sub-Committee Updates

5.1 Workforce, Recruitment and Retention

Minutes to be circulated out of session, no additional items raised.

5.2 Organisational Development

Minutes to be circulated out of session, no additional items raised.

5.3 ER/IR and Policy

Minutes to be circulated out of session, no additional items raised.

5.4 Occupational Health and Safety

Minutes noted by HR Board members.

6 Other Business

Nil

Michael Kalimnios

Chair, HR Board

/ / 2007

DAA-7

From: Damon Atzeni
To: Emma Bailey
Date: 5/04/2007 10:02 am
Subject: briefing note for Mary
Attachments: EMT HR Implem rollout brief v0.03.DOC

Hi Emma

here is the brief we have adjusted to meet Mary's requirements. Nigel is discussing with her now. It may need some more work but we think it makes more sense and has been simplified as our preferred approach.

regards

Damon Atzeni
Business Integration Manager
Queensland Health Enterprise Solutions Transition
(QHEST) Project Team
Level 24, CPA Building
307 Queen St. Brisbane, Q 4000
Phone: 07 3234 0366
Fax: 07 3234 1420
Email: Damon_Atzeni@health.qld.gov.au

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[File Reference No. if known]

**Queensland Health
BRIEFING NOTE FOR APPROVAL**

TO: Executive Management Team

**FROM: Michael Kalimnios
Executive Director
Corporate Services Division**

SUBJECT: whole-of-Government Human Resource Solution Implementation Strategy

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|---|
| OK Dated / / |
| Noted / Approved / Not Approved Further information required |
| Dated / / |

PURPOSE

To seek Executive Management Team approval of the proposed whole-of-Government (woG) Human Resource (HR) Solution implementation strategy for Queensland Health.

RECOMMENDATION

It is recommended that the Executive Management Team approve the proposed woG HR Solution implementation strategy and anticipated benefits.

CURRENT ISSUES

Queensland Health needs to implement the new woG HR Solution Implementation by 31 March 2008 to enable continuity of the Agency's payroll and rostering functions (i.e. replace Lattice/ESP with SAP/Workbrain).

The key issues arising from the need to accelerate the implementation of the new woG HR Solution include:

- ability to meet the aggressive implementation timeline;
- potential change impacts for employees and managers (training, business processes);
- risk to the Agency if the new HR solution is unable to be built to meet the implementation timeline;
- risk to the Agency and SSP if the new HR Solution does not deliver the functionality required to effectively manage ongoing payroll and rostering functions;
- risk to the Agency of the Queensland Health Technology infrastructure being unable to deliver the solution to the Agency and SSP users.

PROPOSED ACTIONS

Implement the new woG HR Solution using a "staged functional rollout approach" with the following features and benefits:

Stage 1 (1/7/07 to 30/6/08): SAP HR Payroll and Workbrain

- build and implement baseline payroll and rostering functionality with simultaneous implementation across the Agency;
- minimise change within the Agency by retaining the majority of the current business processes
 - establishment and employee movements – **no process change** (but greater focus on improving information timeliness);
 - roster development – **minimal process change**: where a line manager currently uses ESP/eXpert to create their roster they will change to the use of a standard excel

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| Author: Damon Atzeni Position: Integration Manager, QHEST Tel No: 3234 0366 Date: | Cleared by: Nigel Hey Position: Director, QHEST Tel No: 3234 0369 Date: | Cleared by: Michael Kalimnios Position: Executive Director Corporate Services Tel No: 3234 1685 Date: |
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spreadsheet to undertake this process as apposed to initial training of 11,000 line managers in Workbrain. All rosters will be uploaded (no data entry) to Workbrain directly from the excel spreadsheet. SSP will continue to administer and maintain roster changes via liaison with line managers to ensure accurate pay outcomes;

- employee roster or time & attendance changes – **no process change** (continue to be a blend of call centre and paper based channels);
- employee personal details changes – **no process change**;
- Only SSP staff will be required to utilise the new systems restricting the change and training impacts and supporting a simultaneous Agency implementation approach;
- Minimises Agency change during a new Enterprise Bargaining negotiation period;
- Consider including the implementation of Employee and Manager Self Service to a small area of Queensland Health who have dedicated PC access;
- Undertake an Agency based consultative scoping activity to identify how Queensland Health can best utilise SABA and RecruitASP Full.

**Stage 2 (1/7/08 – 1/7/10): SABA (eLearning, Training and Performance Management)
RecruitASP Full
Wider deployment of Employee and Manager Self Service using a
blend of provisioning methods**

- Implement SABA gaining standardised use of a contemporary, e-enabled, statewide learning and performance management system with appropriate corporate governance;
- Implement RecruitASP Full gaining a contemporary, web enabled recruitment system to support selection panel activity;
- Commence consultative change to standardise business processes where necessary (eg. for employee roster or time & attendance changes);
- Undertake a business and technical feasibility assessment of a range of ESS and MSS provisioning options (eg. assisted ESS/MSS call centres, web kiosks, stand alone shared desktop computers, dedicated PC's) to determine an appropriate blend for Queensland Health business;
- Commence consultative change to implement the Agency's preferred ESS and MSS model (or retain manual processes as required).

BACKGROUND

Consistent with the Shared Service Initiative Queensland Health is required to implement the new woG HR Solution in accordance with the woG implementation schedule (9.0). Queensland Health is currently positioned at the end of schedule (9.0) with a planned implementation date of early 2009 and would be subject to all subsequent woG implementation schedule changes, slippage and program de-scoping impacts.

A high level business risk for Queensland Health recently emerged when the Agency was unable to negotiate ongoing application support for the current Lattice HR/Payroll system beyond 1 August 2008.

A subsequent risk assessment identified that the most appropriate mitigation strategy was to renegotiate Queensland Health's position within the woG implementation schedule (9.0) bringing forward the rollout of the new woG HR Solution to 31 March 2008 enabling continuity of the Agency's rostering and payroll function (i.e. replacing Lattice and ESP with SAP and Workbrain by 31 March 2008).

Concerns have been raised by QHEST and the SSP as to the availability of Workbrain under the new implementation timeline for Queensland Health. As such a contingency plan has been developed where after a 3 month application development period the Workbrain system development progress is assessed.

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If determined as insufficient to meet the required timeline an immediate interface development activity will be undertaken to link SAP HR/Payroll with the existing ESP rostering application.

Development of the HR Implementation Options and preferred approach was determined through a process of analysis focussing on change impact, business benefits and time imperatives. Risk mitigation was undertaken by QHEST and validated by HR Branch with respect to meeting Queensland Health's strategic direction for Human Resources.

COMMENTS

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| Author: Damon Atzeni Position: Integration Manager, QHEST Tel No: 3234 0366 Date: | Cleared by: Nigel Hey Position: Director, QHEST Tel No: 3234 0369 Date: | Cleared by: Michael Kalimnios Position: Executive Director Corporate Services Tel No: 3234 1685 Date: |
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DAA-8

From: SS QH Shared Services
To: EDCS EDCS; Gloria Wallace; hannah.makepeace@sharedservices.qld.gov.au;...
Date: 4/5/2007 10:47 am
Subject: QHSSP Governing Board papers
Attachments: GB Unconfirmed Minutes 061004.DOC; Agenda Item 4 attachment.DOC; Agenda Item 5 - Service Standardisation.DOC; Agenda Item 6 - Accommodation Strategy.DOC; Agenda Item 8 - Performance Reporting.DOC; Agenda_GovBoard_070410.doc

Good morning,

Please find attached the agenda and papers for the QHSSP Governing Board meeting on Tuesday 10 April 2007.

QHSSP Directorate

Phone: (07) 3006 5162
Fax: (07) 3006 5160

QH_Shared_Services@health.qld.gov.au

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**Queensland
Government**
Queensland Health

**QUEENSLAND HEALTH
SHARED SERVICES GOVERNING BOARD
Meeting No 1/07**

*Date: 10th April 2007
Time: 12.30 p.m. - 2.00 p.m.
Place: 19th Floor Conference Room, Qld Health Building*

Board Members:

- Director-General (Chair)
- Roxanne Ramsey, General Manager, Northern Area Health Service
- Terry Mehan, General Manager, Central Area Health Service
- Gloria Wallace, General Manager, Southern Area Health Service
- Michael Kalimnios, Executive Director Corporate Services
- Paul Monaghan, A/Executive Director, QHSSP

Secretariat to the Board:

- Lyndie Willcox, QHSSP

Invited Guests:

- Barbara Perrott, Executive Director Policy & Program Office
- Liz John, Principal Business Services Officer, Corporate Services

AGENDA ITEMS

INTRODUCTORY COMMENTS

1. Open Meeting and Apologies

MEETING MINUTES

2. Confirm Minutes of last meeting on 4 October 2006 Chair
3. Action Items from previous minutes Chair
 - 3.1 Send service standardisation report to Board members
 - 3.2 Distribute OLA for final signature

QUEENSLAND HEALTH

4. Costing & Pricing P Monaghan
5. Service Standardisation Outcomes (to be tabled) M Kalimnios
6. QHSSP Accommodation Strategy P Monaghan
7. Financial Performance (to be tabled) P Monaghan
8. Performance Reporting Project P Monaghan

WHOLE-OF-GOVERNMENT

9. HR and Finance Solution Implementation Update (to be tabled) P Monaghan

NEXT MEETING

30th July 2007
12.30 p.m. – 2.00 p.m.
Floor 19 Conference Room, Queensland Health Building

DAA-9

From: Andrea Sams
To: Nigel Hey
Date: 4/10/2007 11:53 am
Subject: Re: Governing Board HRFIN Implem rollout brief v0.01.DOC
Attachments: Governing Board.DOC

Here are my thoughts

Andrea Sams
Project Manager
FI Implementation

Queensland Health
GPO Box 48
Brisbane Qld 4001

Ph: (07) 3405 5785 Fax: 3234 1420
Email: andrea_sams@health.qld.gov.au

>>> Nigel Hey 10/04/07 10:37:46 am >>>
Andrea, can you review this rapidly please from a finance perspective?

Thanks

Nigel

+++
Nigel Hey
Program Director, QHEST
Enterprise Solutions Transition
Queensland Health
Tel:+617 3234 1813

[Insert RecFind number if known]

[File Reference No. if known]

**Queensland Health
BRIEFING NOTE FOR APPROVAL**

TO: SSP Governing Board

**FROM: Nigel Hey
Director, QHEST**

**SUBJECT: Whole-of-Government Human Resource and Finance Solution
Implementation Strategy**

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| OK Dated / / |
| Noted / Approved / Not Approved Further information required |
| Dated / / |

PURPOSE

To seek endorsement from the SSP Governing Board of the preferred approach for implementation of the Whole of Government HR and Finance solutions.

RECOMMENDATION

It is recommended that the Executive Governing Board approve the proposed woG Solution implementation strategy and anticipated benefits.

CURRENT ISSUES

Queensland Health needs to begin implementation of the new woG HR Solution by 31 March 2008 to enable continuity of the Agency's payroll and rostering functions (i.e. replace Lattice/ESP with SAP/Workbrain). This aggressive timeline means that the implementation as a whole will need to be phased, with 3 or 4 significant tranches of work. This phased approach has also been recommended by SMS Consulting in their "Blueprinting and Gap Analysis" paper and WorkforceEdge in their "Strategic Analysis of Rostering Transition" paper.

The key issues arising from the need to accelerate the implementation of the new woG Solutions include:

- The ability of Queensland Health, QHSSP, CorpTech/SSS and vendors to meet the aggressive implementation timeline;
- The potential change impacts for employees and managers (training, business processes);
- The level of integration with the whole of Government initiative introduces a high level of risk and numerous elements of a traditional implementation (such as vendor negotiations) are effectively outside the control of the project team;
- Vendor resourcing and capacity, particularly in the area of rostering (Workbrain);
- Product fit for Queensland Health, particularly in the area of rostering;
- Existing staff capacity to continue day to day operations given the impact of the implementation;
- The capacity of ID, given competing project commitments, to deliver resources or application delivery solutions in the required timeframes.

PROPOSED ACTIONS

Implement the new woG Solution using a "staged functional rollout approach" with the following features and benefits:

Stage 1 (1/7/07 to 30/6/08): SAP HR Payroll and Workbrain

- build and implement baseline payroll and rostering functionality with simultaneous implementation across the Agency;

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- minimise change within the Agency by retaining the majority of the current business processes
 - establishment and employee movements – **no process change** (but greater focus on improving information timeliness);
 - roster development – **minimal process change**: where a line manager currently uses ESP/eXpert to create their roster they will change to the use of a standard excel spreadsheet to undertake this process as opposed to initial training of 11,000 line managers in Workbrain. All rosters will be uploaded (no data entry) to Workbrain directly from the excel spreadsheet. SSP will continue to administer and maintain roster changes via liaison with line managers to ensure accurate pay outcomes;
 - employee roster or time & attendance changes – **no process change** (continue to be a blend of call centre and paper based channels);
 - employee personal details changes – **no process change**;
- Only SSP staff will be required to utilise the new systems restricting the change and training impacts and supporting a simultaneous Agency implementation approach;
- Minimises Agency change during a new Enterprise Bargaining negotiation period;
- Consider including the implementation of Employee and Manager Self Service to a small area of Queensland Health who have dedicated PC access;
- Undertake an Agency based consultative scoping activity to identify how Queensland Health can best utilise SABA and RecruitASP Full.
- Seek an implementation partner or leverage the established partnerships within CorpTech to source supplementary resources for build, configure, test and implementation activities.

**Stage 2 (1/7/08 – 1/7/10): SABA (eLearning, Training and Performance Management)
RecruitASP Full
Wider deployment of Employee and Manager Self Service using a
blend of provisioning methods**

- Implement SABA gaining standardised use of a contemporary, e-enabled, statewide learning and performance management system with appropriate corporate governance;
- Implement RecruitASP Full gaining a contemporary, web enabled recruitment system to support selection panel activity;
- Commence consultative change to standardise business processes where necessary (eg. for employee roster or time & attendance changes);
- Undertake a business and technical feasibility assessment of a range of ESS and MSS provisioning options (eg. assisted ESS/MSS call centres, web kiosks, stand alone shared desktop computers, dedicated PC's) to determine an appropriate blend for Queensland Health business;
- Commence consultative change to implement the Agency's preferred ESS and MSS model (or retain manual processes as required).
- This stage can be further decomposed into 2 or 3 phases, which include operationalising the toolsets.

Finance Options

CorpTech have confirmed that a Finance Solution implementation is possible within the above timeframes. Specifically, they have indicated a go live in the Agency of 28th April 2008 is feasible. This implementation would include the core finance solution, other SAP functionality (OSF) and Agency Specific requirements (ie. Inventory Management Module known as Barcoding Solution). The timeline for implementation proposed by CorpTech would provide improved functionality, particularly with regards to the shopping cart and project and program management module. In addition, it would provide the platform for future HR – Finance integration.

The misalignment of the Finance and HR Solution implementation schedules proposed by CorpTech means that in the interim period the DSS Interface would need to be maintained. Further work needs to

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be undertaken with the DSS Team to ensure that this is feasible. However, this interface currently exists and maintains the current business practice.

There are some concerns regarding the risk associated with doing a parallel implementation with other Agencies, as these may impact the tight timelines associated with Queensland Health's requirements. The Finance team is currently assessing the options with CorpTech and these will be available by April 13th 2007.

Stage 1 (1/5/07 to 28/4/08): SAP FI ECC5 my SAP 2004

- build and implement baseline finance solution as per current FAMMIS product suite with additional functionality developed for Release 4 Agencies and required OSF elements;
- minimise change within the Agency by retaining the majority of the current business processes
 - core finance functionality is retained for the majority of users – **no process change** (but greater focus on improving data input and reporting);
 - CMMS (known as Plant Maintenance in SAP 4.6B and Asset Maintenance Module in ECC 5) – currently a highly customised module within FAMMIS, the move to a whole-of-Government Solution will require - **some process change**: detailed process design have been signed off by Agency users and further discussion is occurring with CorpTech to ensure product delivered meets business need;
 - SRM – Supplier Relationship Management web based requisitioning and catalogue search tool, currently the majority of users. This will impact on the way in which over 2000 users interact with SAP Finance – **some process change**: activity remains the same but will have more robust approval process;
 - Portal – new delivery method for all users – **some process change**: applications will be delivered via Portal allows user to perform approval process. In addition e:forms with supporting workflow will be delivered via this solution;
 - Agency Specific transactions have been identified and developed within the new Finance Solution – **some process change**: inventory management solution yet to be built by CorpTech and reviewed by Agency and SSP staff.
- Agency and SSP staff will be required to utilise the new Finance solution;
- Enables a number of other concurrent Finance and Materials Management projects to be supported;
- Consider seeking an implementation partner or leverage the established partnerships within CorpTech to source supplementary resources for build, configure, test and implementation activities;
- Rollout strategy will be “Big Bang” approach – FAMMIS well established within User group, it is anticipated that while user roles will change, the majority of current users will retain access. Strategy will require well supported user acceptance testing and training strategy.

Stage 2 (1/5/08 to 1/7/10): SAP FI ECC5 my SAP 2004

- Work will continue on functionality implemented in Stage 1 this may mean that further functionality becomes available or is identified by the QHEST FSI Team for implementation.
- Current Schedule 9 indicates that the final release commences in October 2008. As further relevant functionality is developed or system enhancements occur a ‘retrofit’ of those Agencies which have gone live needs to occur. This may affect Queensland Health if we go-live prior to this date.
- CorpTech is yet to identify the upgrade path for all Agencies following completion of Schedule 9. ECC 5 mySAP 2004 begins maintenance period in 2010.

Consideration should be given to decoupling the Finance and HR Solution and to allow separate implementation schedules. The Finance Solution will provide an updated Enterprise Structure to the HR

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Solution team and DSS Team to allow continued development of appropriate interface to facilitate payroll postings within General Ledger. A go-live date of 1 July 2008 would enable CorpTech to provide some surety around product delivery (especially Agency Specific requirements) and would allow time for more intense User Acceptance and Integration testing. This date would also allow Finance users to post financial data for 07/08 year into 4.6B and begin 08/09 financial year in new platform.

BACKGROUND

Consistent with the Shared Service Initiative Queensland Health is required to implement the new woG HR and Finance solutions in accordance with the woG implementation schedule (9.0). Queensland Health is currently positioned at the end of schedule (9.0) with a planned implementation date of early 2009 and would be subject to all subsequent woG implementation schedule changes, slippage and program de-scoping impacts.

A high level business risk for Queensland Health recently emerged when CorpTech advised that ongoing application support for the current Lattice HR/Payroll system would not be available beyond 1 August 2008. Extensive communications with CorpTech have not changed this position.

A subsequent risk assessment identified that the most appropriate mitigation strategy was to renegotiate Queensland Health's position within the woG implementation schedule (9.0) bringing forward the rollout of the new woG HR Solution to 31 March 2008 enabling continuity of the Agency's rostering and payroll function (i.e. replacing Lattice and ESP with SAP and Workbrain by 31 March 2008). Initial advice from CorpTech was that a Finance implementation should occur prior to the HR implementation, as based on their experience with a prior release. Effort would be required to decouple HR and Finance. However, Queensland Health has the option of using its Decision Support System (DSS) to facilitate this decoupling and negotiations with CorpTech are ongoing.

There were some concerns raised within Queensland Health regarding the ability of the Workbrain solution to satisfy SSP functionality requirements, and a series of workshops were held with the SSP, QHEST and SSS to alleviate these concerns. At the same time, an analysis of the rostering transition options was commissioned by the Director, QHEST and this analysis was completed on March 30th 2007. The outputs from this analysis indicate a number of risks and challenges that must be addressed during the Workbrain implementation to ensure that it can be completed successfully.

Concerns have been raised by QHEST and the SSP as to the availability of Workbrain under the new implementation timeline for Queensland Health. As such a contingency plan has been developed where after a 3 month application development period the Workbrain system development progress is assessed. If determined as insufficient to meet the required timeline an immediate interface development activity will be undertaken to link SAP HR/Payroll with the existing ESP rostering application. Further work must be undertaken to formalise the acceptance criteria associated with the go/no go decision.

Queensland Health currently uses SAP as its Finance Solution (FAMMIS – Finance and Materials Management Information System). It was first implemented in 1997 and has been subsequently upgraded once to 4.6B. There are currently over 5000 users across Queensland Health.

Development of the HR and Finance Implementation Options and the recommended approach was undertaken by concentrating on risk, costs and benefits. An initial body of work to further develop the risk approach was undertaken by SMS Consulting.

COMMENTS

SSA

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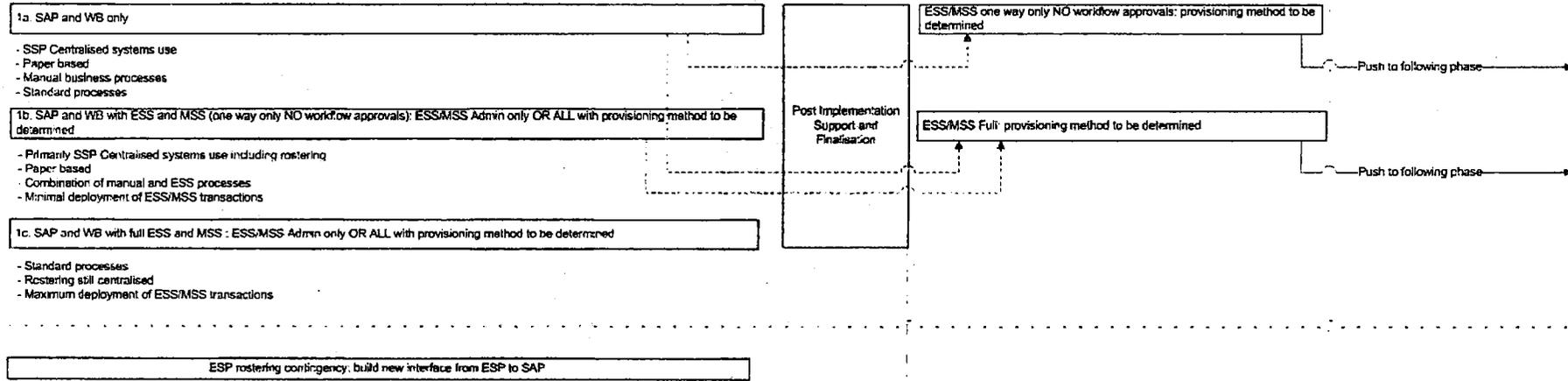


April/May 07 June/July 07 Aug/Sep 07 Oct/Nov 07 Dec/Jan 07 Feb/Mar 08 April/May 08 June/July 08 July 09 Jul 10

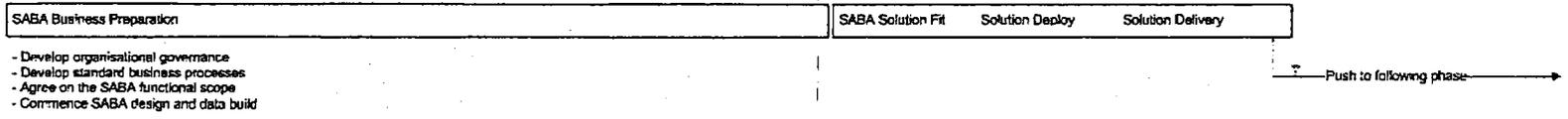
★ Agency Endorses Implementation Model
★ Standard Offer Implementation Blueprint Signed Off

☆ Pre-prod Health SO R1.0 Built

★ FI Go-Live ★ HR Go-Live



DAAA-170



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Queensland Health
BRIEFING NOTE FOR APPROVAL

TO: Executive Management Team

FROM: Michael Kalimnios
Executive Director
Corporate Services Division

SUBJECT: whole-of-Government Human Resource Solution Implementation Strategy

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| Noted / Approved / Not Approved Further information required Dated / / |

PURPOSE

To seek Executive Management Team approval of the proposed whole-of-Government (woG) Human Resource (HR) Solution implementation strategy for Queensland Health.

RECOMMENDATION

It is recommended that the Executive Management Team approve the proposed woG HR Solution implementation strategy and anticipated benefits.

CURRENT ISSUES

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The key issues arising from the need to accelerate the implementation of the new woG HR Solution include:

- ability to meet the aggressive implementation timeline;
- potential change impacts for employees and managers (training, business processes);
- risk to the Agency if the new HR solution is unable to be built to meet the implementation timeline;
- risk to the Agency and SSP if the new HR Solution does not deliver the functionality required to effectively manage ongoing payroll and rostering functions;
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spreadsheet to undertake this process as apposed to initial training of 11,000 line managers in Workbrain. All rosters will be uploaded (no data entry) to Workbrain directly from the excel spreadsheet. SSP will continue to administer and maintain roster changes via liaison with line managers to ensure accurate pay outcomes;

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BACKGROUND

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A high level business risk for Queensland Health recently emerged when the Agency was unable to negotiate ongoing application support for the current Lattice HR/Payroll system beyond 1 August 2008.

A subsequent risk assessment identified that the most appropriate mitigation strategy was to renegotiate Queensland Health's position within the woG implementation schedule (9.0) bringing forward the rollout of the new woG HR Solution to 31 March 2008 enabling continuity of the Agency's rostering and payroll function (i.e. replacing Lattice and ESP with SAP and Workbrain by 31 March 2008).

Concerns have been raised by QHEST and the SSP as to the availability of Workbrain under the new implementation timeline for Queensland Health. As such a contingency plan has been developed where after a 3 month application development period the Workbrain system development progress is assessed.

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If determined as insufficient to meet the required timeline an immediate interface development activity will be undertaken to link SAP HR/Payroll with the existing ESP rostering application.

Development of the HR Implementation Options and preferred approach was determined through a process of analysis focussing on change impact, business benefits and time imperatives. Risk mitigation was undertaken by QHEST and validated by HR Branch with respect to meeting Queensland Health's strategic direction for Human Resources.

COMMENTS

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|--|--|---|

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: <nigel_hey@health.qld.gov.au>, <Damon_Atzeni@health.qld.gov.au>
Date: 4/2/2007 3:29 pm
Subject: Sourcing Strategy Contact

Hi Nigel, Damon,

As per our discussion last week it is possible to engage IBM resources under the current Corpotech contract. To engage this process, it is necessary to detail the QH resource requirement (positions and initial duration) in an email and send to SourcingStrategy@treasury.qld.gov.au, copying Shayne.McConaghy@corpotech.qld.gov.au.

In the email, note that you would like the request to go directly to IBM for sourcing. IBM will receive the request and will subsequently provide a response that will include individual resource resumes (against each position) and relevant cost detail. Sourcing Strategy will forward this information to you for consideration.

For resources that QHEST wish to book, a booking request notification must be sent via email to Sourcing Strategy, detailing the desired resource and duration. IBM is notified of the request and confirms the booking with Sourcing Strategy, supplying the appropriate documentation.

If you copy me on the initial email to Sourcing Strategy I can assist in the management of the process.

Let me know if I can assist further.

Regards

Jason.

