



**QUEENSLAND HEALTH PAYROLL SYSTEM
COMMISSION OF INQUIRY**

Statement of Witness

<i>Name of Witness</i>	Robert King Mander
<i>Date of Birth</i>	
<i>Address and contact details</i>	Known to the Commission
<i>Occupation</i>	Senior Responsible Officer HR Implementation Program, Department of Community Safety
<i>Officer taking statement</i>	Tony Cross and Elizabeth Kenny