From: Damon Atzeni
To: jason.cameron@au1.ibm.com; Mark.Foley@corpotech.qld.gov.au
CC: Jim Sams; Leanne Bulmer; Neil Glentworth; Rosalie Crumblin
Date: 8/03/2007 1:45 pm
Subject: Health Workbrain requirements
Attachments: SSS must provide by the 31 March.doc

Hi All

Please see attached the list of requirements Health need to ensure Workbrain meets our business needs and time imperatives. This List has been provided to SSS. Please keep this for your information only as it is yet to be responded to.

regards

Damon Atzeni
Business Integration Manager
Queensland Health Enterprise Solutions Transition
(QHEST) Project Team
Level 24, CPA Building
307 Queen St. Brisbane, Q 4000
Phone: 07 3234 0366
Fax: 07 3234 1420
Email: Damon_Atzeni@health.qld.gov.au

SSS must provide by the 31 March:

- Deliver a complete Workbrain Development plan that can meet a 30 November 2007 system test date (Pre Prod environment)
- Deliver a Developer resource plan to adequately satisfy the completion of Workbrain build by November 2007 (Names and Dates of commencement to be provided)
- Test Plan commencing the 30 November 2007 to be provided with resource plan to support a full test of the Workbrain product, integrated and interfaced with the Saba and SAP products
- Allow for a 4 week UAT window to test functionality of Workbrain from 21st January 2008
- CBT Training products and documentation to be provided for all modules of the Workbrain Solution by 30 November 2007
- Guarantee of delivery of a fully functioning product set by 3rd March 2008
- Supply Support Strategy and mapped call centre process for product issue logging, prioritisation, escalation and issue resolution
- Provide a multi access (25users):
 - 1. a sand pit Environment for Health Staff to access via QHealth network and to explore and test functionality, socialise the product and promote cultural acceptance for the new solution
 - 2. a test environment accessible from Health Network
 - 3. training environment accessible from Qhealth Network
- Award interpretation must be fully functional in Workbrain by November 30 2007
- Demonstrate and identify Roster development/creation processes (for adhoc rosters) and employee data management in a roster in a working Workbrain solution
- Demonstrate and identify exception maintenance processes in a live roster and cost centre dissection of shifts worked in a working Workbrain solution
- SSS to provide **printed** examples of Reports to be provided including a daily staffing analysis and printable version of the Workbrain roster by 16th April 2007 that meet Health requirements.
- Weekly Briefing meetings with Workbrain process Team and Workbrain Development Lead to ensure development is on track.
- Demonstratable link between Saba and Workbrain for skills interface
- Demonstrated Planned link to and from SAP and Workbrain to provide payroll data by end of September 2007
- Workbrain Agency Specific(IR 2.5) items that are mandatory for business continuity are developed as soon as practicably for the Health Preproduction release

- Knowledge Transfer Sessions and Impact Assessment Workshop with Functional experts (not Implementation resources) to be planned and provided along with WorkBrain Data collection tool and method to be delivered by 16th April 2007
-

DAA-14

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: "Damon Atzeni" <Damon_Atzeni@health.qld.gov.au>
Date: 15/03/2007 3:21 pm
Subject: Re: SSS Development Planning

Hi Damon,

Just tried calling but missed you, my mobile is 0412371387. Am free any time tomorrow for the session.

Regards

Jason

"Damon Atzeni"
<Damon_Atzeni@health.qld.gov.au>
15/03/2007 12:37 PM
To
Jason Cameron/Australia/IBM@IBMAU
cc
Subject
Re: SSS Development Planning

Hey Jason

Can you send me your mobile number as I have left my mobile at home and don't have your number any where so can't contact you.

regards

Damon Atzeni
Business Integration Manager
Queensland Health Enterprise Solutions Transition
(QHEST) Project Team
Level 24, CPA Building
307 Queen St. Brisbane, Q 4000
Phone: 07 3234 0366
Fax: 07 3234 1420
Email: Damon_Atzeni@health.qld.gov.au

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From: Damon Atzeni
To: Dennis Brown; Neil Glentworth; Nigel Hey
Date: 3/04/2007 1:40 pm
Subject: What do you think of this simple request? Directed to Sourcing and strategy at corptech

To whom it may concern

Could I please place a request to be directed to IBM only for resource sourcing.

We require 3 change and communications resources, a senior implementation resource, and 10 system analysts for a period of 4months initially.

Could you please expedite this process as soon as possible.

regards

Damon Atzeni
Business Integration Manager
Queensland Health Enterprise Solutions Transition
(QHEST) Project Team
Level 24, CPA Building
307 Queen St. Brisbane, Q 4000
Phone: 07 3234 0366
Fax: 07 3234 1420
Email: Damon_Atzeni@health.qld.gov.au

DAA-16

From: Damon Atzeni
To: Jason Cameron IBM
Date: 3/04/2007 1:42 pm
Subject: Fwd: What do you think of this simple request? Directed to Sourcing and strategy at corptech
Attachments: What do you think of this simple request? Directed to Sourcing and strategy at corptech

is this all that is required?

regards

Damon Atzeni
Business Integration Manager
Queensland Health Enterprise Solutions Transition
(QHEST) Project Team
Level 24, CPA Building
307 Queen St. Brisbane, Q 4000
Phone: 07 3234 0366
Fax: 07 3234 1420
Email: Damon_Atzeni@health.qld.gov.au

From: Damon Atzeni
To: Dennis Brown; Neil Glentworth; Nigel Hey
Date: 3/04/2007 1:50 pm
Subject: I would want to send this through to sourcing and strategy for Accenture SAP Resources

To whom it may concern :

Could I please place a request to be directed to Accenture only for resource sourcing.

We require 10 system analysts for a period of 4months initially.

Could you please expedite this process as soon as possible.

regards

Damon Atzeni
Business Integration Manager
Queensland Health Enterprise Solutions Transition
(QHEST) Project Team
Level 24, CPA Building
307 Queen St. Brisbane, Q 4000
Phone: 07 3234 0366
Fax: 07 3234 1420
Email: Damon_Atzeni@health.qld.gov.au

From: "Damon Atzeni" <Damon_Atzeni@health.qld.gov.au>
To: <jason_cameron@health.qld.gov.au>
Date: 6/4/2007 4:44 pm
Subject: Fw: Enterprise Structure
Attachments: Re: Enterprise Structure

Can you add any more to this Jason?

Rgds
Damon

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From: <SourcingStrategy@treasury.qld.gov.au>
To: "Damon Atzeni" <Damon_Atzeni@health.qld.gov.au>
CC: <sandra.bowtell@corpotech.qld.gov.au>, <SourcingStrategy@treasury.qld.gov...>
Date: 18/04/2007 2:37 pm
Subject: Re: request for assistance
Attachments: GITC Official Order_IBM AppDev.pdf; Customer Contract GITC V5 Arena 20050713 FINAL - Signed Copy.pdf

Damon,

As mentioned, you don't need CorpTech to be the middle man (so to speak) for engaging contractors via the External Service Partners (ESP) .

I do require a request for a copy of the Agreement, however the engagement of the resources is direct between the Agency and the ESP and in accordance with the Agency's procurement rules. Please also be aware that these arrangements are based on a Standing Offer Arrangement and that they are non exclusive. CorpTech utilises a variety of procurement and contracting methods to seek value for money contractors for the SSS project.

I have attached the Agreement between the State of Queensland and IBM for the supply of Application Development contractors.

I have also attached the Agreement between the State of Queensland and Arena for the supply of change and communications resources.

Sandra - I left a phone message for you a while ago to see that to your knowlegde this is still the case.

regards,
Maree

(See attached file: GITC Official Order_IBM AppDev.pdf)(See attached file: Customer Contract GITC V5 Arena 20050713 FINAL - Signed Copy.pdf)

Resource Management Unit / CorpTech
 Level 6, 61 Mary Street, Brisbane
 PH: 07 322 42560 (Shayne McConaghy)
 07 324 74148 (Shirley Millett)
 07 322 44994 (Graeme Ottaway)
 07 322 77552 (Maree Blakeney)
 07 322 77760 (David Chapman)
 07 323 54909 (Alex Callegari)

Fax: 07 3238 3012

"Damon Atzeni"
 <Damon_Atzeni@health.qld.gov.au>
 To
 <sandra.bowtell@corpotech.qld.gov.au>
 18/04/2007 02:18 PM
 cc
 <SourcingStrategy@treasury.qld.gov.au>
 Subject
 request for assistance

Hi Sandra

I directed this email to sourcing and strategy and they stated they had sent it on to you for your advice.

Could I please place a request to be directed to IBM only for resource sourcing.

We require 3 change and communications resources, a senior HR implementation resource, and 10 system analysts for a period of 4 months initially.

Could you please expedite this process as soon as possible as we have been informed that we can leverage off Corptech's existing panel.

regards

Damon Atzeni
Business Integration Manager
Queensland Health Enterprise Solutions Transition
(QHEST) Project Team
Level 24, CPA Building
307 Queen St. Brisbane, Q 4000
Phone: 07 3234 0366
Fax: 07 3234 1420
Email: Damon_Atzeni@health.qld.gov.au

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From: Damon Atzeni
To: Nigel Hey
Date: 4/24/2007 8:25 am
Subject: Re: Treasury

It would be interesting to know exactly what was said between UT and DG.
The Requests on Corptech are not anything greater than standard offering for us and the tender contract for Workbrain will be agreed to shortly (according to IBM) with no real problem with delivery.

Does this mean Gerard has a disaster plan for the upcoming front page news that "HE" couldn't pay Health?

Some thing big is going on.....

Damon

>>> Nigel Hey 04/24/07 8:03 am >>>

Hi damon, maybe too optimistic for the amount of sleep I just had :-) I think that's probably the way to go but doesn't answer any of our concerns with corptech and their ability to deliver. In fact, gerards message reinforces corptechs original line, thinking and methods...I'll see what paul has to say this morning and catch up with you.

Nigel

-----Original Message-----

From: Damon Atzeni
To: Nigel Hey
Creation Date: 4/24 7:15 am
Subject: Re: Treasury

Hi Nigel

Politically Gerard has made a good move but I hope he has loosened the hold so that we can cover our Agency risk of no payroll. Despite the fact Logica may buy out the support contract and charge us a gazillion dollars, No one is helping the fact our payroll literally falls over the line each fortnight. It won't be fixed.

Maybe we could pitch our initial run in parallel again. After talking with IBM yesterday sounds like DETA may have had a heavy influence on this under the radar.

I still don't believe that the rest of the sector will be ready to proceed and we will come forward naturally.

Is this too optimistic for the morning?

Rgds
Damon

-----Original Message-----

From: Nigel Hey
To: Damon Atzeni
Creation Date: 4/23 9:56 pm
Subject: Fw: Treasury

Hi damon

If you are still awake you may as well read this. Disappointing coming on the back of pauls news...

See you tomorrow, I am meeting with paul and michael first thing.

Nigel

From: Nigel Hey
To: Damon Atzeni
Date: 24/04/2007 8:03 am
Subject: Re: Treasury

Hi damon, maybe too optimistic for the amount of sleep I just had :-) I think that's probably the way to go but doesn't answer any of our concerns with corptech and their ability to deliver. In fact, gerards message reinforces corptechs original line, thinking and methods...I'll see what paul has to say this morning and catch up with you.

Nigel

-----Original Message-----

From: Damon Atzeni
To: Nigel Hey <Nigel.Hey@health.qld.gov.au>
Creation Date: 4/24 7:15 am
Subject: Re: Treasury

Hi Nigel

Politically Gerard has made a good move but I hope he has loosened the hold so that we can cover our Agency risk of no payroll. Despite the fact Logica may buy out the support contract and charge us a gazillion dollars, No one is helping the fact our payroll literally falls over the line each fortnight. It won't be fixed.

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I still don't believe that the rest of the sector will be ready to proceed and we will come forward naturally.

Is this too optimistic for the morning?

Rgds
Damon

-----Original Message-----

From: Nigel Hey
To: Damon Atzeni <Damon.Atzeni@health.qld.gov.au>
Creation Date: 4/23 9:56 pm
Subject: Fw: Treasury

Hi damon

If you are still awake you may as well read this. Disappointing coming on the back of pauls news...

See you tomorrow, I am meeting with paul and michael first thing.

Nigel

From: Damon Atzeni
To: Jason Cameron IBM
Date: 30/04/2007 9:59 am
Subject: Fwd: Workforce Edge doc
Attachments: Workforce Edge doc

For eyes only

From: Deb James
To: Damon Atzeni
Date: 23/04/2007 7:57 am
Subject: Workforce Edge doc
Attachments: QH-Strategic Analysis of Rostering Transition - Final.pdf

see attached

Deb

Debra James
Senior Project Officer
QH Enterprise Solutions Transition
Level 24, 307 Queen St
Brisbane Q 4000

Ph: 07 3234 0689
GPO Box 48
Brisbane Q 4001

email: debra_james@health.qld.gov.au

Strategic Analysis of Rostering Transition

Prepared for:

**Queensland Health Enterprise Solutions Transition
(QHEST)**



**Queensland
Government**
Queensland Health

Prepared by:



Contact:

Kevin White

+1 250 863 9331

Kevin.white@workforce-edge.com

April 16, 2007



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1. Executive Summary

The Queensland Government has undertaken a Shared Services Initiative to implement a new Whole-of-Government finance/materials management and human resource management information system (HRMIS) for all state Government Agencies. The new HRMIS will consist of a core personnel system (SAP), learning and performance system (SABA), recruitment system (RecruitASP) and rostering toolset (Workbrain). For Queensland Health (QH), this initiative will replace two systems currently in use: the ESP rostering system, and the Lattice payroll system. Recently, the vendor that presently supports the Lattice payroll system notified QH that support for Lattice will cease in June 2008, adding a critical time constraint for the transition of QH to the new solution.

Because of the high impact of this project to Queensland Health facilities and operations across the state, and the significant pressure added by the notification of Lattice support cessation in 2008, Queensland Health identified the need to undertake an urgent assessment around the transition of its current rostering toolset to the Whole-of-Government solution. QH has engaged Workforce Edge, a consulting firm who specialises in rostering practices and systems for health services environments, to perform the assessment. The goal of the assessment is to ensure that QH can readily obtain benefits from the system implementation, and can act in a timely way to resolve any business-related issues that may restrict or reduce this benefits realisation. This document contains the results of the assessment.

Implementation of the Workbrain rostering system will provide a number of opportunities for enhancement to QH business processes. Most notably:

- ∞ Pay rules functionality can be used to remove dependence on custom middleware and provide real-time processing of shifts entered.
- ∞ A web-based product reduces installation and administration requirements, and increases the ability to make the product accessible across all QH facilities and locations.
- ∞ Electronic forms and workflows can be used to reduce paperwork and increase efficiency.
- ∞ Electronic alerts can be implemented to notify Managers, Schedulers and Employees of issues requiring their attention.
- ∞ Self-service functionality can greatly improve service to employees.

Although it provides many benefits, the current version of Workbrain will also introduce challenges. The most significant challenges include an inefficient roster entry process and a general deficiency in the roster management process (including inefficiencies in entry of roster changes for multiple shifts, inability to link related events in a roster change, and difficulties in reviewing relief pool rosters and tracking responses to offered shifts). Enhancements to address these items should be negotiated with Workbrain in order to allow QH to obtain benefits from the project.

In addition, significant risk is also introduced by the aggressive timeline for this project. Implementing a new state-wide payroll system simultaneously with rolling



out a new rostering system to all Hubs and Line Managers will place significant demands for capacity and knowledge on the QH project team and internal staff. A related concern is the ability of Workbrain to supply adequate dedicated and experienced staff given their recent expansion into the Australian market and specifically into the health industry. Finally, integration with the whole-of-government initiative puts key activities (e.g. finalisation of vendor contracts) outside of the direct control of the project.

To address these major risks, the project should be planned in two distinct phases.

Phase I □ Implement Workbrain functionality to facilitate current business processes

The scope of the first phase must be rigidly controlled to allow implementation of critical items by the June 2008 deadline. Specifically, this should be limited to replicating current processes for rostering and time capture for Line Managers and Call Centres, pay rules development, and bi-directional interfacing between Workbrain and the new payroll system. This phase is dependent on enhancements from Workbrain to support efficient roster entry and booking off for multiple shifts, and if these are not possible, workaround solutions will need to be developed before implementation can proceed.

It is recommended that QH leverage Workbrain's EPAK product for online training to facilitate the rapid development and high volume of delivery of training that will be needed to achieve roll out to the large number of users across Queensland Health.

Phase II □ Implement additional functionality and improve business processes

Once Phase 1 is completed, Phase 2 of the project should roll out additional Workbrain functionality to Line Managers and staff to improve rostering processes, develop robust reporting to aid management decisions, and implement self-service and electronic workflow functionality within the general employee population. Full engagement and accountability of operational management at all levels will play a critical role in the success of Phase 2 and the realisation of the potential benefits. Finally, strategies to ensure management commitment to managing and sustaining the change within their area of responsibility should be carefully planned and given the highest possible priority throughout Phase 2.

This second phase is of high strategic value as it allows QH to benefit from the many opportunities for increased efficiency and improvement to business processes that are introduced by the Workbrain system. As such, this phase must be fully integrated into the initial project planning and budget, and detailed implementation planning for Phase 2 should be undertaken as Phase 1 is in progress.



2. Background

Queensland Health (QH) delivers a range of integrated services to the state including hospital inpatient, outpatient and emergency services, community and mental health services, aged care services and public health and health promotion programs. Services are provided through a network of 20 Health Service Districts and the Mater Hospitals (private healthcare providers).

From 1999-2002, QH implemented a centralised, state-wide payroll system called Lattice, to provide payroll processing for all health employees. As part of that project, QH purchased the ESP rostering system from Total Care Technologies to fulfil their time capture and rostering needs. The ESP system has since been acquired by Kronos, who supports the product from an Australian office, with product development personnel located in Kelowna, Canada. ESP is connected to Lattice through proprietary middleware developed by QH. At present, 96% of QH's approximately 55,000 employees are rostered by ESP through eight regional Hubs.

The Queensland Government has now undertaken a Shared Service Initiative to implement a new Whole-of-Government finance/materials management and human resource management information system (HRMIS) in all state government agencies. This initiative includes the following:

- ∞ Replacement of the Finance and Materials Management Information System (FAMMIS) with a newer version of SAP (MySAP 2004)
- ∞ Implementation of a new HRMIS comprising of a core personnel system (SAP), learning and performance system (SABA), recruitment system (RecruitASP) and rostering toolset (Workbrain), which would replace QH's current ESP/Lattice systems.

The management of the implementation of this 'standard offering' in Queensland Health is undertaken by the Queensland Health Enterprise Solutions Transition project (QHEST).

The Shared Services Initiative will help address sustainability issues related to QH's current systems:

- ∞ The support for the current payroll system, Lattice (run by an organisation called Talent 2), will cease in June 2008.
- ∞ The rostering system, ESP, is supported by Kronos under a contract that runs until 2009; at that time a deadline for transitioning onto Kronos' new product set which is replacing the ESP product will be determined. During ESP's remaining life, Kronos will be releasing a small number of minor releases, including one in mid-2007. These releases are expected to include scalability improvements, minor functional enhancements, and bug fixes for existing functionality.

QHEST is undergoing an assessment to ensure that it can readily obtain benefits from the Whole-of-Government system implementation, and can act in a timely way to resolve any business-related issues that may restrict or reduce the benefits realisation.



3. Current State

The Queensland Health Shared Service Provider delivers services across 20 health service districts, four state-wide services and the corporate office, employing approximately 1550 staff. Although the Shared Service Provider is part of Queensland Health, it operates as separate business unit within the organisation.

The Shared Service Provider is structured into eight Hubs, which are grouped into 3 areas: Area 1, Area 2, and South East Metro. Each Hub includes a number of districts in their portfolio, integrating payroll, HR, and rostering services. Hubs are located at:

- ∞ Toowoomba
- ∞ Cairns
- ∞ Townsville
- ∞ Rockhampton
- ∞ Sunshine Coast
- ∞ Brisbane x3 □ The Princess Alexandra, Gold Coast, and the Royal Brisbane & Women's Hospital

Each of the eight Hubs has from 2 to 5 "spoke" offices (29 in total) to provide rostering and other services at local units, which are integrated into Hub operations. A Hub and all of its spokes share a common ESP database.

Employees of the Hubs include Payroll and HR (including Hire to Retire, Business Improvements, and Call Centre/Roster Centre), as well as an ESP Systems Administrator at each Hub. Data integrity is maintained in part through the efforts of Business Improvements (BI), which reviews costing anomalies identified by Line Managers and identifies if the anomaly results from a coding error, data entry error, or similar. In addition, BI is responsible for maintaining cost centres in the system.

In Area 1 and Area 2 Hubs, an Employee Services Call Centre is set up within each Hub to provide rostering services and respond to changes reported or requested by Line Managers. The level of services provided by each Call Centre varies, with the highest level offered in the Sunshine Coast and Toowoomba Hubs. These Call Centres maintain pools of casual employees in ESP and identify staff to fill shifts as required. Other Call Centres provide a more limited service as they do not locate replacement for staff, but do enter time and attendance data and record replacement staff as reported to them by Line Managers.

South East Metro Hubs do not use the same Call Centre model as Area 1 and Area 2. For these Hubs, a Roster Centre replaces the Call Centre, and all rosters and roster changes are reported by the Line Manager via paper Roster Adjustment Forms. Roster Centres in these Hubs enter the rosters and time and attendance data from the paper forms, for electronic submission to the Lattice payroll system.

Approximately fifty percent of employees are served by South East Metro Hubs, and the remaining fifty percent by Area 1 and Area 2 Hubs.



3.1. Business Processes

A brief description of the current process and resulting system requirements is included for each of the following processes:

1. Creating rosters
2. Managing changes to employee status, position and skills
3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements
5. Processing payroll adjustments
6. Producing standard reporting
7. Administering the system

3.1.1. Creating Rosters

The Line Manager or delegated staff creates a four-week roster either manually or in Excel, depending on his/her preference.

For South East Metro Hubs, a paper copy of the roster is submitted to the Roster Centre where staff enter the roster into the rostersing system. A PDF copy of the roster is returned to the Line Manager for posting on the unit. After the roster is posted, any corrections or changes are reported by the Line Manager or delegate to the Roster Centre on paper Roster Adjustment Forms. (A very small percentage of users at Gold Coast and QE2 have access to eXpert and would enter their rosters directly, then notify Roster Centre staff when they are ready to be posted to ESP).

For Area 1 and Area 2 Hubs, once the roster is completed, the Line Manager or delegate enters the roster into eXpert, and rings the Call Centre to inform them that the roster is ready for posting. On receipt of the call from the Line Manager, staff in the Call Centre import the roster from eXpert into ESP. Following this, Call Centre staff prepare a PDF copy of the roster which is returned to the Line Manager and posted on the unit. PDFs are used as printing locally causes too much network traffic. A copy of this roster is also printed and signed by the Line Manager, then forwarded to the Call Centre as auditable evidence of approval of the roster and of any planned overtime. After the roster is posted, the Line Manager or delegate must notify the Call Centre of any corrections or changes, and all changes to the roster are input via the Call Centre.

The steps below (adapted from the District Rostering Model in the Line Manager's Manual, reflective of Area 1 and Area 2 Hubs) identify the activities related to building the Roster, and the staff responsible for carrying out the activity. Although the process documentation stipulates two iterations of the roster, in practice it appears that the "final" printed roster is sent to the unit after submission to the Call Centre, and changes are handled afterwards.

| Activity | Responsible Staff |
|---|-------------------|
| Building of roster profile/business decisions i.e. Creating Roster Template | Line Manager |



| | |
|--|---|
| Updating employee positional data on roster template prior to ESP (e.g. change of hours from casual to part-time or full time) Employee Movement Forms are required <input type="checkbox"/> Updated through Lattice | Line Manager manually ESP updated automatically through Lattice. Employee Services Administrative Staff update assignments in ESP |
| Approval of staff roster requests and plotting onto roster (prior to Roster being posted in ESP- No change to current work practice) | Line Manager |
| Pre-publication of roster for editing at Unit Level e.g. shift swaps etc. | Line Manager |
| Unit Roster Template forwarded to Employee Services for entry to ESP a minimum of 2 weeks prior to roster period. | Line Manager Employee Services Administrative Staff update ESP |
| Employee Services notify Line Manager to review roster, make amendments and return signed copy to Employee Services | Employee Services Administrative Staff Line Manager authorises and returns roster |
| Employee Services make amendments, and forward colour copy of roster to unit for posting | Employee Services Administrative Staff Line Manager posts roster |
| Accountability for accuracy of ESP data relating to Employee Payments i.e. completed and accurate Rosters and Adjustment forms. | Line Manager |

3.1.2. Managing Changes to Employee Status, Position, or Skills

New employees, terminations, movements and other changes to employee information are reported to HR Services through an appropriate form completed and submitted by the employee or Line Manager. HR Services updates their systems with the change as needed, files a copy of the form, and notifies Employee Services (Payroll) who then enters the change into Lattice.

Once the new information is entered into Lattice, it is included in the next automatic transfer to ESP. These transfers happen at scheduled intervals approximately four times per week, and update the employee's record details in ESP.

New positions or position changes may also require Employee Services Call Centre or Roster Centre staff to manually edit the rosters in ESP to change shift and unit assignments. Entry of these edits is dependent on completion of the information transfer from Lattice to ESP. Since Line Managers often provide position changes and new rosters simultaneously, this requires Employee Services staff to wait for Payroll to enter position changes and for these changes to transfer over to ESP. Only after the update is received into ESP from Lattice, can the roster be posted or any manual changes be entered into ESP. As a result, this often results in service delays. Many



position-related changes also require manual updates to be entered into eXpert, to update the employee information stored in that module. This redundant handling consumes extra effort and presents opportunity for errors.

Skills are tracked and maintained in Lattice based on a standard skills list used across Queensland Health, and updates to ESP are part of the demographic import. The initial skills list for each employee is based on their completed Call Allocation Form, and subsequent updates are reported to the Call Centre by the Line Manager, or by completion and submission of a revised Call Allocation Form. In addition, every six months, Employee Services prepares and forwards a report of employees and their skills to their Line Managers to solicit any updates.

3.1.3. Managing Shift Exchanges and Planned Leave

Once a roster has been posted, all changes must be reported to the Area 1 or Area 2 Hub Call Centre by phone, or to the South East Metro Hub Roster Centre on the designated paper form, for entry into ESP. Planned leave and shift exchange requests are typically communicated by staff directly to Line Managers. Shift exchange requests are reviewed by the Line Manager on the basis of ensuring that the skill mix remains appropriate, and requests are approved or denied by the Line Manager. Planned leave requests must also be approved by the Line Manager. The Line Manager may locate replacement staff to cover approved planned leave requests, or in Area 1 or Area 2 Hubs, s/he may request the Call Centre to locate a replacement.

Approved shift exchanges or planned leave requests must be reported to the Call Centre or Roster Centre by the Line Manager or authorised delegate. For Area 1 and Area 2 Hubs, the Call Centre keeps a log of calls and the logged call serves as approval for the change. For South East Metro Hubs, the completed request form would be retained as a record of the approved change. If the planned leave is for more than one day in duration, a form must be also completed and submitted to Payroll staff. The Leave form is not matched up to Call Centre/Roster Centre requests as the logged call or paper request by Line Manager is considered sufficient for audit evidence of approval.

The steps below (adapted from the District Rostering Model in the Line Manager’s Manual, reflective of Area 1 and Area 2 Hubs) identify the activities requiring changes to the Roster related to planned leave and shift swaps, and identifies the staff responsible for carrying out the activity:

| Activity | Responsible Staff |
|--|---|
| Roster maintenance in ESP e.g. Real time updates on ESP for leave, shift swaps, etc. | Call Centre Administrative Staff |
| Changes to reallocated shift and cost centre details on the active roster | Call Centre Administrative Staff |
| Management of decisions / approvals on leave types | Line Manager / After hours delegate / Shift Manager |
| Submission of documentation (leave form) for employee leave | Employee/Line Manager |
| Approval of documentation (leave form) for employee leave | Line Manager / After hours |



| | |
|---|---|
| | delegate / Shift Manager |
| Identifying need for staff replacement or extra staff | Line Manager / After hours delegate / Shift Manager |
| Identification of available staff | Line Manager / After hours delegate / Call Centre Administrative Staff |
| Contacting of available staff | Line Manager <input type="checkbox"/> Decision Maker, carried out by Line Manager or Call Centre Administrative Staff |
| Recording of shift that is allocated to casual or replacement staff | Call Centre Administrative Staff |
| Accountability for accuracy of ESP data relating to Employee Payments i.e. completed and accurate Rosters and Adjustment forms. | Line Manager |

3.1.4. Managing Unplanned Leave and Emergent Requirements

In addition to tracking changes made, the Call Centres within some Area 1 and Area 2 Hubs provide an additional service to Line Managers by locating relief staff to fill shifts of employees on leave. In these instances, the Line Managers ring the Call Centre to report emergent requirements and unplanned leave, or employees may ring directly for family or sick leave requests.

A Call Centre that provides relief calling services will action each request based on the nature of the call and the business rules developed for each unit. The business rules are developed by the Line Manager and provide guidelines for rostering activities such as replacing staff absences. These business rules provide a very basic form of service level agreement between the Employee Services Call Centre and the units. The specific rules are maintained by each Hub in either Access or Excel.

The business rules typically define conditions for calling Relief (Always, Check or Never), and most units require that the Call Centre check with a unit delegate to determine if Relief is required. The rules identify the name of the delegate to be contacted by the Call Centre and any specific criteria or local arrangements for rostering relief staff. Some units include specific direction on how to update the unit of the status of the rostering need, and some specify a deadline for the Call Centre to notify the unit if no relief staff can be located.

The rules are identified by both Stream and Unit (i.e. Nursing, SC-Preadmit) and some units have more than one Stream (i.e. Administration and Nursing). Each Stream/Unit combination has its own business rules. Following is a count of business rule sets for the Sunshine Coast Hub.

| C6 ð Area | # Unique Stream/Unit Combinations |
|-----------------------|--|
| Sunshine Coast/Gympie | 194 (167 for Sunshine Coast and 27 for Gympie) |
| North/South Burnett | 51 |
| Fraser Coast | 93 |



| | |
|-----------|----|
| Bundaberg | 85 |
|-----------|----|

Changes that require replacement are processed according to the established business rules for that specific Stream/Unit.

To facilitate fulfilment of emergent needs, Call Centre staff keep records in ESP of availability and unavailability information from pool employees. The unavailability information excludes employees from the pool when the need is processed in ESP, and in some cases the availability information is used to bring those who have indicated they are available for the shift to the top of the call list and may thus be used as criteria for determining call order of casual staff (if so defined by business rules or at the direction of the Line Manager or delegate).

While the Call Centres that provide relief calling services do attempt to fill all short notice relief shifts for requests received by managers, there is evidence that some Line Managers served by these Call Centres continue to source relief employees for short notice shifts on their own units as well. In other Hubs where relief calling services are not provided, the Line Manager or designate find staff and simply inform the Call Centre of the resulting roster changes.

It is estimated that approximately 50% of Area 1 and Area 2 districts use the Call Centres to some degree to locate replacement staff for some shifts. Further information is required to validate the degree of adoption of these relief calling services, where available, and the related opportunities to increase adoption of this service.

A secondary category of emergent needs includes continuation and recall overtime. (Preplanned overtime is plotted in the initial rosters). For Area 1 and Area 2 Hubs, emergent overtime requirements are reported to the Call Centre by Line Managers or authorised delegate, along with the authorised employee, if known. If requested by the unit, the Call Centre may locate staff as needed and in either case will enter the information into ESP.

All calls received by the Call Centre are logged and customers are given a reference number for each request. This logged call and reference number serves as part of the audit trail representing approved changes to the posted roster.

For South East Metro Hubs, the Line Manager fills all unplanned leave and emergent needs, and reports changes after the fact to the Roster Centre for entry into ESP.

The steps below (adapted from the District Rostering Model in the Line Manager's Manual, reflective of Area 1 and Area 2 Hubs) identify the activities related to changes on the roster, and identifies the staff responsible for carrying out the activity:

| Activity | Responsible Staff |
|---|---|
| Roster maintenance in ESP e.g. Real time updates on ESP for emergent leave, overtime etc. | Call Centre Administrative Staff |
| Management of staff deployment decisions i.e. deploying staff to busy ward | Line Manager / After hours delegate / Shift Manager |
| Changes to reallocated shift and cost centre details on active roster | Call Centre Administrative Staff |



| | |
|---|---|
| Management of decisions / approval on emergent leave type | Line Manager / After hours delegate / Shift Manager |
| Submission of documentation (leave form) for employee emergent leave | Employee/Line Manager |
| Approval of documentation (leave form) for employee emergent leave | Line Manager / After hours delegate / Shift Manager |
| Identifying need for staff replacement or extra staff | Line Manager / After hours delegate / Shift Manager |
| Identification of available staff | Line Manager / After hours delegate / Call Centre Administrative Staff |
| Contacting of available staff | Line Manager <input type="checkbox"/> Decision Maker, carried out by Line Manager or Call Centre Administrative Staff |
| Recording of shift that is allocated to casual or replacement staff | Call Centre Administrative Staff |
| Accountability for accuracy of ESP data relating to Employee Payments i.e. completed and accurate Rosters and Adjustment forms. | Line Manager |

3.1.5. Processing Payroll

To minimise the workload on pay Monday, errors or mismatches in employee status or position and issues related to time and pay rules are identified in advance wherever possible. This advance checking is completed by uploading time cards to the custom middleware for rules processing. An upload of time cards happens three times in each two-week pay cycle, and after each upload, an error report is produced identifying items in violation of terms of employment or other defined rules (e.g. length of shift or minimum hours between shifts). Any errors or mismatches in Employee Status or Position between ESP and Lattice are also identified in the error reports.

The majority of the time, errors are discussed between the Payroll Officer and the Line Manager. Following this discussion, payroll may complete the fix, or request the Line Manager to contact Call Centre / Roster Centre staff and report the required change. A few error types, such as Employee Status or Position errors related to retroactive data entry in Lattice, can be resolved by Payroll without consulting Line Managers. Some examples of errors identified include failure to pay an employee who legitimately worked 2 shifts on the same day for the second shift, and people allocated to the wrong cost centre. One manager reported roughly 10 corrections per fortnight are required across approximately 50 employees.

For the first and second error report each pay cycle, corrections are entered by the Call Centre / Roster Centre into ESP. For the final report, done in the morning on pay Monday, corrections are entered by Payroll staff directly into Lattice, and then ESP is



updated by Call Centre / Roster Centre staff after the fact to bring the two systems back into alignment.

If errors are not discovered until after the pay cycle has completed, they are corrected through a prior period adjustment. Prior period adjustments are entered into both Lattice and ESP by payroll staff. There is no interface between the systems to handle adjustments for prior periods.

3.1.6. Producing Standard Reporting

Line managers have access to ESP reports, and user documentation highlights three ESP reports as being useful to Line Managers: the Unit Schedule Report, Daily Flow Sheet, and Daily Staffing Analysis Report. It is suggested that the Line Manager could use the ESP Reports for employee attendance, identifying vacant/unfilled shifts, or to provide roster details for employees and units. The Daily Flow Sheet could be used as an employee sign-in sheet.

The use of ESP reports at the unit/Line Manager level is minimal. Limited bandwidth is a constraint at many sites, preventing on-site running of reports. In these cases, Hubs distribute reports by email to the Line Managers. In other cases, printed reports are faxed to the unit.

With eight separate databases (one at each Hub), state-wide reporting on roster information and activities cannot be provided from a single source.

3.1.7. Administering the System

Outside of Employee Services (which includes Business Improvement, Payroll, and the Call Centres/Roster Centres), and one group of approximately 26 nurse managers at Baillie Henderson that has historically used ESP, access to ESP is limited to view and reporting only. Line Managers in Area 1 and Area 2 Hubs access the ESP eXpert module to input roster information. Line Managers in South East Metro Hubs have no access to eXpert and submit rosters to their Roster Centres for entry.

An ESP System Administrator is assigned to each Hub to manage the local instance of ESP and is responsible for user training, first-line support, and system maintenance functions including data configuration and system upgrades. All System Administrators across QH are managed centrally to ensure consistent and standardised processes and configurations are used. Detailed manuals establish consistent expectations for Systems Administrator's responsibilities.

Advanced technical support is provided by CorpTech, the Queensland Government's provider of corporate information communication technology applications. When a problem is identified that requires vendor support, CorpTech contacts the vendor, Kronos, at their local office during business hours or through their home office in Kelowna, Canada at other times.

Configuration and System Change Requests are submitted to the ESP System Administrator assigned to the Hub, who submits the request to the HR Operations Statewide team for review using a Request for Change (RFC) form. Results of the review are communicated to the originator of the request. Approved Change Requests are sent to the HRMIS Service Desk for action.



Databases are backed up on a scheduled basis as part of regular maintenance. In the event of a system failure, Corporate-wide contingency plans define the process to follow including back-up reports to be used.

3.2. Assessment of Current Systems

A brief assessment of the current system capability, configuration, and technical environment is included below and addresses the following areas:

1. System configuration
2. Interfaces with other systems
3. Current issues and opportunities
4. Future development plans

3.2.1. System Configuration

Each Hub uses an instance of ESP 3.2 (upgraded in April 2005), running on Windows 2003 Server/SQL Server Database. The system is architected using a client/server model, and some users connect via Terminal Server due to bandwidth issues.

Each of the eight Hubs has its own ESP database, maintained by an ESP Systems Administrator. The ESP databases are not linked to one-another but do feed through the middleware and into the central Lattice database. Standard corporate configurations have been established across all ESP databases for many data elements, and detailed manuals document the expectations for these corporate configurations. Exceptions to these defined corporate configurations must be documented and submitted to HRMISU Service Desk to assess impact.

Leave and Worked Shift Definitions and Icons are standardised across the state; however there may be slight variation from site to site.

Some configurations are specific to the site: cost centres, "no" responses, relief filters, services, time card groups, user groups, users, and statuses. Some configurations such as shift classes, lengths, and skills may have both corporate and site-specific definitions. ESP provides the ability to report on all configuration settings.

User Groups

Within ESP, a User Group is a defined group of users who share the same access rights within the system. At Queensland Health, a User Group is also known as a System Persona. Each User ID can only be associated with one User Group, and most users will have only one ID and User Group. Where more than one System Persona is required because an employee performs more than one function within the system, a maximum of 3 ID/User Groups can be established.

There is a recommended corporate standard for user groups, but it is not mandatory. The recommended User Groups are System Administrator, Staffer, Scheduler, Decision Maker, and Timekeeper.

Security

Security Standards/Requirements are significant and well documented. They are based on Queensland Health Information Security Standard - Access Controls V 1.2.



Areas covered include User Names, Passwords, Lock-out, Inactivation, User History, Security Reporting, Levels of Access, Audit Information, and Configuration Reporting.

Contingency Plans

An ESP back up tool is available to System Administrators, and it is recommended that System Administrators back up prior to each time card generation and export, as part of site-specific contingency plans. Normal scheduled database backups are also undertaken.

3.2.2. Interfaces with Other Systems

Customised proprietary middleware provides a bi-directional interface between ESP and Lattice. Data is moved frequently between Lattice and the ESP databases at each of the eight Hubs:

- ∞ Employee banks information is moved from Lattice to each ESP database after each fortnightly payroll run, for a total of eight interface runs after each pay run.
- ∞ Employee positional and demographic information is moved from Lattice to ESP 2-3 times each fortnight for a total of 16-24 interface runs each fortnight.
- ∞ Time cards are loaded from ESP to the middleware for processing 3-4 times per fortnight for a total of 24-32 interface runs each fortnight.

In total, the middleware is run 48-64 times each 14 day period. Both the import and export of information is managed by the ESP System Administrators who must analyse, reconcile, and rectify any errors that occur during the process, each time it is run. It is estimated that resolving the errors identified during a single run of the middleware takes approximately one hour.

In addition to moving data between systems, the middleware processes pay rules for QH. Multiple loads of time cards are necessary to allow the pay rules to process, so that error resolution workload can be distributed across the fortnight, and to proactively deal with the time card errors and employee position issues before payroll processing. On each load, an error highlight report is produced and depending on the type of error, Payroll, Line Managers and/or Call Centre staff may be involved in the resolution.

3.2.3. Current Issues and Opportunities

Several issues with the current configuration of ESP and current state of business processes present opportunities for improvement going forward in this project.

Requirement for Network Resources and Support

ESP 3.2 is a client-server application, and therefore requires maintenance of software including installation of updates on local machines. As well, data moving back and forth between the client and server causes heavy traffic on the network resulting in delays and workarounds.



Impact:

- ∞ Increased network traffic causes delays and requires that workarounds be established. This traffic may also impact other applications that use the network, by tying up needed bandwidth.
- ∞ Software installed on user computers requires an increased level of support.

Delayed Processing of Pay Rules

The complexity of QH pay rules related to the terms of employment cannot be supported by ESP directly, necessitating the use of custom middleware. Sustainment, maintenance and operation of this third application in the staff rostering/pay process adds a layer of complexity for the business.

With the pay rules residing in the middleware, errors are not identified until ESP time cards are uploaded to the middleware. To manage the workload, time cards are uploaded three times each pay period and errors are discovered and resolved at each upload. This process is cumbersome and the organisation is reliant on reports rather than real time alerts. In addition, information on employee pay is not available until after processing. Confusion and the perception of high error incident rates persist as users have no visibility into the changes that are applied to the time card as a result of this lack of visibility into the rules processing.

Impact:

- ∞ The custom middleware application requires additional resources for maintenance and support.
- ∞ Increased resources are needed to solve errors identified later in the process and further from the source.
- ∞ The error rate increases as real-time information is not available to users to prevent errors at data entry.
- ∞ There is no visibility on ESP time cards of changes made by middleware processing, such as overtime coding.

Limited Opportunities for Product Configuration and Extension

The ESP User Interface is set and the client is not able to customise the views or labels to meet unique requirements or preferences.

Custom Reporting is not easily accomplished. ESP comes with a report viewer and a number of standard reports that are not easily manipulated. There are challenges with saving to other formats such as Excel or CSV files. Report authoring capabilities are not provided with the product.

The ability to expand functionality does not exist as the client is not provided access to tools and code which would be required to configure and extend core application functionality.

Impact:

- ∞ QH is limited in its ability to meet unique requirements that may be outside of the ESP standard functionality.



- ⊗ Standard reports have low levels of adoption if they do not meet Line Manager needs.
- ⊗ QH is fully reliant on vendor updates, which are minimal due to vendor plans to sunset this product.

No Employee Self-Serve or Electronic Workflows

While ESP has some self-service capabilities, these are not implemented at QH. All employee-initiated activities such as availability, shift preferences, demographic information changes, requests for time off and roster changes, and shift selection must be handled via interaction with a second party (Line Manager, Scheduler, HR) and activities must be communicated verbally or through paper processes.

Leave Management is not automated, and leave processing must be handled using paper and telephone/e-mail, requiring duplication of effort, multiple points of entry and multiple defined hand-offs. These processes are time-consuming and do not provide a consistent method of communication between the parties for the existence, status, or approval of leave requests.

Impact:

- ⊗ Reliance on manual workflows reduces opportunities for information sharing and analysis, such as time to process requests, percentage of requests accepted vs. rejected, and identification of potential process efficiencies.
- ⊗ Multiple points of data entry increase the risk of mistakes and inconsistencies in entering and handling data, requests, and employee-initiated activities.
- ⊗ Informal communication and mixed leave handling processes allow for inconsistency, increase the opportunities for errors, and increase processing time.
- ⊗ Reliance on paper forms may result in challenges in version management during the deployment of new or updated forms.
- ⊗ Multiple hand-offs required in manual processing reduce opportunities for productivity and efficiency improvements.
- ⊗ Efficiency is decreased as the workload is much higher in auditing manual processes.

Reliance on Manual Interventions and Workarounds

Manual interventions are required for employee position changes. While the employee record changes are imported from the payroll system, ESP's roster-based functionality requires employee assignments and unassignments to be manually completed each time an employee's position changes in order for the employee to be rostered and paid correctly. As well, many position-related changes also require manual updates in the eXpert employee data.

Prior Period Adjustments are handled outside ESP, and must be entered retroactively into the ESP system to maintain alignment with the payroll system. Although ESP is capable of exporting changes related to Prior Period Adjustments to the payroll system, this functionality has not been built into the QH middleware.



Impact:

- ∞ Development and maintenance of external systems and manual workarounds to achieve business goals reduces efficiency and productivity.
- ∞ The possibility of error is increased due to limited integration of systems and processes.
- ∞ Reliance on manual or parallel systems to track employee position-related items increases the potential to miss changes requiring action. This results in reactive rostering which decreases efficiency and increases cost over more proactive processes.

3.2.4. ESP Upgrade Opportunities

Kronos is currently committed to support the ESP release that QH is on (v3.2) until the end of the current support contract in 2009. At that point, it is likely that Kronos will identify an end date for the support of the ESP product. If QH was still using ESP at that time, they would be required to implement a replacement product, either from Kronos or from another vendor as of the identified support end date. For the remaining life of the ESP product, occasional upgrades to ESP will continue to be released by Kronos and are expected to include bug fixes and minor software enhancements.

Kronos has recommended upgrading to ESP 3.5 to address known issues and to provide some additional functionality including:

- ∞ enhanced feature sets for eXpert (roster building tool) including improvements allowing auto-fill, enhanced baseline counting, and partial solutions for roster generation allowing automation of specific rostering processes as determined by the Line Manager
- ∞ enhanced GUI and functionality for Unattended Interfaces (such as being able to disconnect users for Generating Time Cards)
- ∞ employee position management enhancements
- ∞ enhanced employee import features
- ∞ improved security features
- ∞ integration of two components (Report Viewer and eXpert) within the core ESP application providing a single ESP installation process
- ∞ optional compression views of roster data and shift data

Queensland Health maintains a list of known issues for ESP and this list currently contains four open issues. All other identified issues have been closed with an acceptable workaround identified. Most identify the ultimate resolution as upgrade to the next version or release of the product.



| Issue Types | Total # of Issues | # of Open Issues | # of Closed Issues | # of Critical Issues | # of High Priority Issues | # of Issues Not Requiring Workaround | # of Issues with Workaround |
|---------------------------|-------------------|------------------|--------------------|----------------------|---------------------------|--------------------------------------|-----------------------------|
| Top Priorities | 9 | 0 | 9 | 0 | 9 | 1 | 8 |
| Calls Under Investigation | 88 | 3 | 85 | 0 | 0 | 13 | 75 |
| Functionality (Issues) | 16 | 1 | 15 | 0 | 0 | 3 | 12 |
| Resolved Trackers | 2 | 0 | 2 | 0 | 1 | n/a | n/a |
| Totals: | 115 | 4 | 111 | 0 | 10 | 17 | 95 |

None of the issues are rated as critical, only nine are rated high priority, and all others are rated medium (minor impact) or lower. More than half of the issues were identified in a previous version of ESP (3.0), and 54 of the issues have been identified since QH upgraded to ESP 3.2.

If it was determined that the implementation of Workbrain was not feasible in the required timeframe, an alternative that could be considered is to upgrade to ESP 3.6, which is due for release in June 2007, and implement the Kronos Workforce Central timekeeping functionality to replace the ESP timecard module.

The benefits of this approach would be:

- 1) Minimal impact on Line Managers as the current roster entry processes in ESP and eXpert would continue,
- 2) Minimal impact on Hub and Call Centre staff as rostering data entry would remain primarily the same,
- 3) ability to further consolidate databases, as ESP 3.6 due out in mid-2007 is purported to be scalable to approximately 40,000 employees, and
- 3) ability to implement pay rules within the rostering and timekeeping system, i.e. within the Workforce Central timekeeping module, eliminating the need for the middleware rules processing and avoiding the need to implement pay rules within SAP.

The cost to implement upgrades across eight databases, and implement Kronos' timekeeping solution have not been analysed during this assessment. These costs and impacts, along with the costs and impacts of a subsequent implementation of the Workbrain solution should be analysed if QH considers this approach.



4. Assessment of Workbrain Toolset

4.1. General System Capability

The Workbrain system provides the following functionality relative to Queensland Health's current rostering processes:

1. **Creating rosters** The system includes a basic roster creation and editing tool. Roster compliance functionality allows configuration of rostering rules and alerts the user when a roster is not in compliance with defined rules. Workbrain also provides a self-rostering module allowing employees to select desired shifts for an upcoming period according to rules and guidelines configured into the system.
2. **Managing changes to employee status, position and skills** Interfaces with HR and payroll systems allow changes to employee records to be loaded into the rostering system electronically as frequently as desired, using a "Job Scheduler" that runs in the background. Other Workbrain clients typically set up this job to run nightly or several times per day. Workbrain also includes functionality for entering and tracking employee skills and training, and linking this with the rostering process.
3. **Managing shift exchanges and planned leave** Employees are able to request time off and go online to find shift exchanges. Workflows and electronic forms enable approval of requests and real-time alerts can warn when roster changes are in violation of rostering rules.
4. **Managing unplanned leave and emergent requirements** - Roster change requests can be managed using electronic forms and workflows. Employees' self-recorded availability, together with records of which employees are registered to work on each unit, can be used to identify employees who can be called to backfill for sick leave and emergent roster requirements.
5. **Processing payroll** Pay rules are applied within Workbrain's time and attendance module, including application of Award rules such as overtime and shift penalties. The payroll interface allows time sheet data and prior period adjustments to flow electronically from Workbrain into the payroll system, ensuring information in both systems is kept in synch.
6. **Producing standard reporting** Workbrain comes with industry-specific key performance indicators, and an industry-specific report set. In addition, custom reports can be authored and made available to be run by users across the state using a flexible, Cognos-based reporting tool.
7. **System administration** Workbrain is a pure Internet application which runs entirely within a web browser and does not require installation on the desktop. This results in easy deployment across a large distributed organisation such as QH, and minimal support requirements. Screens, language, data elements, and other aspects of the system can be configured. Audit trails are maintained within the system.



Further analysis will be required to select the specific subset of Workbrain functionality to be implemented by QH, and this decision should follow a process to solicit input from operational management at all levels.

4.2. Opportunities

Several aspects of the Workbrain product would provide opportunities for business process improvements at QH. Some of the more significant features of Workbrain that would contribute to these opportunities include:

- ∞ Roster compliance and pay rules
- ∞ Interaction forms & workflows
- ∞ Alerts
- ∞ Employee self-service
- ∞ Interfaces
- ∞ Screen creation and configuration
- ∞ Report building
- ∞ Single staff rostersing database
- ∞ Internet platform
- ∞ Online training tools

Many of these aspects would contribute towards increased efficiency in Employee Services. Point-of-entry data validation brings error detection and correction closer to the source, reducing the number of adjustments requiring follow-up. Real-time pay rule processing provides visibility into the impacts of decision making, thereby improving decisions and further reducing real and perceived errors. Improved interfaces reduce the complexity of information transfers between the rostersing and payroll systems, requiring less time for processing and maintaining the systems. The implementation of electronic workflow and approvals for business process management reduces reliance on manual administrative processes.

Using Workbrain, Line Managers can have access to real-time rostersing information including viewing of unstaffed shifts and reports that can be developed for roster analysis, enabling better decisions and increased equity in rostersing practices. Employees are able to increase their participation in the rostersing and time capture processes, through the use of defined self-service functionality.

In order for the organisation to realise these benefits, a significant effort is required to improve business processes to take advantage of the opportunities that are introduced by the Workbrain system. Operational management at all levels will play a critical role in the realisation of these benefits. Management within each health district should participate in the selection of process improvements which will be of the greatest benefit to QH, and commit to the implementation of related process changes within their area of responsibility.

The following sections describe the above opportunities in greater detail.



4.2.1. Roster Compliance and Pay Rules

Pay rules are logic and algorithms that convert employee worked time into employee pay. Rules consider the employee's roster pattern, actual worked shifts, where the employee worked and what type of work the employee performed. This, in combination with pay requirements set out in the Awards, determines how an employee is paid.

Roster compliance rules are similar to pay rules in that they take an employee's roster and Award into account. However, roster compliance rules are a prospective view of the pay implications of rostering an employee for a particular shift. For example, a manager who is about to roster an employee for an additional shift will typically look at the employee's roster and count the number of shifts that the employee is already rostered to work, to determine if the additional shift will violate a rule because the employee will be working too many shifts in a row, and cause the employee to incur overtime.

Although roster compliance rules are provided by the ESP product, automatic pay rules are not handled by ESP. Workbrain provides both robust roster compliance rules and robust automatic pay rules.

Workbrain's roster compliance rules are triggered in the rostering screens and assist the user with ensuring that rosters do not contain Award violations such as too many hours or shifts in a defined timeframe. A number of such rules are available within the core product, and additional rules can be created using product extensions and Java development.

Workbrain provides a set of core pay rules with the core software (e.g. daily overtime, weekly overtime, holidays, and shift penalties). In addition, Workbrain provides the capability of building virtually unlimited custom pay rules within the application using product extensions and Java development. The pay rules are processed on Workbrain timesheets. Timesheets are available and fully populated with all data from the employee's current roster at all times, i.e. there is no timesheet generation process to post time from the roster to the timesheet. When a user views an employee's timesheet, all pay rules have automatically been applied. In other words, a user can view an employee's timesheet at any time after the roster is published, and see exactly how the employee's time will be paid, i.e. shift penalties, overtime, etc. will all appear as a result of the real-time pay rules.

Affected business processes:

1. Creating rosters
3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements
5. Processing payroll

Impact:

- Increased efficiency in Call Centres is provided by reducing manual processing of employee pay (OT and Penalty calculations).



- ∞ Errors in pay calculations are reduced and consistency in pay rules application is increased as a result of the reduction in manual processing.
- ∞ Real time pay rules processing provides visibility into pay implications of rostering decisions.
- ∞ Point-of-entry processing increases the ability of the Manager and Scheduler to understand how pay rules are being applied, and to approve and make corrections in real time.
- ∞ Removal of batch processing of pay by the middleware results in reduced time to process payroll after cut-off occurs.
- ∞ The number of times employee pay is sent to the payroll system each pay period may be reduced.
- ∞ Alerts can be combined with Pay Rules to allow notification of errors or allowances at near to real time.

4.2.2. Interaction Forms & Workflows

Interaction forms are electronic forms that Workbrain offers which replicate, replace and enhance the typical paper forms used in the rostering process (e.g. leave request forms and end of shift overtime forms). Workflows provide client-defined logic for routing information to the correct people as the business process progresses. Queensland Health can utilise the interaction forms and workflows to replace paper forms used to communicate rostering information. The interaction forms can be routed to the appropriate people for approval, and action can be taken once an approval has been granted.

Affected business processes:

1. Creating rosters
2. Managing changes to employee status, position, or skills
3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements
5. Processing payroll

Impact:

- ∞ Paperwork is reduced.
- ∞ A single point of entry is achieved and data handling is reduced (instead of an employee filling out a form, a manager approving it on paper, and a Scheduler entering the same information into the system).
- ∞ Information is more consistently routed.
- ∞ Audit tracking capability is increased.
- ∞ The business process contains fewer steps and less effort as approved interactions can automatically update rosters and timesheets, eliminating the need for manual data entry.



4.2.3. Alerts

With 60,000 employees to roster, it is difficult to catch all instances of data needing specific attention by a Manager, Scheduler or Timekeeper. The alerts in Workbrain incorporate logic that triggers messaging to specified individuals when specific criteria as outlined by Queensland Health are met. Examples of criteria that could trigger an alert include notification of employee coming back to work after an extended leave, notification of a specified number of shifts of sick leave in a defined period, notification that a manager has not authorised timesheets, or notification of an employee working over contract hours. When trigger logic is met, an alert is sent to a user's Workmail, Workbrain's internal messaging system, or directly to their corporate e-mail address, to notify the user of the trigger criteria that has been met and by whom. This then allows the user to check the employee/data identified and perform any actions required.

Affected business processes:

1. Creating rosters
2. Managing changes to employee status, position, or skills
3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements
5. Processing payroll

Impact:

- o Potential issues are raised to the attention of managers providing an opportunity for review.
- o Reduced data checking is required as significant items are caught and flagged by the system on a real-time basis.
- o Errors and time card adjustments are less frequent as exceptions are caught and corrected in advance.
- o Managers and HR personnel are able to proactively follow up on employee-related behaviours or events such as attendance patterns, without incurring the time overhead of searching out the events.

4.2.4. Employee Self Service

Workbrain provides the ability for employees to log in to the web-based Employee Transaction Manager (ETM) allowing them to participate electronically in the staff rostering processes. Primary processes that employees can participate in include entering availability, requesting leaves, and verifying time worked.

Affected business processes:

2. Managing changes to employee status, position, or skills
3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements
5. Processing payroll



Impact:

- ∞ Paperwork is reduced.
- ∞ The reduction of steps in data entry results in decreased errors.
- ∞ Employee participation in the process is increased.
- ∞ The ability to audit employee transactions relating to the rostering and timekeeping process is increased.
- ∞ Workload is decreased as there is no need for someone to “data enter” forms submitted by employees.
- ∞ Employees have greater visibility and accountability in the rostering and time capture processes, increasing awareness and understanding, and reducing perception of errors.

4.2.5. Interfaces

Queensland Health will likely use the standard Workbrain Payroll Interface, the Employee Interface, and the Generic Table Interface (for importing updates to configuration data).

Much of the functionality in the current middleware is focused around pay rules relating to the Terms of Employment. Since many or all of those rules can be set up in Workbrain, direct interfaces between SAP and Workbrain will likely be possible, eliminating the middleware entirely.

Affected business processes:

2. Managing changes to employee status, position, or skills
5. Processing payroll
7. Administering the system

Impact:

- ∞ Direct interfaces will reduce the amount of error processing.
- ∞ The frequency of payroll exports and the resulting complexity of managing changes occurring between exports will be decreased.
- ∞ The frequency of employee imports will be increased, providing Line Managers and Schedulers with more up to date, relevant employee data.
- ∞ Manual updating of rosters to reflect changes in employee position data will be eliminated.
- ∞ Updates to configuration data, such as table updates, can be made in SAP and then reflected in Workbrain via an interface, improving the synchronization of the two systems and reducing related errors typically caused by data inconsistencies between rostering and payroll

4.2.6. Screen Creation and Configuration

Each screen in Workbrain can be configured to use terminology specific to Queensland Health and to add or remove fields, allowing the user experience to be



closely matched to Queensland Health's business processes. In some cases, it is also possible to create screens and database tables to enter and store information that is not provided in the Workbrain core system.

Affected business processes:

1. Creating rosters
2. Managing changes to employee status, position, or skills
3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements
5. Processing payroll
6. Producing standard reporting
7. Administering the system

Impact:

- ∞ The user experience can be closely aligned to QH business processes and terminology.

Note: If QH intends to take advantage of this functionality, it will be important to consult with Workbrain and ensure that the customisations that are undertaken do not affect QH's ability to implement Workbrain product upgrades in future.

4.2.7. Report Building

Workbrain provides an industry-specific set of core reports, but also acknowledges that every client has unique requirements. To accommodate client reporting needs, Workbrain provides a licensed reporting engine called Workbrain Business Intelligence, which is based on a Cognos tool set. Using Workbrain BI, clients are able to build a variety of reports that meet their needs.

Affected business processes:

6. Producing standard reporting

Impact:

- ∞ Reports meet QH rostering and timekeeping needs as they are designed by QH.
- ∞ No manual editing of standard reports generated from staff rostering software is required.

4.2.8. Single Staff Rostering Database

The implementation of QH's current staff rostering solution (ESP) is accomplished through multiple instances of the software and eight databases. This method of implementation requires the maintenance of multiple sets of configuration data, multiple servers, multiple interface instances and upgrades to each database/software implementation.

With the proposed Workbrain implementation, there will be one central database accessed by all QH users who will be using the same version of the software.

Affected business processes:



5. Processing payroll
6. Producing standard reporting
7. Administering the system

Impact:

- Reduced resources are required for system maintenance.
- Reduced resources are required for maintenance of system setup and configuration data.
- Reduced resources are required to upgrade software and databases.
- QH will be able to produce statewide reporting of rostering and workforce utilisation information.
- Consistency in system and data configuration is guaranteed with a single database.

4.2.9. Internet Platform

Workbrain's product is entirely web based and does not require installation on the end user's workstation. To access the software, the employee opens a supported web browser and connects to an internal Queensland Health URL. Any upgrades that are required are performed at the server level and will automatically be available to the end user when they next log in.

Affected business processes:

7. Administering the system

Impact:

- No client installation of the software is required on user workstations.
- IMIT costs are reduced due to no workstation installation, no software upgrades to workstations and reduced workstation technical requirements.
- Access can be provided to a large number of end users as installation and updates are not related to number of users, reducing the need for and cost of technical support.
- Ability to provide access to an increased number of end users provides opportunities for improving other business processes by introducing or expanding self-service and electronic workflows.
- Internet and/or intranet connectivity to workstations is required.
- While using this system, QH will need to consider impact on Workbrain prior to any decision to implement updates to web browsers.
- There is a potential that additional web services components would be required to support the system. A additional analysis is required to identify specific requirements.

4.2.10. Online Training Tool

Workbrain offers an online authoring and training tool called EPAK as an additional product priced separately from the Workbrain rostering and timekeeping software.



This product is used to create text content, eLearning content, and interactive online help related directly to the Workbrain rostering and timekeeping software. EPAK provides the ability to customize training by easily creating a package that includes step-by-step instructions specific to Queensland Health's business processes. The training can then be completed by students "on demand" in a self-paced on-line tutorial format.

Text content is created from directly within the Workbrain software. A simulation tool allows the author to capture, record, and annotate the steps that are used to perform various functions within the software. This interactive content can then be imported and stored in most Learning Content Management Systems, making simulations accessible for any training or documentation requirements. Content can be easily exported to Word templates to create business process documents, instructor manuals, job aids, test documents and/or training manuals.

In addition to documentation, the steps can also be used to create interactive online help allowing multiple user experiences:

- ∞ "See It" mode allows users to view an example for a specific task.
- ∞ "Try It" mode guides users through the process in a simulated environment.
- ∞ "Know It" mode allows users to practice a task with minimal guidance, and includes the ability to enable User Tracking to record user results.
- ∞ "Do It" mode provides an on-line application support coach that "free-floats" over the Workbrain application. Users can simply follow the provided steps in order to complete a task.

EPAK is delivered with step by step processes already created as content and interactive help files covering attendance management, shift trading, leave requests, launchpads and multi-view scheduling. While these processes will likely require editing to match QH business processes, they will provide a valuable basis from which to begin development of the training content, reducing overall development time.

Affected business processes:

7. Administering the system

Impact:

- ∞ Efficient training development enables rapid preparation for rollout.
- ∞ Efficient training delivery will enable faster implementation of the Workbrain system allowing key deadlines to be met, while still providing users with key education and learning supports.
- ∞ Standard training materials provide consistent training and communication of business processes to all staff.
- ∞ Less manpower will be required for ongoing training requirements including new employee and refresher training.

4.3. Gaps and Impacts

In certain areas, Workbrain does not provide functional parity with QH's current rostering system. A number of specific issues have been identified and in these areas,



negotiation of enhancements to Workbrain is recommended in order to meet the requirements of Queensland Health and the expectations of users of the system currently in place. These issues affect the following areas:

- ∞ Entering rosters
- ∞ Booking off and replacing multiple shifts at once
- ∞ Rostering employees with multiple positions
- ∞ Viewing rosters
- ∞ Recording employee unavailability
- ∞ Tracking related exceptions
- ∞ Viewing rosters for all eligible pool employees when finding replacements for vacant shifts
- ∞ Tracking responses to shifts offered to employees
- ∞ Viewing employee overtime in rosters
- ∞ Handling unassignments & temporary assignments

If identified issues were not addressed, implementation of the current version of Workbrain would result in decreased efficiency for Line Managers and Schedulers in roster entry, as the Workbrain roster entry functionality is less efficient than the eXpert and ESP roster entry screens. Call Centre staff would also experience decreased efficiency as the system requires an increased number of steps to record shift changes, and does not support certain features which aid the relief calling process. Finally, because of the inability to handle multiple positions per employee and the proposed workaround of establishing separate employee records for employees with multiple positions, the risk of double-booking increases as Schedulers are not able to see the entire roster for these employees.

The following sections describe each of the specific issues identified, and the impact on QH operations if the issue is not addressed.

4.3.1. Entering Rosters

Risk Rating: Critical

The majority of rosters that Queensland Health enters are used one time only, and new rosters are created for each roster period. This method of rostering provides flexibility to both units and employees as rosters are created each cycle considering specific employee needs.

Currently, the Managers use a tool (eXpert) that provides a spreadsheet-like screen for the purposes of moving the shifts around. With the click of a mouse, the Manager can add or remove a shift from one row or put it onto another row, and continue adding and moving shifts around until he/she is satisfied that the roster is complete.

To give an employee their allotted shifts for a roster period in Workbrain, a user must either:

- ∞ create shifts and shift patterns for the employee's roster using shift pattern functionality, which is intended for repeating rosters, or



- ∞ create the staffing requirements for the unit, have the system calculate the “unstaffed shifts,” and then assign the employee to the appropriate unstaffed shifts to create the desired roster.

The roster creation process is typically an iterative process, with the creator plotting and trying various combinations of shifts on each employee’s line before a suitable roster is achieved. The methods of entering employee rosters in Workbrain do not provide the flexibility to accommodate this process.

Affected business processes:

1. Creating rosters

Impact:

- ∞ An increased number of steps must be completed to give employees their shifts for the roster period.
- ∞ The Line Manager is unable to see the whole picture as they are working.
- ∞ Tools to analyse employee rosters (employee FTE, number of shifts assigned to an employee, number of hours assigned to an employee, etc.) throughout the process are not provided.

4.3.2. Booking Off and Replacing Multiple Shifts at Once

Risk Rating: Critical

There is no ability in Workbrain to select multiple shifts and edit or book them off as a group. Similar challenges occur when selecting shifts to find and fill relief as only one shift at a time can be selected and actioned.

Workbrain does provide a copy feature that lets information be copied between shifts once the information is entered. For example, once an employee is recorded as on vacation for Monday, the data on the Monday shift can be copied to the Tuesday to Friday shifts. However, when finding relief for a shift, the copy feature does not provide the ability to book relief for multiple shifts at once. Instead, the Scheduler must either remember how many days to look for and manually check, or go through the process one shift at a time.

Affected business processes:

3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements

Impact:

- ∞ The number of steps to put employees on planned or emergent leave is increased.
- ∞ The number of steps to fill unstaffed shifts with employees is increased.
- ∞ The Scheduler is unable to search and filter for employees who can take blocks of shifts.
- ∞ The Scheduler is unable to see the impact of the set of shifts on the relief employee’s roster.



4.3.3. Viewing Rosters

Risk Rating: Moderate

When viewing rosters in Workbrain, the Line Manager or Scheduler can only see approximately 1-2 weeks of the roster on the screen at any one time, and must scroll to see additional weeks. As the rostering periods at Queensland Health are four weeks in duration, this limited view of the roster impedes the user's ability to make effective staffing decisions.

Affected business processes:

1. Creating rosters
3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements

Impact:

- ∞ The ease of use for managers and Schedulers is impacted by increased scrolling.
- ∞ The difficulty of performing analysis and decision making is increased.

4.3.4. Recording Employee Unavailability

Risk Rating: Moderate

Workbrain allows entry of employee availability information, and recognises a status as either a available or assumed unavailable. The system does not allow the user to specifically record employee unavailability, and does not support the concept of "unknown" a availability.

To use the existing Workbrain functionality for employee availability, QH would need to enter availability for all dates and times that each employee is "not unavailable" in order for their unavailability to be known and used as it is in current rostering processes.

Affected business processes:

1. Creating rosters
3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements

Impact:

- ∞ The number of steps to record employee availability/unavailability is increased as all available time must be entered for each employee in order to derive unavailability.
- ∞ The risk of employees not getting called for shifts is increased as they will be assumed unavailable if they have not entered availability.

4.3.5. Tracking Related Exceptions

Risk Rating: Moderate



Workbrain provides extensive audit capabilities with regard to what was changed, when it was changed and who changed it. With regard to exceptions, however, the software does not create associations between related shifts, for example in the case where an employee is booked off a shift and the shift is filled by another employee.

In an organisation like Queensland where there are a large number of transactions occurring each day, tracking of related exceptions helps to organise the data which allows more effective auditing of roster changes, helps in understanding staff movement on a unit and roster, facilitates adjustment of exceptions, and helps illustrate the processes followed. When any employee's exception is viewed, the Scheduler or manager should be able to easily locate the related exceptions, which represent prior or subsequent steps in the series of roster events.

Affected business processes:

3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements
7. Administering the system

Impact:

- ☞ The effort to audit exceptions is increased.
- ☞ The effort to understand staff movement is increased.
- ☞ The effort to adjust exceptions is increased.
- ☞ The visibility into status of employee requests for time off is decreased, due to a lack of relief information related to the request (e.g. vacation pending request).

4.3.6. Viewing Rosters for All Eligible Pool Employees

Risk Rating: Moderate

When looking for relief employees to fill booked off shifts, it is necessary to compare the result of assigning the shift to each available employee. Workbrain provides a list of employees who are eligible for the shifts, and when an employee is selected, two weeks of his/her individual roster can be displayed. However, the Manager cannot see the rosters for all potential employees at a single time to best determine which employee should be offered the available shift. To get this information, the Manager must select each employee individually and view their roster, before they are able to make an informed decision.

Affected business processes:

3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements

Impact:

- ☞ A increased number of steps are required to see impact of giving relief shifts to each employee
- ☞ The information available for decision making is reduced unless extra steps are taken.



- ∞ The ability to fairly distribute shifts among relief employees (equitable distribution) is reduced.

4.3.7. Tracking Responses to Shifts Offered to Employees

Risk Rating: Moderate

Response tracking keeps track of which employees have been called for which shifts and what their response to the call was. The Queensland Health Call Centres have responsibility for calling relief employees for some units (as defined by business rules). In these situations, the Call Centre is working with many requests at any time and must be able to identify people who have already been called for a particular time period, and what their response was. For example, if messages were left for 4 employees, the Call Centre must have a record of this in order to be able to place a follow-up call if the shift is still not filled. As well, if a Scheduler is working to find a relief employee and is interrupted by another call, s/he would need to know who had and had not already been called. Workbrain does not have the ability to link relief call responses to the shifts the calls are related to.

Affected business processes:

3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements

Impact:

- ∞ The Scheduler is unable to see who has already been called for a particular shift.
- ∞ The Scheduler is unable to see employee responses to calls for a particular shift.
- ∞ There is an increased risk of calling an employee multiple times for the same or similar shifts.
- ∞ There is an increased chance of missing employees who would be able to take the shift.
- ∞ The ability to analyse workforce behaviours is reduced (e.g. most common reasons employees are refusing shifts) making it more difficult to determine organisational policies or approaches that might improve relief rostering success rates.

4.3.8. Viewing Employee Overtime in Rosters

Risk Rating: Moderate

The Workbrain pay rules make specific changes to employee time coding when linking to employee pay. Some of the coding changes do not reflect in the employee's roster. For example, a primary transaction handled by the pay rules is calculation of overtime. Employee overtime is calculated and included in the employee's pay, but it is not visible in the employee's roster that the employee has earned overtime pay. This makes it difficult to ensure an equitable distribution of relief shifts to employees considering overtime they have recently worked or are scheduled to be working.

Affected business processes:

1. Creating rosters



3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements

Impact:

- ∞ Managers and Schedulers are unable to use overtime as a criteria for decisions.
- ∞ The ability to fairly distribute overtime shifts among relief employees is reduced (equitable distribution).
- ∞ There is an increased risk of loading overtime on specific employees.

4.3.9. Managing Employee Positions and Assignments

Risk Rating: Moderate

Employees are typically hired for certain contracted hours in a specific work area, with an effective start and end date, and in some cases, a certain shift pattern. These elements comprise the "position" the employee owns. Employees who go on leave greater than a certain duration (typically four weeks) are required to be unassigned from their position and not assigned any worked shifts in the time frame of the leave. Depending on the type of leave, paid or unpaid time may need to be sent to payroll each pay period during the leave for the equivalent hours that the employee would have been working had he/she not been on leave. As well, one or more employees may be hired to fill the leave to ensure staffing levels are met. One temporary employee may be assigned to cover the full duration of the leave, or multiple temporary assignments may be made, each covering part of the leave. Shifts that cannot be covered by temporary employees may be filled ad-hoc where required.

While employee non-worked time can be sent through to payroll by assigning them to a shift pattern in Workbrain comprised of non-worked shifts, this workaround requires extra effort by the user. There is no functionality in Workbrain to facilitate tracking of what positions an employee has owned in the past, tracking of employees on leave, or tracking of vacant positions.

Affected Business Processes:

2. Managing changes to employee status, position, or skills
3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements
5. Processing payroll

Impact:

- ∞ Increased complexity of interfacing between a non-position based rostering system and position-based systems such as HR and payroll
- ∞ An increased number of steps are required to put an employee on an extended leave and fill with temporarily assigned employee(s).
- ∞ An increased number of steps are required to modify an employee's extended leave and the associated temporarily assigned employee(s).



- ⊗ The risk of missing updates to employee assignments/unassignments when modifying an employee's leave or subsequent temporary assignment(s) is increased.
- ⊗ The risk of hours not being sent to payroll for employees on extended leave is increased.
- ⊗ Managers and schedulers cannot see the flow of events that was required to fill a specific leave.

4.3.10. Supporting Employees with Multiple Positions

Risk Rating: Moderate

Employees who work in multiple positions may be required to be set up in Workbrain as separate employees due to a limitation in the SAP/Workbrain setup, interfacing and translation of employees.

Affected business processes:

1. Creating rosters
3. Managing shift exchanges and planned leave
4. Managing unplanned leave and emergent requirements
5. Processing payroll
6. Producing standard reporting

Impact:

- ⊗ Inability to see all of an affected employee's shifts in a single roster.
- ⊗ Increased risk of double booking due to the inability to see the shifts from the other positions the employee works.
- ⊗ Increased risk of incorrect pay due to inability of pay rules processing to see all shifts.
- ⊗ Increased effort to manage multiple schedules for a single employee.

4.4. Future Development Plans

Workbrain plans to deliver some new functionality via one or more Feature Pack releases in the second half of 2007. These features are being designed with input from current clients. The functionality that is being considered and will likely be included in these Feature Pack releases is as follows:

- ⊗ Configurable Matching Process □ allows users to define which Staffing Requirement fields to use in the shift matching process and which should not.
- ⊗ Multiple Skills per Activity □ allows users to define staffing requirements that need an employee with two or more skills of a certain type to complete.
- ⊗ Preferred Availability □ allows employees to specify if they are available, unavailable or prefer to work certain shifts. This also includes colour-coding of schedule views to indicate preferred times.



- ∞ Schedule Copy/Staffing Requirements Copy □ Allows users to copy staffing requirements and/or a schedule from one week to another to expedite schedule creation and provide consistency from week-to-week.
- ∞ Reporting □ A new version of the printed schedule which more closely aligns with customers' needs for a unit and for central staffing.
- ∞ Reporting □ Workbrain Intelligence will have additional tables and forms for storing and updating unit target information for use in analytics.
- ∞ Schedule Compliance Integration □ A available in late Q2 of 2007, MVS and RTSS will be fully integrated with Workbrain's new version of Schedule Compliance. When compliance rules are broken, warnings and errors can be displayed on the roster and prompt users to fix the issues before the roster is published.

The new functionality planned for the balance of 2007 will provide some relief for the key product gaps identified for QH in the previous section. However, these enhancements do not fully address any of the gaps.

4.5. Technical Infrastructure Requirements

The Workbrain system is a pure Internet system which requires limited investment in technical infrastructure. In addition, current issues of bandwidth that limit distributed use of the ESP system are expected to be greatly reduced through a web-based application.

Implementation of the employee self-service features of the system may require an investment in order to improve access to personal computers within clinical and operating units. The additional requirements of ensuring each employee has a personal login and sufficient training for basic computer literacy must also be considered.

5. Assessment of Risks

The implementation of Workbrain is a significant undertaking and Queensland Health has a very aggressive target for completion of this project. Significant risks that should be considered when planning for the project include the following:

1. **Aggressive timeline:** The implementation at QH is bound by a deadline of June 2008, after which time the current payroll system will be unsupported. Unless other options for support of the current payroll system can be found, this introduces a significant challenge to complete the project by this deadline. Scope must be rigidly controlled in order to get critical elements in place, and the project must develop a very efficient training process to enable the training of a large number of users in a short period.
2. **Integration with whole of government initiative:** Reliance on the whole of government initiative for key aspects of the project introduces a very high level of risk as key activities may be outside project control. Significant examples include requirements definition, configuration decisions, and negotiations with the vendors. Strong collaboration with whole of government project leaders is critical to ensuring QH requirements and timelines are understood and met.



3. **Vendor resourcing & capacity:** Workbrain has been in the Australian market for two years and has been successful in securing several large contracts. The specific vendor resources dedicated to this project must have sufficient capacity, rostering implementation experience, and health-related knowledge to support the project requirements effectively.
4. **Product fit for health:** The Workbrain suite of tools is beginning to move into the health market but has not yet developed to a point where all health-specific requirements are incorporated into the product. (See gaps and impact section above for examples). The project must ensure a method for communicating and ensuring joint understanding of issues, and vendor commitment to address requirements specific to this industry.
5. **Change management:** The project includes significant changes to Call Centre and Payroll operations, and Line Managers. The project should use a phased implementation approach (see Recommendations section) in order to manage the volume and types of changes that will be introduced in each phase. Training and change management strategies should be selected for each phase to match the specific changes being introduced, and must be given highest priority in order to ensure a smooth transition.
6. **Concurrent implementation:** As the payroll and rostering systems will be implemented simultaneously, capacity of Call Centre and Payroll staff in particular is a large risk factor. Although this can be mitigated in part by ensuring sufficient project staff are in place, the knowledge and expertise of internal staff is essential. Backfill of key resources may be required.
7. **Internal commitment:** The implementation of Workbrain provides significant opportunities for improved business processes that can provide substantial benefits to QH. However, realisation of these benefits could be greatly hampered by internal resistance. The active engagement and accountability of operational management at multiple levels is crucial. Engagement activities should focus on inclusion of operational management in selecting functionality for implementation, developing improved business processes, and driving those changes within their area of responsibility. This is critical to the realisation of related benefits.
8. **Access to technical support:** Local technical support is not available from Workbrain. Queensland Health will have access to a 24/7 call centre based in Toronto, Canada, likely via the CorpTech organisation. The quality and responsiveness of support provided may be impacted by decreased accessibility, and lack of local support personnel. This risk is less likely to substantiate than other risks listed above.

6. Recommendations

6.1. Software Enhancements

As discussed above, specific product enhancements should be negotiated with Workbrain to fill the gaps outlined in this report, as follows:



Risk Rating: Critical

1. Enhanced functionality supporting a more efficient process for entry of rosters, where roster entry can be contained to a single screen.
2. A bility to select multiple shifts to edit simultaneously. This should include functionality for booking off and relieving multiple shifts at once.

Risk Rating: Moderate

3. A ddition or modification of roster views allowing visibility of the complete four week roster on a screen at one time.
4. A bility to set availability to "unknown" and relief filters to keep employees visible if availability is "unknown."
5. Exception tracking functionality that ties shifts together when they are related due to the book off/relief/exception editing process.
6. Relief functionality to view multiple relief employee rosters at once on the same screen. This view would identify roster compliance violations that could occur if the employee accepts the shifts, as well as availability information for each employee for each day of the roster period displayed.
7. Ability to track responses from employees to whom shifts were offered.
8. A bility to view overtime that resulted from pay rules processing, in the rosters.
9. Position tracking functionality and the ability to unassign regular employees from their roster positions and link temporarily assigned employees to the regular employee's roster row. This should include ability to have the regular employee's unpaid time to go to payroll based on their contracted hours and/or pattern of worked shifts, and the ability to have the temporary employee work the same hours and/or set of shifts that were assigned to the regular employee.
10. A dditional functionality to support the Workbrain / SAP interface requirements to handle employees holding multiple positions.

6.2. Implementation Approach

An implementation approach consisting of two or more phases should be designed. Phase 1 should be designed to include the minimal activities needed to meet the most basic needs of the rostering and payroll functions by June 2008. This would include:

- Implementation of rostering and time capture functionality to provide Line Managers and Call Centres with a service level equivalent to what is currently in place
- Implementation of the Workbrain pay rules for processing timesheet data
- Implementation of bi-directional interfacing between Workbrain and the new payroll system for incoming employee data and outgoing timesheet data
- Implementation of Workbrain Skills functionality to replace skills functionality currently implemented via an interface between Lattice and ESP



Completion of this phase would be dependent on completion of the Workbrain enhancements rated as "Critical" (enhancements numbered 1 and 2 above, supporting efficient roster entry and editing of multiple shifts simultaneously).

Should these enhancements not be possible in time for the June 2008 deadline, specific workarounds would need to be developed. For example, if efficient roster entry was not possible, this phase would need to be modified such that rosters created by Line Managers in Excel or another third-party product would be entered into the system by the Call Centre staff.

Risks related to the aggressive timeline for the project can be mitigated in part by including the Workbrain online training tool (EPA K) in Phase 1 to facilitate efficient development and delivery of user training.

Risks related to capacity and expertise, both within QH and related to the vendor, can be mitigated by securing external resources with experience relevant to this project.

Risks related to the concurrent implementation and change management should be mitigated in part by a phased rollout starting with a pilot involving two Hubs, potentially in April 2008. The remaining 6 Hubs would then be split into two groups of 3 with the first group implemented in May and the second in June 2008. In particular, the paper-based nature of current business processes in South East Metro supports grouping these three Hubs and implementing them together in the final month. Because significantly fewer users will be affected within the South East Metro areas, the risk of slippage will be less in this area, and therefore, scheduling this group last will reduce the potential negative impact of any slippage that occurs in the implementations of Areas 1 and 2.

It should be noted that Phase 1 will get QH to the point that employees are assured of continuing to receive their pay. Once these basic needs are met, Phase 2 implementation must continue immediately following in order for QH to achieve benefits realisation from the project. Phase 2 should include implementation of functionality and further process improvements to drive efficiencies and improved rostering across the state. This phase should include implementation of electronic workflows and employee self-service, development of enterprise reporting to improve management decision making, and improved adoption by Line Managers of rostering services provided by Call Centres.

This second phase is of great strategic importance to QH, as it allows the organisation to benefit from the many opportunities for improved business processes that are introduced by the Workbrain system (in part described within the Benefits section of this report). Full engagement and accountability of operational management within the health districts will play a critical role in the success of Phase 2 and the realisation of the potential benefits. It is strongly recommended that operational management at all levels from the health districts participate in determining the process improvements which will be of the greatest benefit to QH. Finally, strategies to ensure management commitment to managing the change within their area of responsibility should be carefully planned and given the highest possible priority throughout Phase 2.



Appendix: Document Information

Revision History:

| Version | Date | Description of Change |
|---------|-------------|---|
| 0.10 | March 21/07 | Initial Draft |
| 0.20 | March 28/07 | Restructure section 4 and create Appendix A. Add information to sections 2, 3.2, 4.2 - 6 Edits to all sections after team review and discussion |
| 0.30 | March 30/07 | Edits to all sections after team review and discussion |
| 1.0 | April 12/07 | Final edits after review by QHEST |

Sources of Information:

| Interviews: |
|---|
| Jim Sams, Director, Enterprise Solutions Transition, Queensland Health Shared Services |
| Damon Atzeni, Business Integration Manager, QHEST |
| Andrea Park, Business Improvement Manager |
| Annette Thompson, Nurse Manager |
| Sharon Lowry, Kronos |
| Jennifer Langer, Workbrain |
| Documentation & Reports: |
| Rostering System ESP System Administrator Manual Queensland Health February 2007 |
| ESP Version 3.2 Corporate Configuration Queensland Health Content Update Dec 2006, Table Update January 2007 |
| Lattice ESP Line Manager's Manual Shared Services Provider Districts Human Resources Services |
| ESPv3 Known Issues Log (excel spreadsheet espv3_known_issues.xls) |
| Interface Known Issues Log (excel spreadsheet interface_known_issues.xls) |
| Lattice Known Issues Log (excel spreadsheet lattice_known_issues.xls) |
| C6 Business Rules (BUHMGYNBSB SC)200307MOD |
| ESP Modules 1-9, Queensland Health Human Resource Management Information Systems Unit |
| Roster Management Solution Design Document V1.0, SSIO - CorpTech HRBS Sub Program, October 2006 |
| Workbrain Development Items, Draft CorpTech Shared Service Solutions |
| Staff Matrix Summary - Distribution by Hub, 15-6-6(final), Jim Sams, Queensland Health |
| Kronos ESPv35 Enhancements, Kronos |
| Benefits to Upgrading ESP-SL, Kronos Australia Pty Ltd |
| Middle Control Process, Queensland Health |
| ESP-Lattice Interface, Queensland Health |
| V3 ESP-Lattice Interface Import Functional Specifications, Queensland Health Human Resource Management Information Systems Unit, February 2007 |
| V3 ESP-Lattice Interface Export Functional Specifications, Queensland Health Human Resource Management Information Systems Unit, February 2007 |
| Hubs-Spokes (jpg), Queensland Health |
| Head Count as at March 2006, Queensland Health |
| DHS Map, Queensland Health |
| QH Website: http://www.sharedservices.qld.gov.au/Service%20providers/queensland_health.shtml |
| Workbrain Website: http://www.workbrain.com |

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: "Damon Atzeni" <Damon_Atzeni@health.qld.gov.au>
Date: 21/06/2007 11:36 am
Subject: Consortium meetings
Attachments: pic18193.gif; pic22587.gif; pic00960.gif; pic17301.gif; pic29858.gif; pic13400.gif

Hi Damon,

Mate, am at Corptech today for consortium meetings given Lochlan's absence.
Will fill you in on the latest when done.

Regards

Jason

Jason Cameron
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(Embedded image moved to file: pic13400.gif) jason.cameron@au1.ibm.com

From: Damon Atzeni
To: Jason Cameron IBM
Date: 29/06/2007 7:40 am
Subject: QH Service agreement for your review
Attachments: Draft QH SSA DB (28062007).doc

Hi Jason

Please find a draft service agreement from QH as discussed.

This is for IBM to review and identify any issues you have from a contractual perspective. If all is well the agreement will be written up and signed by Michael Kalimnios because of the financial delegation required. It will then be sent to IBM for signing.

Let me know if there are any issues. The sooner we get agreement the sooner we get signoff.

kind regards

Damon Atzeni
Business Integration Manager
QHEST (Enterprise Solutions Transition) Program
<http://qheps.health.qld.gov.au/qhest/home.htm>
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**Queensland
Government**
Queensland Health

QUEENSLAND HEALTH

SERVICE AGREEMENT

(with guidance for completion)



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SERVICES AGREEMENT

THIS AGREEMENT is made

BETWEEN The **STATE OF QUEENSLAND** acting through Queensland Health (ABN 66 329 169 412) of 147 – 163 Charlotte Street, Brisbane in the State of Queensland (“the Principal”)

AND (“the Contractor”)

RECITALS

- A. The Contractor has agreed to perform certain Services for the Principal.
- B. The parties wish to record the terms and conditions of their Agreement.

IT IS AGREED -

1. INTERPRETATION

1.1 In this Agreement the following definitions apply -

“Agreement” means this document and all schedules to it;

“Commencement Date” means unless specified otherwise in Schedule 2, the date on which this Agreement is executed by the parties, or if not executed by the parties on the same date, means the later of the dates of execution;

“Completion Date” means the date (if any) specified in Schedule 2;

“Confidential Information” means information that:

- (a) is by its nature confidential;
 - (b) is designated by the Principal as confidential; or
 - (c) the Contractor knows or ought to know is confidential,
- and includes:
- (d) the terms of this Agreement;
 - (e) the Records;
 - (f) information comprised in or relating to any Intellectual Property Rights of the Principal;
 - (g) information relating to the internal management and structure of the Principal, or the personnel, policies and strategies of the Principal;
 - (h) any other information classifiable in equity as confidential information,
- but does not include information:
- (i) in the public domain as at the date of this Deed; or
 - (j) subsequently placed in the public domain other than by a breach of this Deed;

“Contract Material” means:

- (i) any material that is created, written or otherwise brought into existence by or on behalf of the Contractor in the course of performing the Services (called “New Contract Material”);
- (ii) any material that exists at the Commencement Date or is otherwise independently developed (not as a result of the performance of the Services) and is incorporated into the new contract material (called “Existing Contract Material”);

“Force Majeure” means any event beyond the reasonable control of the party affected and includes an event due to natural causes that happens independently of human intervention;

“Intellectual Property Rights” means all copyright, patents and all rights in relation to inventions, trade marks and designs or any rights to registration of such rights, whether created before, on or after the date of this Contract;

“Key Personnel” means the representatives of the Contractor specified in Schedule 2;

“Moral Rights” means the right of integrity of authorship, the right of attribution of authorship and the right not to have authorship falsely attributed, more particularly as conferred by the Copyright Act 1968 (Cth), and rights of a similar nature anywhere in the world whether existing at the Commencement Date or which may come into existence on or after the Commencement Date;

“Personal Information” means information or an opinion (including information or an opinion forming part of a database), whether true or not and whether recorded in a material form or not, about an individual whose identity is apparent or can reasonably be ascertained, from the information or opinion;

“Principal’s consent” means prior written consent of the Principal which may be given subject to such terms and conditions as the Principal may see fit to impose;

“Project Officer” means the person specified in Schedule 2 or any other person substituted by the Principal by notice to the Contractor;

“Records” means all material including but not limited to books, documents, information, computer software, equipment, and data stored by any means disclosed, or made available, by the Principal to the Contractor in connection with the performance of this Agreement;

“Services” means the work or services the Contractor is required to perform under this Agreement as further described in Schedule 1.

1.2 In this Agreement:

- (a) Clause headings are not to be used as an interpretation aid;
- (b) Words in the singular include the plural and words in the plural include the singular according to the requirements of the context;
- (c) A reference to a clause or a schedule is a reference to a clause or schedule of this Agreement; and
- (d) Where there is any conflict between a clause of this Agreement and anything contained in

a schedule of this Agreement, the provisions of the clause will prevail to the extent of the inconsistency.

2. TERM

2.1 This Agreement will start on the Commencement Date and unless otherwise terminated earlier in accordance with its terms, will:

- (a) if a Completion Date is specified in Schedule 2, expire on the Completion Date; or
- (b) if no Completion Date is specified in Schedule 2, continue until all the Services have been performed in accordance with this Agreement.

2.2 Where a Completion Date is specified in Schedule 2, the Completion Date and the term of this Agreement may be extended at any time before the Completion Date by mutual agreement of both parties in accordance with clause 30.1. The Principal will use its best endeavours to provide a minimum of 30 days notice to the Contractor if it wishes to extend the Completion Date and the term of this Agreement.

3. SERVICES

3.1 The Contractor will provide and complete the Services to the standards and in the manner, frequency, quantity and times specified in Schedule 1.

3.2 The Contractor will -

- (a) inform itself of the Principal's stated requirements as detailed in this Agreement in respect of the Services;
- (b) consult regularly with the Principal throughout the performance of the Services;
- (c) act professionally at all times and exercise skill, care and diligence in performing the Services; and
- (d) be responsible for the supply and performance of all personnel and equipment, necessary for the completion and proper performance of the Services.

3.3 The Contractor warrants that it has:

- (a) the qualifications, admissions and memberships (if any) specified in Schedule 2; and
- (b) the quality assurance certifications to the standard (if any) specified in Schedule 2;
- (c) the necessary skills and expertise to complete the Agreement.

3.4 Where specified in Schedule 2, the Principal will provide the specified assistance to the Contractor.

4. PERSONNEL

4.1 Where Key Personnel are specified in Schedule 2, then:

- (a) the Services will be performed by the Key Personnel except with the Principal's consent;
- (b) any person replacing one of the Key Personnel with the Principal's consent will be one of the Key Personnel during the period of the person's engagement on the Services;
- (c) the Contractor will not without the Principal's consent allow Key Personnel to delegate any part of the Services; and
- (d) in circumstances where any of the Key Personnel are not available to perform any of the Services allocated to them or leave the employ of the Contractor, the Contractor will immediately:
 - (i) give notice to the Principal of the circumstances; and
 - (ii) replace that person with a person having like qualifications and skills at no additional cost to the Principal.

4.2 The Contractor will ensure that the Key Personnel and its employees, subcontractors and agents are competent and have the necessary expertise and skills to perform the Services allocated to them.

4.3 The Principal may, on reasonable grounds, give notice requiring the Contractor to remove any key personnel, employees, subcontractors or agents from working on the Services the subject of this Agreement. Upon receipt of a notice pursuant to this clause 4.3, the Contractor will, at no additional cost to the Principal, promptly remove and replace the person referred to in the notice with a person satisfactory to the Principal.

5. FEES AND REIMBURSABLE EXPENSES

5.1 The Contractor will provide the Services for the fee specified in Schedule 2.

5.2 The Contractor will not be entitled to be paid for any part of the Services which the Project Officer has certified as not having been performed in accordance with this Agreement.

5.3 The Contractor will promptly perform or perform again any part of the Services certified as not being performed in accordance with this Agreement and the Principal may, without limiting any other right it may have, defer payment for that part of the Services until the Project Officer has certified that the services have been performed or performed again in accordance with this Agreement.

5.4 If the Contractor fails to comply with the provisions of the Agreement, the Principal reserves the right to arrange for the provision of the Services from an alternative source. Any expenses incurred by the Principal as a result thereof will be a debt due and recoverable from the Contractor.

5.5 The Contractor may include in an invoice under clause 6 a claim, and be paid for the expenses described in Schedule 2 after those expenses have been incurred by the Contractor. The Principal will only reimburse the Contractor for other expenses that have been incurred by the Contractor with the Principal's consent. The Principal's consent will be communicated to the Contractor by writing, e-mail or facsimile.

5.6 If travel expenses are included in Schedule 2, the Principal will pay only economy class fares

and moderate meal and accommodation expenses not exceeding the amount specified in Schedule 2.

6. PAYMENT

- 6.1 The Principal will not have any obligation to pay the Contractor for any part of the Services until the Principal has been given a correctly rendered invoice.
- 6.2 Unless otherwise specified in Schedule 2, invoices may be submitted monthly by the Contractor. Invoices must be of sufficient detail to allow the Principal to assess the Services provided and progress against targets (if any) specified in Schedule 1. For work carried out on a time basis, invoices must be supported by records of time spent by individuals on the Services, certified by the Contractor.
- 6.3 Upon receipt of an invoice, the Principal may require the Contractor to provide additional information to assist the Principal to determine whether or not an amount is payable.
- 6.4 Subject to clauses 5.2, 5.3 and 6.1, the Principal will make payment of a correctly rendered invoice within 30 days after the end of the month in which a correctly rendered invoice is received or, if additional information is required by the Principal pursuant to clause 6.3, 30 days after receipt of the additional information.
- 6.5 For the purposes of this clause 6, a correctly rendered invoice is an invoice that has been submitted to the Principal in accordance with clause 6.2 and -
- (a) the amount claimed in the invoice is due for payment pursuant to this Agreement;
 - (b) the amount claimed in the invoice is correctly calculated in accordance with this Agreement;
 - (c) the invoice correctly identifies the Services performed;
 - (d) the expenses for which the Contractor is entitled to be paid (as described in Schedule 2) are separately itemised in the invoice; and
 - (e) complies with the GST requirements of clause 31.
- 6.6 If an invoice is found, after the Principal has paid the invoice amount to the Contractor, not to have been correctly rendered, the Principal will, as the case requires -
- (a) pay an amount owed to the Contractor within 30 days after the end of the month in which a correctly rendered invoice is received or, if additional information is required by the Principal pursuant to clause 6.3, within 30 days after receipt of the additional information;
 - (b) deduct from any moneys due to the Contractor any sum which the Principal asserts is payable by the Contractor to the Principal, whether or not the Principal's right to payment arises by way of damages, debt, restitution or otherwise and whether or not the factual basis giving rise to the Principal's right to payment arises out of this Agreement, any other contract or is independent of contract; or

- (c) if the moneys payable to the Contractor under this Agreement are insufficient to discharge the liability of the Contractor to pay the Principal the amount under clause 6.6(b), then the excess will be a debt due and payable to the Principal.

6.7 Nothing in clause 6.6 will affect the right of the Principal to recover from the Contractor the whole of any such moneys or any balance that remains owing.

6.8 Payment of money to the Contractor will not constitute an admission by the Principal that any of the Services have been performed in accordance with this Agreement.

7. NO AGENCY

7.1 The Contractor will not -

- (a) represent itself or allow itself to be represented as an employee or agent of the Principal;
or

- (b) by virtue of this Agreement be or become an employee or agent of the Principal.

8. CONFLICT OF INTERESTS

8.1 The Contractor warrants that, to the best of its knowledge, it does not, and is not likely to have a conflict of interest in the performance of this Agreement. If a conflict or risk of conflict of interest arises (without limitation, because of work undertaken for any person other than the Principal) the Contractor will immediately give notice of the conflict of interest, or the risk of it, to the Principal.

8.2 The Contractor will take all reasonable measures to ensure that its employees, agents and sub-contractors do not engage in any activity or obtain any interest which is in conflict with providing the Services to the Principal fairly and independently. The Contractor will immediately give notice of any conflict of interest relating to the activities or interests of any of its employees, agents or sub-contractors to the Principal.

8.3 If the Principal is given notice of a conflict of interest pursuant to clause 8.1 or 8.2, the Principal may proceed in accordance with clause 15.4 to terminate this Agreement.

9. CONTRACT MATERIAL

9.1 Unless otherwise specified in Schedule 2, title to and Intellectual Property Rights in all New Contract Material, including each and every stage of design and production of it, will upon its creation vest in the Principal without the need for further assurance.

9.2 This Agreement does not affect Intellectual Property Rights in Existing Contract Material but the Contractor grants, and will ensure that relevant third parties grant, to the Principal a paid up non-exclusive non-transferable licence -

- (a) to use, reproduce and adapt for its own use; and

- (b) to perform any other act with respect to copyright; and

- (c) to manufacture, sell, hire or otherwise exploit a product or process or to provide a service or to licence a third party to do these things in respect of,

the Existing Contract Material but only as part of the Contract Material (and any further development of that material).

- 9.3 Where specified in Schedule 2, right and title to the Intellectual Property Rights in the Contract Material so specified will vest in the Contractor and the Contractor grants to the Principal a non-exclusive, non-transferable, irrevocable and paid up licence to use, reproduce and adapt the Contract Material on the terms and conditions (if any) specified in Schedule 2.
- 9.4 Upon the expiration or earlier termination of this Agreement, the Contractor will deliver to the Principal all Records, Contract Material and all copies of it, and if necessary, transfer or have transferred any Intellectual Property Rights to the Principal.
- 9.5 The Contractor will ensure that the Contract Material and Records are used, copied, supplied or reproduced only for the purposes of this Agreement and where Intellectual Property Rights in the New Contract Material vest in the Principal under this clause 9, the Principal grants to the Contractor a paid up non-exclusive non-transferable licence for the term of this Agreement to use, modify, amend or develop the New Contract Material only for the purposes of performing the Services in accordance with this Agreement.
- 9.6 Prior to commencing work in relation to the Contract Material, the Contractor will obtain from every person who is to create Contract Material, and provide to the Principal, a written assignment from that person to the Principal of any Intellectual Property Rights which may vest in that person as a result of that person performing the work.
- 9.7 Clauses 9.4, 9.5 and 9.6 do not apply to Contract Material specified in Schedule 2 for the purposes of clause 9.3.
- 9.8 If any Contract Material is produced or reproduced in an electronic format, the Contractor must deliver it to the Principal in a format approved in writing by the principal.
- 9.9 If any Contract Material is produced or reproduced in an electronic format or stored electronically, the Contractor must not store it on a foreign computer without keeping the current version of the Contract Material on separate media as specified in Schedule 2 and delivering it to the Principal at intervals specified in Schedule 2.
- 9.10 The Contractor must not produce, reproduce or store Contract Material in such a way that it is mixed with, attached to or indistinguishable without the use of a computer from, material that is not the subject of this Agreement.
- 9.11 For the purposes of clause 9, "*foreign computer*" means a hard disk or other similar device affixed to a computer that is not the property of the Principal.
- 9.12 Intellectual Property Rights in Records supplied to the Contractor by the Principal for reproduction or guidance remains vested in the Principal.
- 9.13 Where the Contractor is an individual, the Contractor consents to any acts or omissions of the Principal in the exercise of rights or assignments granted under this clause that might otherwise constitute an infringement of the Contractor's Moral Rights.

9.14 Without limiting Clause 9.13, the Contractor consents, in relation to the Contract Material

- (a) to being attributed as author of works comprised in the Contract Material in a form and manner acceptable to the Principal; and
- (b) to the specific acts or omissions set out in Schedule 2.

9.15 Prior to an individual commencing work in respect of the Contract Material on behalf of the Contractor, the Contractor must obtain from that individual, in writing, and provide to the Principal, upon request:

- (a) all consents, permissions and assignments to enable the Principal to exercise in full, without cost to the Principal and without impediment, the rights granted under this clause 9; and
- (b) without limiting paragraph (a), a consent to any act or omission (including the specific acts or omissions set out in Schedule 2) which would otherwise infringe the Moral Rights of that individual. If requested by the Principal, such consent will be in a form specified by the Principal.

10. PROJECT MANAGEMENT

10.1 The Principal appoints the Project Officer as its agent for the purposes of this Agreement.

10.2 The Contractor will -

- (a) liaise with and report to the Project Officer; and
- (b) attend meetings and briefings with the staff of the Principal as reasonably required by the Project Officer.

10.3 Reports by the Contractor to the Project Officer must be in writing, unless otherwise permitted by the Project Officer.

11. CONFIDENTIAL INFORMATION AND PERSONAL INFORMATION

11.1 The Contractor will keep secret and confidential all Confidential Information and will not directly or indirectly disclose all or any part of that Confidential Information in any manner whatsoever, in whole or in part, to a third party without the prior written consent of the Principal or, subject to 11.3, as required by law.

11.2 The Contractor will use, copy and retain the Confidential Information solely for the purposes of the performance of this Agreement and in accordance with the terms of this Agreement.

11.3 The Contractor may only disclose Confidential Information to those of its officers, employees and agents as required for the performance of their duties on behalf of the Contractor for the provision of the Services under this Agreement.

11.4 If a disclosure is to be made under clause 11.3, the Contractor must:

- (a) make its officers, employees and agents aware of the confidential nature of the Confidential Information;

- (b) ensure that the person to whom the Confidential Information is disclosed does not, without the prior written consent of the Principal, disclose, allow access to, use or copy any of the Confidential Information for any purpose other than as required for the performance of this Agreement and in accordance with the terms of this Agreement; and
- (c) if requested by the Principal, procure that its officers, employees and agents to whom it is proposed that the Confidential Information will be disclosed in accordance with this Agreement, execute a confidentiality agreement on substantially the same terms and conditions as contained in this Agreement before any of the Confidential Information is disclosed to that person.

11.5 In the event that the Contractor is requested to become legally compelled (by oral questions, request for information or documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information, the Contractor will provide the Principal with prompt written notice so that the Principal may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of the Agreement. In the event that such protective order or other remedy is not obtained, or the Principal waives compliance with the provisions of this Agreement, the Contractor will furnish only that portion of the Confidential Information which is legally required and will exercise its reasonable best efforts to obtain reliable assurance that confidential treatment will be accorded to that Confidential Information.

11.6 The Contractor must:

- (a) take all steps and do all things that are necessary, prudent or desirable in order to safeguard the confidentiality of the Confidential Information; and
- (b) immediately notify the Principal if it becomes aware of any unauthorised use or disclosure of the Confidential Information.

11.7 At the Principal's request or on the expiry or termination of this Agreement (whichever is earlier), the Contractor must immediately return to the Principal all Confidential Information in its control or possession.

11.8 Where the Contractor has access to or collects Personal Information in order to fulfil its obligations under this Agreement, it must:

- (a) where the Contractor is responsible for holding Personal Information, ensure that Personal Information is protected against loss and against unauthorised access, use, modification or disclosure and against other misuse;
- (b) not use Personal Information other than for the purposes of the Agreement, unless required or authorised by law;
- (c) not disclose Personal Information without the written agreement of the Project Officer or any other persons authorised in writing by the Principal, unless required or authorised by law;
- (d) ensure that only authorised personnel have access to Personal Information;
- (e) immediately notify the Principal if it becomes aware that a disclosure of Personal Information is, or may be required or authorised by law;

- (f) make its officers, employees and agents aware of the Contractor's obligations under this clause including, when requested by the Principal, requiring those employees, agents and subcontractors to promptly sign a Privacy Deed, in the form required by the Principal, relating to Personal Information; and
- (g) comply with such other privacy and security measures as the Principal reasonably advises the Contractor in writing from time to time.

11.9 The Contractor must immediately notify the Principal upon becoming aware of any breach of clause 11.8.

12. SECURITY AND ACCESS

12.1 The Contractor will, when using the Principal's premises or facilities, comply with all rules, directions, policies and procedures including those relating to security and to workplace health and safety in effect at the premises or in regard to the facilities notified to the Contractor by the Principal.

12.2 Without limiting clause 12.1, where the Services are performed at the Principal's premises the Contractor acknowledges that:

- (a) the Principal may operate a hospital and provide health services from the Principal's premises;
- (b) the Contractor will have no right of exclusive occupation of any part of the Principal's premises and will only access the premises in accordance with directions of the Project Officer;
- (c) members of the public, employees, contractors, agents and invitees of the Principal may have access to the Principal's premises;
- (d) the Contractor must:
 - (i) perform the Services in such a manner as to:
 - (A) not interfere, impede, delay or adversely affect the operations of a hospital or the provision of health services; and
 - (B) without limiting clause 12.2(d)(i)(A), interfere to the least extent possible with all other operations of the Principal at the premises and with the passage of people and vehicles;
 - (ii) take all necessary steps to protect the safety of the Principal, employees, contractors, agents and invitees of the Principal and of members of the public from risks to safety caused by the performance of the Services;
 - (iii) take all necessary steps to prevent harm, damage or nuisance to the Principal's premises or facilities in the provision of the Services; and
 - (iv) keep the Project Officer informed of any operations of the Contractor which might affect the operations of the Principal; and

- (e) the Contractor has satisfied itself as to the conditions prevailing at the Principal's premises; and
- (f) the Contractor will not be entitled to any costs, losses or damages incurred as a consequence of the Principal conducting its operations from the premises or from the conditions prevailing at the Principal's premises.

12.3 The Contractor will give the Project Officer, and any other persons authorised in writing by the Principal, reasonable access to premises occupied by the Contractor where the Services are being undertaken and will permit them to inspect the performance of the Contractor of its obligations under the Agreement, any Contract Material or other material relating to the Services.

12.4 The Project Officer and any other person authorised by the Principal, when at the Contractor's premises will comply with all rules, directions and procedures including those relating to security and to workplace health and safety in effect at the premises or in regard to those facilities as notified by the Contractor to the Principal.

13. SUSPENSION OF SERVICES

13.1 The Principal may by notice require the Contractor to suspend the progress of the whole or any part of the Services for a specified period within a reasonable time after receipt of the notice, if suspension is required by the Principal because of any change in the nature, scope or timing of the Services to be provided.

13.2 The Principal may by notice require the Contractor to recommence work on all or any part of the suspended Services.

13.3 Where the Contractor is required to suspend Services pursuant to clause 13.1 -

- (a) the Contractor and the Principal will negotiate in good faith as to reasonable compensation payable to the Contractor; and
- (b) any previously agreed completion dates for the Services will be postponed by a period equivalent to the duration of the suspension.

13.4 The Principal will reimburse the Contractor for additional costs reasonably and properly incurred by the Contractor as a result of the suspension of Services pursuant to clause 13.1. If the Contractor and the Principal do not agree on the amount of reasonable compensation within thirty (30) days of the request for compensation by the Contractor, the amount will be determined pursuant to clause 26.

13.5 If a dispute as referred to in clause 26.3 has arisen between the parties either party may, during the continuation of the dispute, by notice to the other party require the suspension of the progress of the whole or any part of the Services from the date specified in the notice until the dispute has been resolved.

14. VARIATION

14.1 The Principal may by notice require the Contractor to vary the Services in nature, scope or timing

14.2 Without limiting the generality of clause 14.1, the Principal or the Project Officer may direct the Contractor to -

- (a) increase, decrease or omit any part of the Services;
- (b) change the character or content of any part of the Services;
- (c) change the direction or dimensions of any part of the Services; or
- (d) perform additional work.

14.3 Where the Principal requires a variation to the Services, the parties will negotiate in good faith a variation of the fees and the time for completion and failing agreement, the fees and time for completion will be determined pursuant to clause 26. The Contractor will not commence work on the variation to the Services without the Principal's consent and the written agreement of both parties to the varied fees and time for completion.

15. PAYMENT FOR REDUCED SERVICES

15.1 In the event of a reduction of the Services the Principal will pay the Contractor -

- (a) fees determined in accordance with clause 14.3; and
- (b) reasonable costs incurred by the Contractor directly attributable to the reduction in Services.

15.2 Where the fee for the Services is a lump sum, the Principal will not be liable to pay amounts to the Contractor pursuant to clause 15.1 where it would result in amounts greater than the fees and expenses specified in Schedule 2 being paid to the Contractor.

15.3 Where fees are on a schedule of rates basis, the rates for the reduced Services will be subject to negotiation and agreement between the Principal and the Contractor and failing agreement resolved pursuant to clause 26.

15.4 Following receipt of a notice to decrease or omit any part of the Services, the Contractor will reduce or cease work in accordance with the notice and immediately take all steps necessary to minimise the loss suffered by it as a result of the notice.

15.5 The Contractor will not be entitled to any compensation for loss of prospective profits.

16. DEFAULT OF THE CONTRACTOR AND TERMINATION

16.1 If the Contractor -

- (a) fails to comply with any of the terms and conditions of this Agreement;
- (b) fails to comply with a direction of the Project Officer given in accordance with this Agreement; or

- (c) enters into any agreement or proceedings for the purpose of insolvency administration or is placed under official management;

the Principal may suspend payments under this Agreement and require the Contractor to show cause why the Agreement should not be terminated.

16.2 If the Principal suspends payments pursuant to clause 16.1, the Principal must-

- (a) give the Contractor notice of the suspension, specifying the reason; and
- (b) require the Contractor to show cause within 14 days of the notice why the Agreement should not be terminated.

16.3 If the Contractor fails to show cause within the period specified in the notice to the satisfaction of the Principal, the Principal may without prejudice to any other rights, terminate the Agreement by notice to the Contractor as of the date specified in the notice.

16.4 Notwithstanding clause 16.1, if the Contractor -

- (a) abandons or refuses to proceed with the Services;
- (b) fails to comply with clause 8 (Conflict of Interest);
- (c) fails to comply with clause 17 (Compliance with laws); or
- (d) fails to comply with clause 19 (Insurance),

or any other cause which is expressly stated in this Agreement to be a cause for termination occurs, then the Principal may terminate this Agreement by notice to the Contractor as of the date specified in the notice.

16.5 Upon termination of this Agreement pursuant to clause 16.3, or clause 16.4, all money which has been paid and all money to be paid for work done to the date of termination will be in full and final satisfaction of all claims by the Contractor under this Agreement.

16.6 Notwithstanding clauses 16.1 and 16.4, the Principal may at any time, in its sole discretion, by giving 30 days written notice to the Contractor (or such other period of notice as may be referred to in Schedule 2), terminate the provision of the Services.

16.7 If the Principal terminates under clause 16.6, it will pay:

- (a) the amount due to the Contractor in accordance with the terms of this Agreement to the date of termination; and
- (b) the costs reasonably incurred by the Contractor which it is legally liable to pay in relation to work or services required for the performance of the Services,

which will be in full and final satisfaction of all claims by the Contractor under the Agreement.

17. COMPLIANCE WITH LAWS

17.1 The Contractor must comply with all relevant laws and requirements of any statutory authority

in performing the Services.

18. INDEMNITIES

- 18.1 The Contractor will be liable for loss or damage (including personal injury whether or not resulting in death) suffered by the Principal, its officers, servants or agents, arising from the unlawful or negligent acts or omissions of the Contractor in the course of the performance (or attempted or purported performance) of the Services.
- 18.2 The Contractor releases and indemnifies the Principal and all its officers, servants and agents from and against all loss or damage incurred, and actions, proceedings, claims and demands which may be brought or made against any of them by any person, including the Contractor, arising from:
- (a) any wilful or negligent act or omission of the Contractor or any person for whose conduct the Contractor is liable;
 - (b) any unlawful or negligent act or omission of the visitors, invitees or licences of the Contractor;
 - (c) death, injury, loss or damage suffered by the Contractor or any of its visitors, invitees or licensees, except where death, injury, loss or damage is caused by the negligence or wrongful act or omission of the Principal;
 - (d) a breach of a term or condition of this Agreement by the Contractor;
 - (e) any infringement or alleged infringement of any Intellectual Property Rights or Moral Rights in respect of Contract Material.

19. INSURANCE

- 19.1 The Contractor must have and maintain:
- (a) insurance under the *Workers' Compensation and Rehabilitation Act 2003* to cover workers, eligible persons, self employed contractors, directors, trustees and partners;
 - (b) public liability insurance and such other insurance as specified in the Schedule and, as a minimum, to the value specified in the Schedule.
- 19.2 The insurances must be effected with an agreed insurer, include terms and conditions acceptable to the Principal and be maintained for the duration of the Agreement.
- 19.3 If the Contractor is required by this Agreement to effect professional indemnity insurance, the Contractor must maintain a policy on terms and conditions no less favourable to the Principal than those approved pursuant to clause 19 from the date of commencement of the Services until six (6) years after either the completion of the Services or the earlier termination of this Agreement and, upon request in writing, produce evidence to the Principal that it has been maintained.
- 19.4 The Contractor will -

- (a) before performing any of the Services; and
- (b) upon request in writing at any time by the Principal,

produce evidence to the Principal that the insurances required by this clause 19 have been effected and maintained.

- 19.5 If the Contractor receives notice of cancellation or amendment or non renewal of any policy it must immediately:
- (a) advise the Project Officer; and
 - (b) renew the policy, if necessary with another insurer.
- 19.6 The effecting and maintaining of insurance will not limit the liabilities or obligations of the Contractor under other provisions of the Agreement.

20. UNAVOIDABLE DELAY

- 20.1 A party will not be entitled to exercise its rights and remedies upon the default of the other party (whether at common law or pursuant to this Agreement) if that default -
- (a) is caused by Force Majeure; or
 - (b) continues for less than three (3) days.
- 20.2 Without limitation, where the event of Force Majeure continues for a period of more than fourteen (14) days, or such other period as the Principal, in its sole discretion, considers reasonable in the circumstances, the Principal may terminate the Contract.

21. WAIVER

- 21.1 A right under this Agreement will only be waived where the waiver is in writing and is signed by the relevant party.
- 21.2 A waiver by either party will not prejudice its rights in respect of any subsequent breach of this Agreement by the other party.

22. GOVERNING LAW

- 22.1 This Agreement will be governed and construed in accordance with the law of the State of Queensland and the parties submit to the jurisdiction of the courts of that State and all courts competent to hear appeals therefrom.

23. ENTIRE AGREEMENT

- 23.1 This Agreement constitutes the entire Agreement between the parties in relation to its subject

matter.

24. NO SUB-CONTRACTING

- 24.1 The Contractor will not sub-contract any part of the Services without the Principal's consent.
- 24.2 Any consent given by the Principal for the Contractor to sub-contract -
- (a) may be conditional;
 - (b) will not operate as an authority to transfer responsibility to the sub-contractor; and
 - (c) will not relieve the Contractor from any of its liabilities or obligations under this Agreement.
- 24.3 The Contractor will be liable to the Principal for the acts and omissions of sub-contractors and employees and agents of sub-contractors as if they were the acts and omissions of the Contractor.
- 24.4 The Contractor will not assign this Agreement or any of the benefits or obligations under this Agreement without the Principal's consent.

25. FURTHER ASSISTANCE

- 25.1 The Contractor will do all things reasonably required by the Principal to give effect to this Agreement or to perfect or protect the rights of the Principal including, without limitation, giving or obtaining confidentiality undertakings acceptable to the Principal in relation to Records or Services.

26. RESOLUTION OF DISPUTES

- 26.1 If a dispute arises between the Principal and the Contractor associated with this Agreement either party may give notice of that dispute to the other and senior representatives of the Principal and the Contractor must meet and endeavour to resolve the dispute.
- 26.2 If the Principal and the Contractor fail to resolve the dispute within 14 days of the notice referred to under clause 26.1 (or such additional period the parties agree in writing) then the parties will refer the dispute to mediation by a mediator appointed by agreement between the parties and failing agreement, a mediator appointed by the Australian Commercial Disputes Centre (Queensland).
- 26.3 If the dispute has not been resolved in accordance with clause 26.2 within 60 days of the notice referred to in clause 26.1 (or such additional period the parties agree in writing), wither party may take any action necessary to have the dispute determined by litigation.
- 26.3 Each party expressly agrees not to commence any action in any court in relation to a dispute (other than where a party seeks urgent injunctive or declaratory relief) unless and until all of the provisions of this clause 26 have been met.

26.4 Each party shall continue to perform its obligations under the Agreement notwithstanding the existence of a dispute or any proceedings under this clause.

27. CLAUSES TO SURVIVE TERMINATION

27.1 The following clauses will survive termination or expiration of this Agreement -

- (a) clause 9 (Intellectual Property);
- (b) clauses 11 (Confidential Information and Personal Information);
- (c) clause 18 (Indemnities);
- (d) clause 19.3 (maintenance of professional indemnity insurance);
- (e) clause 25 (assistance to protect the rights of the Principal).

28. NOTICES

28.1 Notices must be in writing and may be delivered by prepaid postage, by hand or by facsimile transmission to the officers of the parties at the addresses specified in Schedule 2 or other address subsequently notified by a party to the other. Notices will be deemed to be given -

- (a) two (2) days after deposit in the mail with postage prepaid;
- (b) immediately upon delivery by hand;
- (c) immediately upon an apparently successful facsimile transmission of the entire notice being noted by the sender's transmitter, unless sent on a Saturday or Sunday or after 5:00 PM on any other day ("a week day"), in which case the notice will, be deemed to be given at 9:00 AM on the next week day.

29. FORMER PUBLIC SECTOR EMPLOYEES

29.1 The Contractor represents to the Principal that, as at the Commencement Date and for the term of this Agreement, neither the Contractor nor any of the personnel allocated for the performance of the Services are or will be former Queensland Public Sector or Queensland Public Service employees who are currently within the benefits period of an early retirement benefits package issued by an agency of the Queensland Government and the Contractor acknowledges that the Principal has relied upon that representation in entering into this Agreement.

29.2 If the Contractor becomes aware that any of the personnel allocated for the performance of the Services are former Queensland Public Sector or Queensland Public Service employees who are currently within the benefits period of an early retirement benefits package issued by an agency of the Queensland Government, it will immediately notify the Principal in writing.

29.3 If the Principal becomes aware that there is a breach of clause 29.1, or if the Contractor gives notice under clause 29.2, the Principal may at its option -

- (a) terminate this Agreement pursuant to clause 16.4; or
- (b) give notice under clause 4.3.

30. VARIATION

30.1 This Agreement may be varied at any time by an agreement in writing executed by both parties.

31 GST

- 31.1 In this clause "*adjustment event*", "*adjustment note*", "*GST*", "*supply*", "*supplier*" and "*tax invoice*" have the same meaning as defined in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) ("the GST legislation").
- 31.2 The Consultant acknowledges that in terms of the GST legislation it will, under this Agreement, be a "supplier" and may be required to pay GST to the Commissioner of Taxation.
- 31.3 The parties agree that the agreed prices for the goods or services under the Agreement are GST exclusive prices.
- 31.4 The Consultant will ensure that all tax invoices and adjustment notes rendered to the Principal under the Agreement are in a format that identifies any GST paid, and which permits the Principal to claim an input tax credit.
- 31.5 Subject to clause 31.6, for a supply under this Agreement subject to GST, the Principal must pay to the Consultant an amount equal to the GST payable for that supply.
- 31.6 Where a party is required under this Agreement to pay or reimburse an expense or outgoing of another party, the amount to be paid or reimbursed by the first party will be the sum of the amount of the expense or outgoing less any input tax credits in respect of the expense or outgoing to which the other party, or to which the representative member for a GST group of which the other party is a member, is entitled.
- 31.7 The Consultant must issue an adjustment note to the Principal on or before 7 days after the occurrence of an adjustment event. The Principal's request for an adjustment note shall be deemed to have occurred on the date of the adjustment event. The adjustment note must identify the goods or services relevant to the adjustment event. Adjustment notes issued to the Principal must comply with the requirements of the GST legislation. Where an adjustment event occurs, the amount of GST payable under clause 31.5 will be recalculated to reflect the adjustment event and a payment will be made by the recipient to the supplier or by the supplier to the recipient as the case requires.
- 31.8 If the amount of GST recovered from the Principal under this Agreement differs, for any reason, from the amount of GST paid or payable by the Consultant to the Commissioner of Taxation, including by reason of:
- (a) an amendment to the GST legislation;
 - (b) the issue of or an alteration in a ruling or advice of the Commissioner of Taxation;
 - (c) a refund of GST to the Consultant in respect of any supply made under this Agreement;
 - (d) a decision of any tribunal or court,
- then, subject to obtaining the written approval or instruction from the Principal, the difference in amounts will be paid by or to the Principal as the case may be.

31.9 The Principal is authorised to withhold from payments to the Consultant, a subcontractor or worker such amounts as are required under the Pay as You Go (PAYG) system.

32 SEVERABILITY

32.1 The invalidity or unenforceability of any one or more provisions of the Agreement will not invalidate or render unenforceable the remaining provisions of the Agreement. Any illegal or invalid provision of the Agreement will be severable and all other provisions will remain in full force and effect.

33 INDUSTRIAL DISPUTES

33.1 The Principal will not become involved in industrial disputes between the Contractor and the Contractor's staff.

33.2 Notwithstanding clause 20, during periods of industrial disputes of any duration, the Contractor will be responsible for and will guarantee continuity of all services at the Contractor's expense.

The parties have executed this Agreement as follows -

SIGNED on behalf of the State of Queensland)
 acting through Queensland Health by)
 _____)
 _____) (Signature)
 this _____ day of _____ 20__)
 in the presence of:)
 _____)
 _____) (Signature)

SIGNED by _____ (name of the Contractor) _____)
 ABN _____ (insert number) _____) (Signature of Contractor)
 this _____ day of _____ 200__)
 in the presence of _____ (name of Witness) _____)
 _____) (Signature of Witness)

SIGNED on behalf of _____ (name of the Company) _____)
 ABN _____ (insert number) _____)
 by _____ (name of Company Director) _____, a Director and _____) (Signature of Director)
 by _____ (name of Director or Company Secretary) _____, a Director/
 Secretary _____)
 this _____ day of _____ 200__) (Signature of Director/Secretary)
 in the presence of _____ (name of witness) _____)
 _____) (Signature of Witness)

SIGNED by _____ (name of the Company) Pty Ltd _____)
 ABN _____ (insert number) _____)
 by _____ (name of Sole Director and Secretary) _____, the Sole) (Signature of Sole Director and
 Director and Sole Company Secretary) Sole Company Secretary)
 this _____ day of _____ 200__)
 in the presence of _____ (name of witness) _____)
 _____) (Signature of Witness)

The Common Seal of _____ (name of the Company) _____)
 ABN _____ (insert number) _____ was here affixed _____)
 by _____ (name of Company Director) _____, a Director and _____)
 by _____ (name of Director or Company Secretary) _____, a _____)
 Director/Secretary _____)
 this _____ day of _____ 200_ _____)
 in the presence of _____ (name of witness) _____)

(Signature of Director)

(Signature of Director/Secretary)

(Signature of Witness)

SCHEDULE 1

THE SERVICES

Include the following information:

- *Scope of services to be provided*
- *Individual tasks/services required to be performed and outcomes*

Give comprehensive details on all of the dot points above.

SCHEDULE 2

Project officer shall include comprehensive details under the following headings. This information would be contained in (and should be drawn from) either the Request for Tender specification or successful tenderer's Response; Schedule of Particulars or post tender negotiation records.

Commencement Date (clause 1.1 and 2.1)

Complete

Completion Date (clause 1.1 and 2.1)

Only complete if the agreement is for a stated/fixed term. If the agreement is to continue until the services are completed, state "Not applicable".

Contractor's warranties as to qualifications and memberships (clause 3.3)

List name, position held, qualifications and memberships of each individual contractor proposed for this service.

Quality Assurance Standards (clause 3.3)

Insert the quality assurance standards to be maintained by the Contractor

Assistance to be provided by the Principal (clause 3.4)

Complete (if no assistance to be provided, state "None")

Key Personnel (clause 4.1)

Insert details of the Contractor's key personnel (if any)

Fees to be paid for the services (clause 5.1)

A payment plan may be referred to and included as an Annexure

Expenses for which the Contractor may be reimbursed (clause 5.5)

Complete

Time for Invoices (clause 6)

Complete

Intellectual Property Rights (clauses 9.1 – 9.3)

Optional (choose appropriate option):

- (a) *If intellectual property rights are to remain with QH, state "Clause 9.3 – Nil".*
- (b) *Clause 9.3 - If intellectual property rights in the Contract Material are to vest in the contractor, state "Vest in the Contractor in accordance with clause 9.3".*

Note: You should consider the Queensland Public Sector Intellectual Property Guidelines and Principles and the Queensland Health policies and principles before making a decision on intellectual property rights. As stated above, the usual and fallback position is for intellectual property rights to vest in Queensland Health. The Contractor will obtain a licence to use the material generated under the terms of the Agreement.

Moral Rights (clause 9.14 and 9.15)

In accordance with s. 195 AWA (3) Copyright Act 1968 (Cth), the specific acts or omissions referred to in clauses 9.16 and 9.17 are:

- (a) to not attribute authorship nor identify the author at all or in any particular manner as an author of the contract material where the contract material is reproduced, published, communicated to the public or adapted.
- (b) to attribute authorship in the contract material by inserting or affixing the name of any other person on the contract materials or a reproduction of the contract material to imply that another person is the author of the contract material or that another work is an adaptation of the contract material.
- (c) to deal with the contract materials, a reproduction or adaptation of the contract material on which another person's name has been inserted or affixed as author.
- (d) to communicate the contract material to the public as being a work or adaptation of a work of another author.
- (e) to do any such act and omission in relation to the contract materials that but for this consent would infringe the author's right of integrity. Without limitation, this includes the editing, re-writing, amendment, re-ordering of content of the contract material; inclusion or deletion of text, graphics or other media into or from the contract material; the publication, reproduction and adaptation of any version of the contract material; the reproduction, communication and performance of the contract material or any amendment or adaptation of it in any manner and through any means; any damage, corruption or distortion of the contract material or the medium through which it is reproduced, performed or communicated; the publication or communication of the contract material in conjunction with any other works or the work of any other author; and any other acts or omissions in relation to the contract material which may without intention be inadvertently prejudicial to the author's honour or reputation.

Storage and delivery of Contract Material produced in electronic format (clauses 9.10 and 9.11)

Complete

Period of notice (clause 16.6)

Only complete if the contractor is to be given more than 30 days for termination. If 30 days is acceptable (as provided for in clause 16.6), state "Not applicable".

Public Liability Insurance (clause 19.1)

Some amount for public liability insurance should be included. The Contractor should make its insurance limits available and be requested to provide a certificate of currency. A usual figure for this insurance would be \$10million.

Professional Indemnity Insurance (clause 19.1 and 19.3)

Only include an amount for professional indemnity insurance if the Agreement may be used for professional services. This insurance is only required if the Contractor is performing some type of professional service or activity eg. any types testing, accounting, advertising, engineering services etc. The insurance provides coverage in respect of claims by others for loss due to alleged failures by the contractor to perform work to an acceptable standard. A usual price would be \$10million and the Contractor should be requested to provide a certificate of currency. Contractors performing cleaning services, pest inspections etc would not carry professional indemnity insurance. Usually, if you are engaging a person to perform professional services, a consultancy or supply agreement would be more appropriate. If professional indemnity insurance is not required, state "Not applicable"..

Project Officer (clause 10)

The Principal appoints:

| | |
|-----------------|-----------------|
| Name: | <i>Complete</i> |
| Position Title: | <i>Complete</i> |
| Address: | <i>Complete</i> |
| Telephone: | <i>Complete</i> |
| Facsimile No: | <i>Complete</i> |
| Email: | <i>Complete</i> |

Notices (clause 28):

Contractor:

| | |
|-----------------|-----------------|
| Name: | <i>Complete</i> |
| Position Title: | <i>Complete</i> |
| Address: | <i>Complete</i> |
| Telephone: | <i>Complete</i> |
| Facsimile No: | <i>Complete</i> |
| Email: | <i>Complete</i> |

Principal:

| | |
|-----------------|-----------------|
| Name: | <i>Complete</i> |
| Position Title: | <i>Complete</i> |
| Address: | <i>Complete</i> |
| Telephone: | <i>Complete</i> |
| Facsimile No: | <i>Complete</i> |
| Email: | <i>Complete</i> |

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: <Damon_Atzeni@health.qld.gov.au>
CC: Lochlan Bloomfield <lochlan.bloomfield@au1.ibm.com>
Date: 3/07/2007 12:27 pm
Subject: QH Service Agreement
Attachments: pic24208.gif; pic15471.gif; pic07728.gif; pic11139.gif; pic00669.gif; pic31765.gif

Hi Damon,

Unfortunately, IBM is unable to accept the QH Service Agreement terms around Insurance, IP, Indemnities and Liabilities. Amendments made to the QH Service Agreement by IBM, were to bring the terms in line with the principles of GITC V5.

IBM would be more than agreeable to adopt GITC V5, or have the QH Service Agreement changed to incorporate the appropriate clauses from GITC V5.

Can you please advise how you would like to proceed?

Kind Regards,

Jason

Jason Cameron
(Embedded image moved to file: pic24208.gif)
IBM Global Business Services

(Embedded image moved to file: pic15471.gif) Level 5, IBM Centre, 348
Edward St, Brisbane, QLD 4000
(Embedded image moved to file: pic07728.gif) +61 412 371 387
(Embedded image moved to file: pic11139.gif) +61 7 3013 4118
(Embedded image moved to file: pic00669.gif) +61 7 3013 4190
(Embedded image moved to file: pic31765.gif) jason.cameron@au1.ibm.com

From: Dennis Brown
To: Neil Glentworth
CC: Damon Atzeni
Date: 3/07/2007 2:56 pm
Subject: Re: QH Service Agreement

Neil,
Digested IBM changes and briefed Damon this morning.
QH would not allow the changes around IP, liability and terms of trade.
The Standard Service Agreement is widely used and accepted by many other providers to QH. Gitc has the same or similar requirements around the above requested changes.
Late news from Damon are that IBM will not move on the issue.
My recommendation
Go to tender. If IBM wish to respond to the tender they must agree to the terms & conditions in Part E of the response.
DB

>>> Neil Glentworth Tuesday, 3 July 2007 >>>
Dennis,

Can you brief me on this AM, can we do GITC?

Neil Glentworth
Program Delivery Manager
Enterprise Solutions Transition Program
Queensland Health

Tel 07 32341758
Mob 0409 641785
Email: Neil_Glentworth@health.qld.gov.au
<http://gheps.health.qld.gov.au/qhest>

-----Original Message-----

From: Damon Atzeni
To: Neil Glentworth
Dennis Brown
Nigel Hey
Creation Date: 7/3 2:26 pm
Subject: Fw: QH Service Agreement

Response from IBM.

Where to from here.

Regards
Damon

From: Damon Atzeni
To: Jason Cameron IBM
Date: 20/07/2007 2:31 pm
Subject: Contract draft for review
Attachments: QHEST - Part C - Draft Contract - (20072007).DOC

Hi Jason

As mentioned earlier today please find attached another draft service agreement from QHEST.

This is for IBM to review and identify any issues you have from a contractual perspective. If all is well the agreement will be written up and signed by Michael Kalimnios because of the financial delegation required. It will then be sent to IBM for signing.

Let me know if there are any issues. The sooner we get agreement the sooner we get signoff.

kind regards

Damon Atzeni
Business Integration Manager
QHEST (Enterprise Solutions Transition) Program
<http://qheps.health.qld.gov.au/qhest/home.htm>
Level 24, CPA Building
307 Queen St. Brisbane, Q 4000
Phone: 07 3234 0387
Mobile: 041 973 6151
Fax: 07 3234 1420
Email: Damon_Atzeni@health.qld.gov.au



Queensland Government

Queensland Health

REQUEST FOR OFFER

PART C – DRAFT CUSTOMER CONTRACT AND MODULES

| | |
|----------------------------|----------------------------------|
| RFO No: | |
| Date Issued: | |
| Enquiries To: | |
| Email address: | |
| Telephone Number: | (07) 3636 0314 |
| Facsimile Number: | (07) 3636 4943 |
| Tender Box Address: | |
| RFO Closing Time and Date: | Australian Eastern Standard Time |



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STRICTLY CONFIDENTIAL

CUSTOMER CONTRACT AND MODULES

Contract No: QHEST XXXX

ISSUED BY
The State of Queensland acting
Through Queensland Health
Draft
ON

[Insert Details]

ACN [Insert Details]
ABN [Insert Details]

for

XXXXXXXXXXXXXXXX

Queensland Health

| | | | |
|------|-----|-----------------------------------|--|
| C1.1 | | Agreement Number | Q - |
| C1.2 | 1.1 | Interpretation Customer | The State of Queensland acting through Queensland Health of 147-163 Charlotte Street, Brisbane, Queensland. |
| C1.3 | | Ordering Officer | <p>Contact Name: [Insert Details]</p> <p>Telephone Number: (07)</p> <p>Facsimile Number: (07)</p> <p>Postal Address: Queensland Health GPO Box 48 BRISBANE QLD 4001</p> <p>The Ordering Officer is not an authorised representative of the Customer and therefore cannot vary or limit the scope or amend this Official Order or any other part of this Contract.</p> |
| C1.4 | | Officer Receiving the Invoice | <p>Contact Name: TBA</p> <p>Telephone Number: TBA</p> <p>Facsimile Number: TBA</p> <p>Postal Address: Queensland Health GPO Box 48 BRISBANE QLD 4001</p> |
| C1.5 | 1.1 | Interpretation Contractor | <p>[Insert Details]</p> <p>ABN:</p> <p>ACN:</p> <p>Contact Name:</p> <p>Telephone Number:</p> <p>Facsimile Number:</p> <p>Postal Address:</p> |
| C1.6 | | Delivery Address | Refer to C1.15 – Site or as otherwise notified by the Customer to the Contractor from time to time.. |
| C1.7 | 1.1 | Interpretation Business Day | GITC Part 2 – Customer Contract Provisions, Clause 1.1 – Definitions, Business Day applies. |
| C1.8 | 1.1 | Interpretation Contract Period | <p>The Commencement Date is the date of execution of this Customer Contract by the parties, or if the Customer Contract is executed by the Parties on different dates, on the latter of those dates.</p> <p>This Customer Contract shall expire 12 months after the Commencement Date unless extended in writing by the Customer.</p> <p>At the Customer's discretion, there shall be the prospect of three (3) x twelve (12) month extension periods.</p> |

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| | | | |
|-------|-----|---|--|
| C1.9 | 1.1 | Interpretation Contract Price | The Total firm Contract Price for all Deliverables, is \$[Insert Details] inc GST as described in Schedule S2 – Project, Implementation and Payment Plan, attached. |
| C1.10 | 1.1 | Interpretation Contract Specifications | Contract Specification is as described in: [Insert Details] |
| C1.11 | 1.1 | Interpretation Deliverable | Indicate by marking with an X, the Deliverables that do apply: <input checked="" type="checkbox"/> Services to be further specified in Module Order MO9 |
| C1.12 | 1.1 | Interpretation Price | Refer to C1.9 – Contract Price. |
| C1.13 | 1.1 | Interpretation Product | [Insert Details] |
| C1.14 | 1.1 | Interpretation Services | [Insert Details] |
| C1.15 | 1.1 | Interpretation Site | [Insert Details] |
| C1.16 | 1.1 | Interpretation Specified Personnel | [Insert Details] |
| C1.17 | 1.1 | Interpretation System | [Insert Details] |
| C1.18 | 1.1 | Warranty Period (System) | [Insert Details] |
| C1.19 | 1.3 | Time of the Essence | Time is of the essence in relation to all the Contractor's obligations under this Contract. |
| C1.20 | 2. | Formation of Customer Contract | This Customer Contract expressly incorporates the following Documents (pursuant to clause 2.1.12(f)): (a) Attachment A – Special Conditions; (b) the Contract Contract Specification as described in C1.10 – Contract Specifications of this Customer Contract; (c) the Contractor's Response to RFO QHEST 3XXX as received on [Insert Details]; and (d) the Customer's RFO QHEST 3XXX as released to market on [Insert Details]. The order of hierarchy from (a) to (d) shall prevail to the extent of any inconsistency. |
| C1.21 | 3.1 | Pricing Maximum Price for Deliverables | The Contract Price for this Customer Contract shall not exceed the prices specified in C1.9 – Contract Price without a properly executed variation in accordance with Part 2 – Customer Contract Provisions, Clause 15.2 – Customer Contract Variations. |
| C1.22 | 5.1 | Risk and Information Management Minimum Insurance Requirements | To the extent not already provided by the Contractor under Part 1 – Contract Authority Provisions, the Head Agreement, the minimum insurance required is: a) Public Liability insurance to the value of at least \$5,000,000.00 in respect to each claim; b) Workers' Compensation insurance in accordance with applicable legislation for all the Contractor's employees; and c) Professional Indemnity insurance to the value of at least \$10,000,000.00 in respect to each claim. |
| C1.23 | 5.2 | Risk and Information Management Performance Guarantee | Not Required |

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|-------|------|--|---|
| C1.24 | 5.3 | Risk and Information Management Financial Security | Not Required |
| C1.25 | 5.4 | Risk and Information Management Confidentiality | Refer to Attachment A – Special Conditions of this Customer Contract. Information regarding the Customer or the Customer Contract may not be disclosed without the Customer's written consent however, the Contractor may disclose the fact that the Customer is a customer of the Contractor. The Customer agrees that the Contractor may disclose information as described at GITC Part 2 – Customer Contract Provisions, Clause 5.4.4. |
| C1.26 | 5.6 | Risk and Information Management Secrecy and Security | Refer to Attachment A – Special Conditions of this Customer Contract. |
| C1.27 | 5.7 | Risk and Information Management Privacy & Disclosure of Personal Information | The Customer requires all employees of the Contractor who provide the Services under this Customer Contract to execute a Deed of Privacy substantially in the form of Schedule S10 – Deed of Privacy, of Part 4 – Customer Contract Schedules prior to commencing work at the Customer's Site or premises. |
| C1.28 | 6.1 | Intellectual Property and Moral Rights Intellectual Property Rights | The terms of ownership of the Intellectual Property applicable to this Customer Contract are described at Schedule C2 – Intellectual Property Ownership – Model 1 – Option A (<i>Customer – owned - no licence back to Contractor</i>). |
| C1.29 | 7.1 | Liability | The liability of a Party under the Customer Contract is limited to the total Contract Price on a per occurrence basis. |
| C1.30 | 7.2 | Indemnity | The indemnity of a Party under the Customer Contract is limited to the total Contract Price on a per occurrence basis. |
| C1.31 | 8.1 | Customer's Obligations Customer Supplied Items (CSI) | Not applicable |
| C1.32 | 8.2 | Customer's Obligations Customer's Data and Processing Environment | The Customer's Data and Processing Environment is as follows: [Insert Details] |
| C1.33 | 8.3 | Customer's Obligations Customer's Personnel | Not required |
| C1.34 | 8.4 | Customer's Obligations Site Specification and Preparation | [Insert Details] |
| C1.35 | 8.5 | Installation of Product | [Insert Details] |
| C1.36 | 9.1 | Contractor's Obligations Compliance with Laws, Standards and Codes | The Contractor must comply with Australian and international standards and any other Government codes, policies or guidelines as notified by the Customer to the Contractor from time to time. |
| C1.37 | 9.4 | Contractor's Obligations Contractor's Warranty | [Insert Details] |
| C1.38 | 10.3 | Personnel Approved Parties | [Insert Details] |

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| | | | |
|-------|------|--|---|
| C1.39 | 11.1 | Project Management Management Committee | A management committee is to be established within five (5) Business Days of the Commencement Date of this Customer Contract and consist of: <ul style="list-style-type: none"> the Customer's Project Manager; the Contractor's Project Manager; and such other persons as specified by the Customer. The management committee shall meet weekly unless otherwise agreed by the Customer. |
| C1.40 | 11.2 | Project Management Progress Reporting | [Insert Details] |
| C1.41 | 11.3 | Project Management Customer Contract Review Procedures | The Deliverables provided under this Customer Contract will be reviewed weekly as agreed between the Customer and the Contractor. Scheduled reviews will address the following items as required: <ul style="list-style-type: none"> Performance of the Customer Contract; Milestones for the Deliverables; Changes to the Customer Contract; and Proposed actions/responses to current or potential problems and similar matters affecting the operation of the Customer Contract. |
| C1.42 | 11.4 | Project Management Project, Implementation and Payment Plan | Refer to Schedule S2. |
| C1.43 | 11.5 | Project Management Staged Implementation | Not required |
| C1.44 | 11.6 | Project Management Liquidated Damages | Not required |
| C1.45 | 11.7 | Project Management Escrow of Source Code | Not required |
| C1.46 | 12.1 | Performance of Contract Delivery | [Insert Details] |
| C1.47 | 12.2 | Performance of Contract Title and Risk | The transfer of title for each Deliverable will occur immediately upon the AAD. |
| C1.48 | 12.4 | Performance of Contract Acceptance Testing | Not required |
| C1.49 | 12.6 | Performance of Contract Documentation | The Contractor is to provide the following documentation by [Insert Details]: <ul style="list-style-type: none"> [Insert Details] |
| C1.50 | 12.7 | Performance of Contract Training | Not required |
| C1.51 | 12.9 | Project Management Retention of Monies | Not required |
| C1.52 | 13.1 | Payment Payment of Contract Price | Payment is to be made in accordance with the Schedule S2 – Project Implementation and Payment Plan attached. The Prices set out in this Contract are firm. All Prices in this Contract and in any General Order Pursuant to this Contract are in Australian dollars and no exchange rate variations shall be allowed. |

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| | | | |
|-------|------|--|--|
| C1.53 | 13.2 | Performance of Contract Invoices and Time for Payment | Payment for a Product or Service shall be due within thirty (30) days of receipt by the Customer of a correctly rendered Invoice. If the Customer queries an invoice or the Services the subject of the invoice (including the provision of those Services and the standard of those Services), the Customer must advise the Contractor in writing of the query or dispute, and all amounts not in dispute shall be due and payable in accordance with this clause. |
| C1.54 | 13.4 | Performance of Contract Credit/Debt Card or Electronic Facility | Payment is to be made by Electronic Funds Transfer. The Contractor should provide all banking details on submission of a correctly rendered tax invoice. |
| C1.55 | 17.8 | General Notices | <p>Customer Details</p> <p>Director - QHEST Program</p> <p>Contact Name:</p> <p>Telephone Number: (07) 3234 1358</p> <p>Facsimile Number: (07) 3234 0301</p> <p>Postal Address: Queensland Health GPO Box 48 Brisbane Q 4001</p> <p>The Delegate may nominate from time to time a representative to perform the functions of the Delegate under this Customer Contract.</p> <p>Contractor Details</p> <p>Contact Name: [Insert Details]</p> <p>Telephone Number:</p> <p>Facsimile Number:</p> <p>Postal Address:</p> |

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The Parties to this Customer Contract have executed the Customer Contract on the dates set out below.

EXECUTED AS A CUSTOMER CONTRACT

EXECUTION BY GOVERNMENT PARTY:

Signed
for and on behalf of the State of Queensland acting through
Queensland Health

by

Michael Kalimnios Executive Director Corporate Services

this day of2007

In the presence of:

.....
(insert name of witness)

.....
(signature of Customer representative)

.....
(signature of witness)

EXECUTION BY CONTRACTOR:

Signed
for and on behalf of

.....
(insert Contractor's name; ACN & ABN)

in accordance with s.127 of the Corporations Act 2001 (Cth)

this day of2007

by

.....
(insert name of Director)

.....
(insert name of Director/Secretary)

in the presence of

.....
[insert name of witness]

Draft

.....
(signature of Director)

.....
(signature of Director/Secretary)

.....
(signature of witness)

Where an attorney or other agent executes this Customer Contract on behalf of a Contractor, the form of execution must indicate the source of this authority and such authority must be in the form of a Customer Contract and a certified copy thereof provided to the Customer.

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SERVICES

| No. | Reference Clause No. | Details to be Included from Module 09: Services | Details |
|------|----------------------|--|---|
| M9.1 | 1.1. | Client Site | |
| | | Specify the Client Site where the Services shall be performed. | Refer to C1.15 – Site. |
| M9.2 | 1.1. | Commencement Date | |
| | | Specify the Commencement Date of the Services. | Refer to C1.8 Contract Period. |
| M9.3 | 1.1. | Consultant | |
| | | Specify the name of the Contractor | [Insert Details] |
| M9.4 | 1.1. | Expiry Date | |
| | | Specify the conclusion date of the Services. | Refer to C1.8 Contract Period. |
| M9.5 | 1.1 | Scope | |
| | | Specify the services required by the Customer to be performed. | <p>(a) The Services are set out in the following documents:</p> <ul style="list-style-type: none"> (i) the RFO Documents; (ii) the Contractor's RFO Response; and <p>and any agreed amendments to any of these documents from time to time.</p> <p>(b) To the extent of any inconsistency between these documents, the document lower in the order (i) – (iii) prevails to the extent of the inconsistency.</p> |
| M9.6 | 3 | Qualifications and Deliverables | |
| | | Specify any qualifications, admissions and memberships required by the Customer. | <p>(a) The qualifications, admissions and memberships required by the Customer are set out in the following documents:</p> <p>[Insert Details]</p> |
| | | List the Specified Personnel to perform the Services, if applicable. | [Insert Details] |

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| | | | |
|------|---|---|---|
| | | Specify the Deliverables (if any) and any particular standards and specifications. | <p>(a) The Deliverables are set out in the following documents: [Insert Details] and any agreed amendments to any of these documents from time to time.</p> <p>(b) To the extent of any inconsistency between these documents, the document lower in the order (i) – (x) prevails to the extent of the inconsistency.</p> |
| | | Specify if any assistance shall be provided by the Customer to the contractor If "YES" please provide comprehensive details. | [Insert Details] |
| M9.7 | 4 | Fees and Reimbursable Expenses | |
| | | Specify the fees for Services. | Refer to C1.9 – Contract Price. |

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MODULE ORDER M09
SERVICES

| No. | Reference Clause No. | Details to be included from Module 09: Services | Module Order Details |
|------|-----------------------|---|---------------------------------|
| | | Specify if the Consultant may claim for any reasonable costs, and expenses. | NO |
| | | If "YES", please provide comprehensive details. | |
| M9.8 | 13.1 & 13.2 of Part 2 | Pricing | |
| | | Specify the complete "firm" Price details for Services. | Refer to C1.9 – Contract Price. |
| | | Specify the complete "fixed" Price details if variable (including any pricing adjustment regime) for Services. | |
| | | Specify the timing of payments: (a) Milestones; or (b) On some other basis; or if applicable, reference the Payment Plan in the Project, Implementation and Payment Plan of Schedule S2 of Part 4. | Refer to Schedule S2. |

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SCHEDULE S2**PROJECT IMPLEMENTATION and PAYMENT PLAN****Introduction**

This Schedule the Project, Implementation and Payment Plan (PIPP) describes in detail the:

- (a) Product and/or Services to be provided by the Contractor to the Customer;
- (b) timeframe for each Milestone to be performed by the Contractor; and
- (c) payment obligations of the Customer.

The format of this Schedule is a matter for the Parties, depending upon the nature of the Customer Contract and the obligations of the Parties under it. The Schedule need not be divided into separate Parts (Project, Implementation and Payment Plan) although the Parties should ensure that these important aspects of the PIPP are dealt with and described in detail within.

A. PROJECT PLAN**Aspects of Project Plan**

Project plan should address the relevant aspects of the Customer Contract including if appropriate the following:-

1. Describe the nature and extent of the Deliverables e.g., a report, interim reports, plans, models, specifications, other deliverables etc. including provisions about the form (e.g. hard copy, data storage system, sound or visual images etc. in which the Deliverables are to be produced and any equipment necessary for access to the Deliverables.
2. Due dates for delivery of each Deliverable.
3. Identify and describe accurately all related project tasks.
4. Commencement dates for all tasks.
5. Completion dates for all tasks.
6. Detail the tasks to be performed by the Customer's employees.
7. Detail the initial system set-up and support for data conversion.
8. Details of site preparation.
9. Details of prototyping.
10. Details of how, and what phases the integration of the Products, Licensed Software and Developed Software is to be achieved (for systems integration).
11. For each task to be performed or Milestone to be achieved and various responsibilities of the Contractor and the Customer shall be specified.
12. The Contractor must specify any work which can be performed off-site.
13. Details of the organisational and human resource management of the project team shall be set out and include:
 - (a) hierarchy of personnel (both Customer and Contractor personnel);
 - (b) responsibilities;
 - (c) qualifications of the Contractor's staff assigned to perform tasks under this Contract.
14. Specify the times and places for the supply of Products or Services which are to be provided by the Customer.
15. Specify the project methodology to be undertaken.
16. Details of training.

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B. IMPLEMENTATION PLAN

The timeframe for any Services, production and/or implementation of Deliverables, should be set out specifying all relevant dates: commencement, progress or interim Stages, completion. The following aspects should be considered:-

| Description | Stage One | Stage Two | Stage Three | Final Stage |
|-------------------------------|-----------|-----------|-------------|-------------|
| Commencement Date | | | | |
| Acceptance Testing program | | | | |
| Customer Supplied Items | | | | |
| Site Preparation | | | | |
| Site Access | | | | |
| Delivery & Installation dates | | | | |
| Escrow Lodgement | | | | |
| Training (if any) | | | | |
| Liquidated Damages | | | | |
| Completion Date | | | | |

Financial Security

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Where a Financial Security is in place and progressive reduction of the Financial Security is negotiated between the parties based on payment (or other) milestones, set out the milestones for each progressive reduction. For example:

| Milestone | Amount of Reduction of Financial Security |
|-----------|---|
| | |
| | |
| | |

The Parties will also need to either:

- (a) include these milestones in the Schedule S4 - Financial Security; or
- (a) discharge the existing Financial Security and sign a new Schedule S4 Financial Security for the reduced amount, based on each milestone.

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C. PAYMENT PLAN

Details of payment to be made by the Customer to the Contractor.

Payment should be linked to Milestones/Stages and subject to any Acceptance Testing programs. For example:

The total payment for the Deliverable is \$..... payable by the following Instalments:

- \$..... upon delivery of an interim report (as described in the Project, Implementation and Payment Plan);
- \$..... upon delivery of a Final Report.

Specify any other financial obligations, e.g. travelling allowances, printing or production costs.

Other issues relevant to payment:

- Any retention amounts (clause 11.8.1);
- Liquidated damages (clause 11.7)

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SCHEDULE 56
DEED OF CONFIDENTIALITY

DEED OF CONFIDENTIALITY.....dated.....
20.....

Between

.....
[insert name of the Customer] (the "Customer")

And

..... ACN/ABN

[insert name of the Confidant] (the "Confidant")

..... ACN/ABN

Recitals:

- A. In the course of the Confidant performing certain services for the Customer (whether directly or indirectly), the Confidant may become aware of information belonging to or in the possession of the Customer that is confidential.
- B. Improper use or disclosure of that information would severely damage the Customer's ability to perform its governmental/statutory functions. **Draft**
- C. The Customer requires, and the Confidant agrees, that it is necessary to take all reasonable steps (including the execution of this Deed) to ensure that the Customer's Confidential Information is kept confidential and that the Confidant performs those services faithfully and without any conflicting interest.

Agreed Covenants:

1. Recitals

1.1 The Parties acknowledge the truth and accuracy of the Recitals in every particular.

2. Interpretation

2.1 Definitions

In the interpretation of this Deed unless the contrary intention appears or the context otherwise requires or admits the following expressions shall have the following meanings:

"Confidential Information" means, in relation to a Party, information that:

- (a) is by its nature confidential;
- (b) is communicated by a Party to the other Party as being confidential; or
- (c) the other Party knows or ought to know is confidential.

Subject to (a), (b) and (c) above, Confidential Information includes information that is:

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- (i) comprised in or relating to any Intellectual Property Rights of the Party;
- (ii) relating to the internal management and structure of the Party, or the personnel, policies and strategies of the Party unless otherwise made public;
- (iii) of any actual or potential commercial value to the first Party or to the person or corporation which supplied that information;
- (iv) in the case of the Customer, information relating to the policies, strategies, practices and procedures of the Commonwealth, State or Territory Government and any information in the Confidant's possession relating to the Commonwealth, State or Territory Government public services; or
- (v) in the Party's possession relating to the other Party's clients or suppliers, and like information.

"Intellectual Property Rights" includes copyright, trade mark, design, patent, semiconductor or circuit layout rights, trade, business or company names, or other proprietary rights, or any rights to registration of such rights existing in Australia, whether created before on or after the commencement date of a Customer Contract.

2.2 General

2.2.1 Unless the contrary intention appears:

- (a) monetary references are references to Australia currency;
- (b) the clause and sub-clause headings are for convenient reference only and have no effect in limiting or extending the language of the provisions to which they refer;
- (c) a cross reference to a clause number is a reference to all its sub-clauses;
- (d) words in the singular number include the plural and vice versa;
- (e) words importing a gender include any other gender;
- (f) a reference to a person includes a partnership and a body whether corporate or otherwise;
- (g) a reference to a clause or subclause is a reference to a clause or sub-clause of this Deed; and
- (h) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.

3. Non Disclosure

- 3.1 The Confidant must not disclose the Confidential Information to any person without the prior written consent of the Customer.
- 3.2 The Customer may grant or withhold its consent in its absolute and unfettered discretion.
- 3.3 If the Customer grants its consent, it may impose conditions on that consent. In particular, but without limiting the generality of the preceding sentence, the Customer may require that the Confidant procure the execution of a Deed in these terms by the person to whom the Confidant proposes to disclose the Confidential Information.
- 3.4 If the Customer grants consent subject to conditions, the Confidant must comply with those conditions.
- 3.5 The obligations of the Confidant under this Deed shall not be taken to have been breached where the Confidential Information is legally required to be disclosed.

4. Restriction on Use

- 4.1 The Confidant will use the Confidential Information only for the purpose of its dealings with the Customer (whether directly or indirectly).

5. Survival

- 5.1 This Deed will survive the termination or expiry of the contract providing for the performance of services by the

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Confidant (whether directly or indirectly).

6. Powers of The Customer

6.1 Production of Documents

6.1.1 The Customer may demand (without needing to reduce the demand to writing) the delivery up to the Customer of all documents in the possession or control of the Confidant containing the Confidential Information.

6.1.2 The Confidant must immediately comply with a demand under this clause 6.

6.1.3 If the Customer makes a demand under this clause 6, and the Confidant has placed or is aware that documents containing the Confidential Information are beyond his or her possession or control, then the Confidant must provide full particulars of the whereabouts of the documents containing the Confidential Information, and the identity of the person in whose custody or control they lie.

6.1.4 In this clause 6, "documents" includes any form of storage of information, whether visible to the eye or not.

6.2 Legal Proceedings

6.2.1 The Confidant acknowledges that the Customer may take legal proceedings against the Confidant or third parties if there is any actual, threatened or suspected breach of this Deed, including proceedings for an injunction to restrain such breach.

7. Conflict of Interest

7.1 The Confidant warrants that before entering into this Deed it has disclosed to the Customer all the past, current and anticipated interests of the Confidant which may conflict with or restrict the Confidant in performing services to the Customer fairly and independently.

7.2 The Confidant shall not during the course of this Deed engage in any activity or obtain any interest likely to conflict with or restrict the Confidant in providing services to the Customer fairly and independently and shall immediately disclose to the Customer such activity or interest.

8. No Exclusion of Law or Equity

8.1 This Deed must not be construed to exclude the operation of any principle of law or equity intended to protect and preserve the confidentiality of the Confidential Information.

9. Variation and Waiver

9.1 This Deed shall not be varied either in law or in equity except by agreement in writing signed by the Customer and the Confidant.

9.2 A waiver by one party of a breach of a provision of this Deed by another party shall not constitute a waiver in respect of any other breach or of any subsequent breach of this Deed. The failure of a party to enforce a provision of this Deed shall not be interpreted as a waiver of that provision.

10. Applicable Law

10.1 The laws of the State of Queensland govern the Customer Contract and the Parties submit to the non-exclusive jurisdiction of the courts of Queensland

11. Remedies Cumulative

11.1 Rights Cumulative

11.1.1 The rights and remedies provided under this Customer Contract are cumulative and not exclusive of any rights or remedies provided by law or any other such right or remedy.

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11.2 Other Instruments

- 11.2.1 Subject to the other covenants of this Deed, the rights and obligations of the Parties pursuant to this Deed are in addition to and not in derogation of any other right or obligation between the Parties under any other deed or agreement to which they are Parties.

12. Notices

- 12.1 A notice or other communication which may be given to or served on either Party under this Agreement is deemed to have been duly given or served if it is in writing, signed by the Party giving the notice ("the first Party") and is either delivered by hand, posted, sent via facsimile or a copy transmitted via electronic mail or other electronic means to the other Party at the address set out in item 14 of Schedule A1 or such other address as is notified in writing to the first Party from time to time.
- 12.2 Such notice or other communication is deemed to have been duly received:
- (a) if delivered by hand – at the time when the first Party holds a receipt for that document signed by a person apparently employed at that address for service;
 - (b) if sent by post – at the time when, in the ordinary course of the post, it would have been delivered at the address to which it is sent;
 - (c) if sent via facsimile – at the time when the machine on which the notice is sent reports in writing that the notice has been transmitted satisfactorily; or
 - (d) if sent via electronic mail or other electronic means – at the time when the other Party acknowledges receipt by any means.
- 12.3.1 If delivery or receipt of a notice or communication occurs on a day other than a Business Day or is later than four (4.00) pm (Customer local time) it will be taken to have duly occurred at nine (9.00) am (Customer local time) on the next Business Day.

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The Parties to this Deed of Confidentiality have executed the Deed on the dates set out below.

EXECUTED AS A DEED OF CONFIDENTIALITY

EXECUTED BY CUSTOMER

Signed, Sealed and Delivered for and on behalf of the

.....
(insert name of Customer)

by

.....
(insert name of Customer representative)

.....
(signature of Customer representative)

this day of20.....

In the presence of:

.....
(insert name of witness)

.....
(signature of witness)

EXECUTION BY CONFIDANT

Signed, Sealed and Delivered for and on behalf of

.....
(insert Confidant's name; ACN & ABN)

in accordance with s.127 of the Corporations Act 2001 (Cth)

this day of20.....

by

.....
(insert name of Director)

.....
(signature of Director)

.....
(insert name of Director/Secretary)

.....
(signature of Director/Secretary)

in the presence of:

.....
[insert name of witness]

.....
(signature of witness)

OR

EXECUTION BY CONFIDANT

Signed, Sealed and Delivered for and on behalf of

.....
(insert Confidant's name; ACN & ABN)

this day of20.....

by

.....
(insert name of Confidant)

.....
(signature of Confidant)

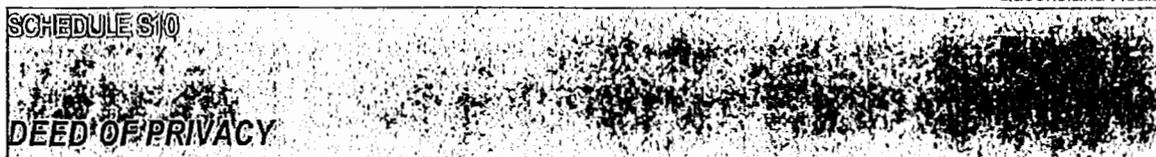
in the presence of:

.....
[insert name of witness]

.....
(signature of witness)

Where an attorney or other agent executes this Deed or affixes a seal on behalf of a Contractor, the form of execution must indicate the source of this authority and such authority must be in the form of a deed and a certified copy thereof provided to the Customer.

Queensland Health



DEED OF PRIVACY

.....dated.....20.....

Between

.....
[insert name of the Customer] (the "Customer")

And

..... ACN/ABN

.....
[insert name of the Approved Party] (the 'Approved Party')

And

..... ACN/ABN

.....
[Insert name and ACN/ABN of the Contractor] (the 'Contractor')

Recitals

- A. The Approved Party is an employee, agent or subcontractor of the Contractor.
- B. The Contractor has entered into a contract ("the Customer Contract") with the [insert name of Department/Agency] ("the Customer") for the provision of products and/or services, which may include access to information that contains Personal Information.
- C. In the course of dealing with the Contractor, the Approved Party may have access to the Personal Information.
- D. The Personal Information held by the Contractor is subject to the Information Privacy Principles contained in Information Standard 42 issued under the authority of ss.22(2) and 56(1) of the *Financial Management Standard 1997*.
- E. The Contractor has undertaken that in the performance of the Customer Contract with the Customer it will comply with the applicable Information Privacy Principles and has made other undertakings in relation to the collection, use, handling, distribution and disclosure of the Personal Information.
- F. The Contractor shall obtain from its Approved Party an undertaking to observe the clauses relating to the protection of Personal Information contained in the Contract and to inform the Approved Party that failure to comply with such an undertaking may lead the Contractor to take action against the Approved Party.

1 Definition

1.1 In this Deed, unless the contrary intention appears.

"Personal Information" means information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.

2 Approved Party's Undertaking

2.1 The Approved Party undertakes -

Queensland Health

- (a) not to access, use, modify, disclose or retain any Personal Information of the Customer that he or she has acquired from the Contractor, except for the purpose for which the Personal Information was acquired; and
- (b) in addition to any direction as to particular measures specified by the Contractor, take all reasonable measures to ensure that any Personal Information held in connection with the Customer Contract is protected against loss, unauthorised access, use, modification or disclosure and against other misuse.

3 Breach

- 3.1 The Approved Party acknowledges that failure to comply with this Deed may lead to action by the Contractor.

4 Surviving Obligations

- 4.1 The undertakings made in this Deed will survive both the termination or expiry of the Customer Contract between the Customer and the Contractor and the termination or expiry of the Approved Party's agreement with the Contractor.

5 Acknowledgement by Approved Party

- 5.1 The Approved Party undertakes that in signing this Deed -

- (a) he or she understands the Contractors' responsibilities in relation to information privacy;
- (b) he or she will not access, use, disclose or retain Personal Information except in relation to the purpose for which the Personal Information was acquired; and
- (c) he or she understands the possible consequences of a breach of this undertaking.

6 Applicable Law

- 6.1 The laws of the State of Queensland govern this Deed and the parties submit to the non-exclusive jurisdiction of the courts of Queensland.

7. Variation and Waiver

- 7.1 This Deed shall not be varied either in law or in equity except by agreement in writing signed by the parties.

- 7.2 A waiver by one party of a breach of a provision of this Deed by another party shall not constitute a waiver in respect of any other breach or of any subsequent breach of this Deed. The failure of a party to enforce a provision of this Deed shall not be interpreted as a waiver of that provision.

8. Assignment

- 8.1 The Contractor and the Approved Party, or either of these, shall not assign, in whole or in part, or novate this Deed without first obtaining the prior written consent of the Customer.

9. Severability

- 9.1 If any part of this Deed is void or voidable, then that part is severed from the Customer Contract but without affecting the continued operation of the remainder of the Customer Contract.

Queensland Health

The Parties to this Deed of Privacy have executed the Deed on the dates set out below.

EXECUTED AS A DEED

EXECUTION BY CUSTOMER:

Signed, Sealed and Delivered for and on behalf of the

..... by
(insert name of Customer)

.....
(insert name of Customer representative)

.....
(signature of Customer representative)

this day of20.....

In the presence of:

.....
(insert name of witness)

.....
(signature of witness)

EXECUTION BY APPROVED PARTY:

Signed, Sealed and Delivered for and on behalf of

.....
(insert Approved Party's name; ACN & ABN)

in accordance with s.127 of the Corporations Act 2001 (Cth)

this day of20..... by

.....
(insert name of Director)

.....
(signature of Director)

.....
(insert name of Director/Secretary)

.....
(signature of Director/Secretary)

in the presence of:

.....
[insert name of witness]

.....
(signature of witness)

OR

EXECUTION BY APPROVED PARTY:

Signed, Sealed and Delivered for and on behalf of

.....
(insert Approved Party's name; ACN & ABN)

this day of20..... by

.....
(insert name of Approved Party)

.....
(signature of Approved Party)

in the presence of:

.....
[insert name of witness]

.....
(signature of witness)

Where an attorney or other agent executes this Deed or affixes a seal the form of execution must indicate the source of this authority and such authority must be in the form of a Deed and a certified copy thereof provided to the Customer.

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General Details

CONTRACT

.....

CONTRACTOR DAY DATE

.....

HOURS WORKED

.....

TIME LOST: POWER FAILURE OTHER TOTAL:

.....

FULL DETAILS

.....

.....
.....

RECORD OF ADVICE PREVIOUSLY GIVEN TO CONTRACTOR OF ANY EXPECTED DELAYS FOR TODAY

ADVICE NUMBER DATE FORWARDED SENT BY

.....

EXPECTED DURATION: FROM TO

.....

ACTUAL DURATION: FROM TO

.....

AREAS WHERE WORK PERMITTED

.....

.....
.....

IMPACT ON PROGRESS

.....

.....
.....

IMPORTANT EVENTS:

.....

.....

.....

Queensland Health

.....
.....
.....

VISITORS:

.....
.....
.....
.....

WORK IN PROGRESS: (GENERAL DESCRIPTION, OUTPUT, UNUSUAL FEATURES, PROGRESS TO BE RECORDED ON RESOURCE AND ACTIVITY SHEET)

.....
.....
.....
.....
.....
.....

WORK COMPLETED

.....
.....
.....

Draft

PRODUCTS DELIVERED

.....
.....
.....
.....
.....

DISCUSSIONS WITH CONTRACTOR: (PERSONS, SUBJECT AND ACTION TASKS)

.....
.....
.....
.....
.....

NOTE: THE SITE REPRESENTATIVE HAS NO AUTHORITY TO AGREE TO CONTRACTUAL VARIATIONS

Queensland Health

.....
Customer's Representative

.....
Contractor's Representative

Draft

Queensland Health

ATTACHMENT A
SPECIAL CONDITIONS**ATTACHMENT A*****Special Conditions***

Refer to C1.20 of Schedule C1 – General Order.

1.20.1 Confidentiality

1.20.1.1 This clause is to be read in addition to the requirements of GITC Part 2 – Customer Contract Provisions, Clause 5.4 – Confidentiality.

1.20.1.2 Confidential Information has the meaning given in GITC Part 2 – Customer Contract Provision, Clause 1.1 – Definitions and also includes (without limitation) the following:

- a) any information communicated between the Parties which relates either directly or indirectly to the requirements for the System, or the business operations of the Customer;
- b) any and all information and data concerning the Customer's employees or clients;
- c) any trade secrets, proprietary information, technical information, documentation, price lists, pricing and payment conditions and schedules, financial and accounting details, operating and user manuals, data, drawings, plans, reports and all other information or documents; and
- d) information disclosed by either Party to the other for the purposes of the Contract or in any negotiations preceding the execution of this Contract.

1.20.1.3 The Contractor must ensure that the obligations, as specified in this Customer Contract, on the Contractor in respect of Confidential Information also apply to any Approved Parties and AP Agents.

1.20.1.4 The Contractor must ensure that the obligations, as specified in this Customer Contract, on the Contractor in respect of Confidential Information also apply to its directors, officers, employees, Approved Parties, AP Agents and their employees.

1.20.1.5 In the event of a breach, by any employee of the Contractor or any Approved Parties and AP Agents and their employees, of the obligations in respect of Confidential Information, the Contractor must immediately advise the Customer of full details of the breach (including the Confidential Information disclosed, the person committing the breach and the person to whom the Confidential Information was disclosed) and do all things necessary to immediately recover the Confidential Information and to prevent any further unauthorised disclosure of the Confidential Information.

1.20.1.6 Neither party shall disclose the other's Confidential Information without the prior written notice of the Delegate or the Contractor as the case may be. Where the Confidential Information is common to both parties, neither party shall disclose the Confidential Information without the prior written notice of both the Delegate and the Contractor.

1.20.1.7 The Contractor shall:

- 2.1 not, without the Delegate's prior written consent, divulge the Customer's computer passwords to any person;
- 3.1 not divulge such computer passwords to the Contractor's staff and the staff of sub-contractors who are required to receive and consider such information in the course of and for the purposes of this Official Order without authorisation by the Delegate in writing from time to time;

Queensland Health

- 4.1 inform the Delegate immediately upon becoming aware of any unauthorised use of a computer password; and
- 5.1 notify the Delegate immediately upon becoming aware of any disclosure or distribution of information in breach of this Item, by any person, and shall give the Customer all reasonable assistance in connection with any proceedings which the Customer may institute against such person in respect of such disclosure or distribution of information.

1.20.2 Travel Expenses

1.20.2.1 For travel commissioned by the Customer, the Customer shall not pay any amount for travel expense in excess of the amounts specified in:

- (b) Directive No, 10/06 "Domestic Travelling and Relieving Expenses" or later issued by the Minister for Employment, Training and Industrial Relations or updated; and
- (c) The "Queensland Health Travel and Accommodation Policy" as amended.

1.20.2.2 No travel expenses or travel time other than as provided for in this Customer Contract shall be payable to the Contractor unless the Delegate's prior written approval has been obtained. Where such approval is obtained, payment shall be made upon the submission of actual expenditure supported by adequate documentation.

1.20.2.3 The Customer shall not pay any amount for approved air travel in excess of the cost of an economy class airfare.

1.20.2.4 Travel included in C1.9 – Contract Price will be paid by the Contractor at its prevailing rates. The Contractor will not bill the Customer separately for this travel.

1.20.3 Warranties

1.20.3.1 Each Party represents and warrants to each other Party as at the date of this Customer Contract and at all times after the date of this Customer Contract, that:

- a) it has full capacity power and authority to enter into, perform and observe its obligations under this Customer Contract;
- b) it has taken all necessary action to authorise the execution, delivery and performance of this Customer Contract in accordance with its terms;
- c) the execution, delivery and performance by it of this Customer Contract does not and will not violate:
 - any authorisation, ruling, consent, judgment, order or decree of any governmental agency;
 - its constitution or other constituent documents; and
 - any encumbrance, undertaking or document which is binding upon it or on any of its assets;
- d) this Contract constitutes its legal, valid and binding obligations and is enforceable in accordance with its terms subject to any necessary stamping and registration requirements and to equitable principles and laws generally affecting creditors' rights.

1.20.3.2 The Contractor represents and warrants to the Customer as at the date of this Customer Contract and at all times during the performance of the Services under this Customer Contract that:

- a) it and its contractors and personnel performing this Customer Contract have the level of skill, knowledge, experience and ability which may be expected of a professional person or organisation experienced in performing work of the type required under the Services;
- b) it has the skills, expertise and personnel necessary to enable it to satisfy its obligations

Queensland Health

under this Customer Contract in a prompt, competent and efficient manner;

- c) it is entitled to, and has the right and power to supply the Services and Products required for the performance of this Customer Contract;
- d) any Products supplied to or for the benefit of the Customer will be fit for the purpose for which they are supplied;
- e) no additional authorisation, consent, approval, filing or registration with any court or government department, commission, agency or instrumentality is or will be necessary or required for the Contractor to enter into and give effect to this Customer Contract; and
- f) by entering into this Customer Contract and complying with any of its obligations under this Customer Contract the Contractor is not and will not be in breach of any contract or undertaking with any other person (whether written or otherwise).

1.20.3.3 Without limiting the above, the Contractor warrants that the Services performed under this Customer Contract:

- a) will be performed with due care and skill; and
- b) will comply in all material respects with the requirements or directions of the Customer in relation to:
 - all applicable industry standards;
 - all necessary functional, technical and operational requirements or specifications; and
 - the provisions of this Customer Contract.

1.20.3.4 The Contractor further warrants that any Products or Services supplied to or for the benefit of the Customer under this Customer Contract will be:

- a) free of defects, viruses or corruption at the date of supply and will be properly installed; and
- b) all defects, viruses and corruption arising as a result of the Contractor's acts or omissions or for any other reason attributable to the Contractor, will be promptly remedied, repaired or replaced as the case may be at the Contractor's expense and subject to the requirements and directions of the Customer.

1.20.3.5 The Contractor warrants in respect of Intellectual Property Rights that:

- a) in performing the Services under this Customer Contract, it will not infringe the Intellectual Property Rights of any person; and
- b) any materials provided by the Contractor under this Customer Contract will not infringe the Intellectual Property Rights of any person.

1.20.3.6 The Contractor warrants to the Customer that any Software including Licensed Software, the New Contract Materials and other materials procured by the Contractor and incorporated by the Contractor into the Deliverables:

- (a) does not infringe the Intellectual Property Rights of any person;
- (b) does not breach any obligation of confidentiality to any third party;
- (c) are not obscene, offensive, upsetting, defamatory or offensive;
- (d) does not comprise any purpose or activity of an illegal, fraudulent or defamatory nature; and
- (e) have been produced, provided and tested in accordance with best clinical practice standards.

Queensland Health

1.20.3.7 The Contractor warrants that:

- a) it has the authority to deal with any third party software incorporated into a Deliverable to the extent required by this Customer Contract and to provide Support Services in relation to that third party software;
- b) the Contractor has the right to licence the Licensed Software to the Customer in accordance with the terms of this Customer Contract;
- c) the Customer will be entitled to quiet and peaceful possession and enjoyment of the Licensed Software as contemplated by the terms of this Customer Contract;
- d) the Licensed Software and the Deliverables do not infringe the Intellectual Property Rights of any person;
- e) the Documentation fully describes the Licensed Software and contains all information necessary to allow the Customer to use the Software as contemplated by this Customer Contract;
- f) the Licensed Software and Deliverables will be capable of processing the Customer's transactions to the extent provided under the Documentation, Customer's Specifications, the Customer's requirements and this Customer Contract;
- g) the Deliverables will perform in accordance with the Customer's Specifications, the Customer's requirements and this Customer Contract; and
- h) all the Licensed Software and Deliverables delivered to the Customer from time to time (including Updates New Releases and New Versions) have been subjected by the Contractor (before each delivery), to all prudent and professional tests to ascertain that the Software is free of computer viruses.

1.20.3.8 In addition to GITC Part 2 – Customer Contract Provisions, Clause 14 – Dispute Resolution, unless otherwise agreed between them, the Parties shall comply with the mediator's or arbitrator's determination as to the venue, date of mediation, the costs and charges of the mediation or arbitration, including the mediator's or arbitrator's remuneration, and any other necessary procedural issue.

1.20.4 Customer Contract Additional Provisions **Draft**

| No. | Part 2 – Customer Contract Provisions Clause No. | General Order Details |
|----------|---|--|
| 1.20.4.1 | SME Participation Level (new clause 9.3.3. of Part 2) | a) The Contractor shall comply with the SME Participation Level set out in the General Order* in performing the Customer Contract. The Contractor must provide documentary evidence of compliance with contracted SME Participation Level to the Customer, in accordance with clause 9.8.3 of Part 2 (additional provisions); and b) If the information provided by the Contractor under clause 9.8.3 reveals that the Contractor has failed to meet the contracted SME Participation Level, the Customer may withhold the final payment ("Withholding Amount") under clause 13.3 of Part 2. * SME Participation Levels as detailed in the Contractor's Response to RFO HIT1539, Section 5.0 – SME Participation Level, Table listed under Item 5.2. |
| 1.20.4.2 | Part 2 clause 9.8.3 (new clause) | For the purposes of clauses 9.8.1 and 9.8.2, the Contractor shall be required to keep and provide access to Contractor's financial or other records relating to payments made to nominated SMEs under the Customer Contract and proof of payment relating to such payments. |

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| | | |
|----------|----------------------------------|---|
| 1.20.4.3 | Part 2 clause 9.8.4 (new clause) | <p>a) The information provided to the Customer under clause 9.8.3 of Part 2 may be provided to the Contract Authority. The Contractor must permit the Contract Authority to undertake an audit of the information provided to the Customer under clause 9.8.3, upon providing reasonable notice to the Contractor. The Contract Authority shall use best endeavours to minimise disruption to the Contractor's business while conducting the audit.</p> <p>b) If the Contract Authority's audit reveals that the Contractor has not complied with the contracted SME Participation Level, the Customer may recover a proportion of the final payment from the Contractor.</p> |
|----------|----------------------------------|---|

Refer to C1.26 of Schedule C1 – General Order

- 1.26.1 The Contractor agrees to be bound by the Customer's Information Communications and Telecommunications approved policy and procedures and work instructions for the support and maintenance of the Customer's Information Communications and Telecommunications.
- 1.26.2 The Customer may issue instructions concerning secrecy and security from time to time. These instructions may include instructions about the operation of the Licensed Software in so far as the Licensed Software enables access to the Customer's Confidential Information by mechanisms other than the mechanisms by which the Customer authorises users to access the Confidential Information through the Licensed Software.
- 1.26.3 The Contractor must disclose each and every mechanism (including all hidden or "backdoor" facilities) that enable access by the Contractor, its staff or subcontractors to any computer information system forming part of or associated with the Licensed Software.
- 1.26.4 The Contractor must advise the Delegate of any changes that occur in the mechanisms for access under Item 1.26.2 above, of this clause C1.26. The Contractor must advise the Delegate of its processes for ensuring that the Customer's secrecy and security requirements are met. The Contractor must immediately advise the Delegate of any changes to those processes.
- 1.26.5 The Contractor shall comply with the Customer's reasonable requirements to modify any access mechanisms, (including installing additional safeguards) or Contractor processes for controlling access that the Customer considers to be a risk to the security of its information systems resulting from the disclosures under this Item. Notwithstanding the Contractor's obligations under this Item, the Contractor remains responsible for the security of the Licensed Software and associated data and the exercise by the Customer of its rights under this Item does not relieve the Contractor of this responsibility.

Draft

From: Damon Atzeni
To: jason.cameron@au1.ibm.com
Date: 24/07/2007 4:57 pm
Subject: Re: Contract draft for review

Great news!

I'll get Dennis on it asap.

Regards
Damon Atzeni
041 973 6151

-----Original Message-----

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: Damon Atzeni <Damon Atzeni@health.qld.gov.au>
Creation Date: 7/24 4:51 pm
Subject: Re: Contract draft for review

Hi Damon,

IBM Legal have performed an initial review of the draft service agreement provided and agree that the provisions contained are generally agreeable and have requested that QH now populate with detail and provide a final version for consideration.

Thanks and Regards,

Jason

Jason Cameron
(Embedded image moved to file: pic00628.gif)
IBM Global Business Services

(Embedded image moved to file: pic17044.gif) Level 5, IBM Centre, 348
Edward St, Brisbane, QLD 4000
(Embedded image moved to file: pic08027.gif) +61 412 371 387
(Embedded image moved to file: pic22995.gif) +61 7 3013 4118
(Embedded image moved to file: pic20100.gif) +61 7 3013 4190
(Embedded image moved to file: pic18292.gif) jason.cameron@au1.ibm.com

"Damon Atzeni"
<Damon_Atzeni@health.qld.gov.au>
20/07/2007 02:31 PM
To
Jason Cameron/Australia/IBM@IBMAU
cc
Subject
Contract draft for review

Hi Jason

As mentioned earlier today please find attached another draft service agreement from QHEST.

This is for IBM to review and identify any issues you have from a contractual perspective. If all is well the agreement will be written up and signed by Michael Kalimnios because of the financial delegation required. It will then be sent to IBM for signing.

Let me know if there are any issues. The sooner we get agreement the sooner we get signoff.

kind regards

Damon Atzeni
Business Integration Manager
QHEST (Enterprise Solutions Transition) Program
<http://qhps.health.qld.gov.au/qhest/home.htm>
Level 24, CPA Building
307 Queen St. Brisbane, Q 4000
Phone: 07 3234 0387
Mobile:041 973 6151
Fax: 07 3234 1420
Email: Damon_Atzeni@health.qld.gov.au

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From: Damon Atzeni
To: jason.cameron@au1.ibm.com
Date: 25/07/2007 4:23 pm
Subject: Re: Fw: leave planner submission

Would be interested to know what the SAP option would be like and work out if this at least partially addresses the needs.

The Sector would gladly pay for workbrain though. Perhaps they would look at it for a future enhancement to the product.

Regards
Damon Atzeni
041 973 6151

-----Original Message-----

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: Damon Atzeni <Damon Atzeni@health.qld.gov.au>
Creation Date: 7/25 4:18 pm
Subject: Re: Fw: leave planner submission

Hi Damon,

Workbrain doesn't have a standard solution for the requirement. Without performing a detailed technical assessment that could provide an accurate effort estimate, it is anticipated that approx 50-100 days will be required to complete the custom development.

Regards,

Jason

Jason Cameron
(Embedded image moved to file: pic20204.gif)
IBM Global Business Services

(Embedded image moved to file: pic04023.gif) Level 5, IBM Centre, 348
Edward St, Brisbane, QLD 4000
(Embedded image moved to file: pic21764.gif) +61 412 371 387
(Embedded image moved to file: pic02983.gif) +61 7 3013 4118
(Embedded image moved to file: pic08030.gif) +61 7 3013 4190
(Embedded image moved to file: pic14115.gif) jason.cameron@au1.ibm.com

"Damon Atzeni"
<Damon_Atzeni@health.qld.gov.au>
25/07/2007 04:01 PM
To
Jason Cameron/Australia/IBM@IBMAU
cc
Subject
Re: Fw: leave planner submission

What about Workbrain?

Regards
Damon Atzeni
041 973 6151

-----Original Message-----

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: Damon Atzeni <Damon Atzeni@health.qld.gov.au>
Creation Date: 7/25 3:52 pm
Subject: Re: Fw: leave planner submission

Thanks Damon, I have had a look at this request and it can be satisfied using SAP standard MSS HR iviews as long as appropriate configuration is applied. Minimal effort is required to implement this functionality.

Regards

Jason

Jason Cameron

(Embedded image moved to file: pic07518.gif)
IBM Global Business Services

(Embedded image moved to file: pic29374.gif) Level 5, IBM Centre, 348
Edward St, Brisbane, QLD 4000

(Embedded image moved to file: pic04524.gif) +61 412 371 387

(Embedded image moved to file: pic22929.gif) +61 7 3013 4118

(Embedded image moved to file: pic13865.gif) +61 7 3013 4190

(Embedded image moved to file: pic15633.gif) jason.cameron@au1.ibm.com

"Damon Atzeni"

<Damon_Atzeni@hea

lth.qld.gov.au>

To

Jason Cameron/Australia/IBM@IBMAU

25/07/2007 02:57

cc

PM

Subject

Fw: leave planner submission

Hi Jason

Mentioned this the other day and thought you would be interested.

Regards
Damon Atzeni
041 973 6151

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Unless stated otherwise, this email represents only the views of the sender and not the views of the Queensland Government.

----- Message from "Lynette Land" <Lynette_Land@health.qld.gov.au> on Thu, 19 Jul 2007 09:37:09 +1000 -----

To: "Damon Atzeni" <Damon_Atzeni@health.qld.gov.au>

Subject: leave planner submission

Hi Damon
Please find attached the leave planner submission as discussed
thismorning
regards

Lynette Land
Functional Lead - Rostering
Queensland Health Enterprise Solutions Transition
(QHEST) Project Team
<http://qheps.health.qld.gov.au/qhest/home.htm>
Level 24, CPA Building
307 Queen St. Brisbane, Q 4000
Ph 07 3234 1692
Fax 07 3234 1420
lynette_land@health.qld.gov.au

(See attached file: Leave Planner submission v0.1.doc)(See attached
file:
Leave Planners - all Agencies.xls)

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: <damon_atzeni@health.qld.gov.au>
Date: 7/30/2007 3:28 pm
Subject: Shared Services Review
Attachments: pic00583.gif; pic08268.gif; pic01163.gif; pic08935.gif; pic14357.gif; pic17713.gif

Damon,

If you havent already seen it....

http://www.thepremier.qld.gov.au/sdpc/reviews/review_ssi.shtm

Jason

Jason Cameron

(Embedded image moved to file: pic00583.gif)

IBM Global Business Services

(Embedded image moved to file: pic08268.gif) Level 5, IBM Centre, 348
Edward St, Brisbane, QLD 4000

(Embedded image moved to file: pic01163.gif) +61 412 371 387

(Embedded image moved to file: pic08935.gif) +61 7 3013 4118

(Embedded image moved to file: pic14357.gif) +61 7 3013 4190

(Embedded image moved to file: pic17713.gif) jason.cameron@au1.ibm.com

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: <damon_atzeni@health.qld.gov.au>
Date: 2/08/2007 4:24 pm
Subject: Fw: QHEST 3010 - ADDENDUM NO 2
Attachments: pic10509.gif; pic16755.gif; pic28556.gif; pic28906.gif; pic07737.gif; pic19209.gif

Gday Damon, what's doin? Cancellation of OSF tender.... How's the planning days going? Any news on the contracts for Sara and I

JC

Jason Cameron
 (Embedded image moved to file: pic10509.gif)
 IBM Global Business Services

(Embedded image moved to file: pic16755.gif) Level 5, IBM Centre, 348
 Edward St, Brisbane, QLD 4000

(Embedded image moved to file: pic28556.gif) +61 412 371 387

(Embedded image moved to file: pic28906.gif) +61 7 3013 4118

(Embedded image moved to file: pic07737.gif) +61 7 3013 4190

(Embedded image moved to file: pic19209.gif) jason.cameron@au1.ibm.com

----- Forwarded by Jason Cameron/Australia/IBM on 02/08/2007 04:17 PM -----

<dennis_brown@health.qld.gov.au>

To

02/08/2007 04:15 PM

Jason Cameron/Australia/IBM@IBMAU
 cc

Subject

QHEST 3010 - ADDENDUM NO 2

QHEST 3010

Transition Manager – Other SAP Functionality

Provision of Change and Transition services in Other SAP Functionality (OSF), to enable the Agency to fully utilise the system functionality. The services will support the Agency in the application of system functions, into the practice of Materials Management, Investment Management and Program and Project Management, through the provision of: Workshops undertaken in collaboration with the Business Analysts, to identify and document of the Agencies requirements; and Translation of requirements into the Functional Analysts and Business Analysts work packages; and Knowledge transfer to Program and Agency staff, the disciplines and practice of Project Management, as it relates to Investment Management, Materials Management, and Asset Maintenance through the delivery of training, mentoring, facilitation and coaching.

Addendum No 2 has been issued for this project.

Please state in your tender/offer that you have made the necessary allowance for this Addendum.

A schedule of tender/offer documents for the project is included below.

VIEWING AND DOWNLOADING DOCUMENTATION

The tender/offer documents are located at the (hyperlinked) site below and can be viewed and downloaded using the Login and Password below. Please refer to the Instructions on the site.

Site <https://www.projects-services.qld.gov.au/etenderqgm>

Login jason.cameron@au1.ibm.com

Password: strwt100 (The password is case sensitive, project specific and is valid for access to eTender until midnight on the Closing date of the tender)

TENDER/OFFER CLOSING DATE/TIME

Tenders/Offers will close on Friday, 10 Aug 2007 at 16:00 AEST.

| No | Document Description | File Name | File Size |
|----|---------------------------------------|--|-----------|
| 3 | NOTIFICATION - CANCELLATION OF TENDER | QHEST 3010- Addendum no 2 (02082007).doc | 154 kb |

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Thank you.

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: "Damon Atzeni" <Damon_Atzeni@health.qld.gov.au>
Date: 8/08/2007 10:27 am
Subject: Re: How did the presentation go?
Attachments: pic10708.gif; pic10480.gif; pic30067.gif; pic23218.gif; pic24230.gif; pic03016.gif

Gday Damon,

Presentation went well, I think they are finally starting to take notice. We think we should find out on or around the 14th. Will probably still need to complete an RFO between now and then. Can catch up today around 11:30am today if you are free.

Jason

Jason Cameron
(Embedded image moved to file: pic10708.gif)
IBM Global Business Services

(Embedded image moved to file: pic10480.gif) Level 5, IBM Centre, 348
Edward St, Brisbane, QLD 4000
(Embedded image moved to file: pic30067.gif) +61 412 371 387
(Embedded image moved to file: pic23218.gif) +61 7 3013 4118
(Embedded image moved to file: pic24230.gif) +61 7 3013 4190
(Embedded image moved to file: pic03016.gif) jason.cameron@au1.ibm.com

"Damon Atzeni"
<Damon_Atzeni@health.qld.gov.au>
08/08/2007 07:25 AM
To
Jason Cameron/Australia/IBM@IBMAU
cc
Subject
How did the presentation go?

Hey Jason

How was the Corptech presentation are you hopeful? Have just read a risk risen again by the SSP that they may have difficulties if some mitigation isn't forthcoming soon. I am raising my thoughts to the Agency and Nigel today and come next week we should be moving forward. (I hope). When will you know outcomes of the presentation? Would be good to catch up with you soon. Coffee?

Regards
Damon Atzeni

041 973 6151

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From: Jason Cameron <jason.cameron@au1.ibm.com>
To: <nigel_hey@health.qld.gov.au>
CC: <damon_atzeni@health.qld.gov.au>
Date: 8/13/2007 4:46 pm
Subject: IBM Presentation
Attachments: pic19046.gif; pic23961.gif; pic07063.gif; pic21595.gif; pic13158.gif; pic30569.gif

Hi Nigel,

We would like the opportunity to share with you our presentation to Corptech that outlines our recommendation's and commitment to delivering a Lattice Replacement programme for July 2008. Could you please organise a 2 hour session either this thursday or friday or early next week with Michael Kalimnios, Paul Monaghan, Damon and yourself that suit's your collective calendar's and advise. I will then coordinate this end.

Thanks and Regards,

Jason

Jason Cameron
(Embedded image moved to file: pic19046.gif)
IBM Global Business Services

(Embedded image moved to file: pic23961.gif) Level 5, IBM Centre, 348
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(Embedded image moved to file: pic21595.gif) +61 7 3013 4118
(Embedded image moved to file: pic13158.gif) +61 7 3013 4190
(Embedded image moved to file: pic30569.gif) jason.cameron@au1.ibm.com

From: Susan Bishop <Susan.Bishop@au1.ibm.com>
To: <damon_atzeni@health.qld.gov.au>
CC: Charles Hoffman <choffman@au1.ibm.com>, Jason Cameron <jason.cameron@au1...>
Date: 8/14/2007 1:38 pm
Subject: Invitation - BPM/ESB/WSRR: Proof-of-Technology Sessions -16-22 August
Attachments: IBM SOA Highway - POTs Invitation.pdf; pic20471.jpg

Hi Damon,

It was nice to meet you today.

Here are a couple of things that needed follow up from our meeting:

1) Pricing:

Aaron Brown is the IBM Queensland Government cSSR. He is aware of what was positioned in the original tender and can help with this matter. He is cc'd on this email.

2) Invitation to Hands-On WebSphere workshops:

As discussed, these workshops are timely and can be taken independently or together.

Please canvass with those on your team who may want hands-on expertise with Business Process Management (BPEL, Modeling, Service Choreography, and Human Task Workflow), Enterprise Service Bus or Service Governance.

Here is the official invite and dates:

(See attached file: IBM SOA Highway - POTs Invitation.pdf)

Business Process Management PoT Sessions
16-17 August

Enterprise Service Bus PoT Sessions
21 August

SOA Governance with Web Services Registry and Repository PoT Sessions
22 August

Kind regards,
Susan

(Embedded image moved to file: pic20471.jpg)

Susan Bishop
WebSphere Integration
Solution Architect
IBM Corporation
Phone 7-3213-2083
Fax 7-3013-4190
Mobile 0417-351-389
Email

Susan.Bishop@au.ibm.com

From: Damon Atzeni
To: Hey, Nigel
Date: 8/30/2007 3:06 pm
Subject: Fw: DETA Requirements Path
Attachments: DETA Requirements Path

Unofficially got these from IBM who go them for their planning.

Regards
Regards
Damon Atzeni
Business Integration Manager
QHEST Project
041 973 6151

From: Jason Cameron <jason.cameron@au1.ibm.com>
To: <damon_atzeni@health.qld.gov.au>
Date: 28/08/2007 1:45 pm
Subject: Happy reading.
Attachments: HR_A_3c_DETA Scoping - SABA v0.3.1.zip; HR_A_3b_DETA Scoping - RASP v0.3.1.
Work zip; HR_A_3a_DETA Scoping - SAP PY & PAPTOM v0.3.1.zip; HR_1a_Body of
for R6 and later releases v25. PS4.xls

Happy reading.

(See attached file: HR_A_3c_DETA Scoping - SABA v0.3.1.zip)(See attached file: HR_A_3b_DETA Scoping - RASP v0.3.1.zip)(See attached file: HR_A_3a_DETA Scoping - SAP PY & PAPTOM v0.3.1.zip)(See attached file: HR_1a_Body of Work for R6 and later releases v25. PS4.xls)

Jason



**Queensland
Government**

Treasury

**TEAM EVALUATION REPORT
for
ITO No: 435 / 000334
for
Shared Services Program & Corptech**

Date: 19/10/07

Team: Implementation Rollout]

Team Lead: Malcolm Campbell

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| <u>APPENDIX-A OVERALL SCORING MATRIX</u> | <u>6</u> |
| <u>APPENDIX-B DETAILED ANALYSIS</u> | <u>ERROR! BOOKMARK NOT DEFINED.</u> |
| <u>APPENDIX-C TEAM SCORING MATRIX</u> | <u>18</u> |

1.0 INVITATION TO OFFER

CorpTech on behalf of Queensland Treasury invited offers for the supply of certain professional services relating to the Shared Service Solutions Program of work.

Title: Prime Contractor for the Shared Service Solutions program for the Queensland Government (ITO No. No: 435 / 000334).

ITO Issued: 12/09/2007

Date & Time Closed: 08/10/2007, 10.00 am

2.0 EVALUATION CRITERIA

The evaluation criteria, as defined in the ITO document and weightings used to assess the Offers are described in Appendix-A.

3.0 EVALUATION PROCESS

Staged evaluation process was adopted for the evaluation of the subject ITO as described below.

Overall Evaluation Process Objectives:

- Review Offers objectively and provide a score per category
- Highlight Strengths, Weaknesses, Issues and Risks of each Offer
- Document any contractual implications
- Provide Evaluation Report for Steering Group approval

Stage - 1

Objective - Review offers within each category, complete the Strengths, Weaknesses, Risks and Issues template, complete the Scoring template and provide a draft report.

Documentation

ITO report

Vendor Offers

Strengths, Weaknesses, Risks & Issues Template

Scoring Template

Evaluation Report template

Process

- Review offers within agreed teams
- Highlight Strengths, Weaknesses, Issues & Risks in the template provided
- Team members to provide their scores and justifications in the template provided
- Socialise team scores with whole Evaluation Panel
- Team Leads to moderate scores where appropriate
- Create draft Team report
- Document Questions for Offerors to answer in Q&A session
- Offerors to provide Q&A session

Deliverables

- Draft Strengths, Weaknesses, Issues & Risks spreadsheet
- Draft Scoring spreadsheet
- Draft Team Report

Stage - 2

Objective - Team Leads to review/refine Draft Team reports (in consultation with the select team members where required),

Documentation

ITO report

Vendor Offers

Draft Strengths, Weaknesses, Risks & Issues Template

Draft Scoring Template

Draft Evaluation Report

Process

- Review and moderate scores considering holistic evaluation.
- Team Leads to QA / Peer review other Team Reports
- Refine Team deliverables

Deliverables

- Refined Strengths, Weaknesses, Issues & Risks spreadsheet
- Refined Scoring spreadsheet
- Refined Draft report

Stage – 3

Objective – Team leads to finalize and sign-off Team reports.

Documentation

ITO report

Vendor Offers

Reviewed Strengths, Weaknesses, Risks & Issues Template

Reviewed Scoring Template

Reviewed Evaluation Report

Process

- Team Leads to finalize team reports (in consultation with the select team members where required) and sign off.
- Team Leads to submit final report

Deliverables

- Sign-off - Strengths, Weaknesses, Issues & Risks spreadsheet
- Sign-off - Scoring spreadsheet
- Sign-off - Team report

Stage- 4

Objective – Team leads to create final Evaluation Report.

Documentation

ITO report

Vendor Offers

Sign-off - Strengths, Weaknesses, Issues & Risks spreadsheet

Sign-off - Scoring spreadsheet

Sign-off - Team report

Process

- Collate team reports into final Evaluation Report
- Obtain Sign-off from Team Leads
- Review by Panel Chair
- Submit to the Steering Group for approval.

Deliverables

- Evaluation Report for Steering Group approval

4.0 RECOMMENDATION

The review processed analysed and identified individual components in each response, and in selected responses, the proposal from one vendor was stronger than that of the other. These have been noted in the scoring matrix.

However, based on the overall Strengths and Weaknesses of the three proposals, the recommendation from an Implementation Rollout perspective is to recommend the offer from IBM.

The reasons for this recommendation are:

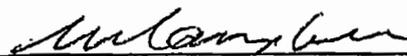
- The proposal is primarily based on delivering a system to meet the requirements outlined in the ITO. It offers a clear plan to address the rollout of the system into the nominated agencies in a sequential form which will provide for levelling of resources across the program.
- IBM presented a plan with well defined roles and responsibilities for CorpTech and Agency resources, while accepting the overall responsibility of Prime Contractor
- The evaluation panel identified that the cutover strategies identified within the offer were more likely to achieve the desired outcomes, rather than using a release based approach within the large agencies which would have placed unreasonable requirements on Implementation Rollout activities during the releases.
- The approach to training and communication was a key intervention to successful Change Management
- The proposal presented a training methodology which meets the overall requirements of the agencies.

Key Strengths, Weaknesses, Risks and Issues with all the offerors are detailed and attached in Appendix B.

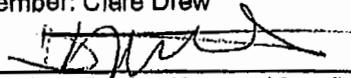
The Panel for the Implementation Rollout team recommends that scores provided in Appendix -C be considered approved in the final evaluation matrix for this ITO.

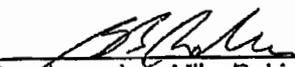
As per the Treasury Delegation Policy, expenditure and contractor engagement approval shall be obtained.

Recommended:

 Date 2/11/07
Team Lead: Malcolm Campbell

 Date 9/11/07
Panel member: Clare Drew

 Date 14/11/07
Panel member: Denise Keegan-Mansfield

 Date 14/11/07
Panel member: Mike Robinson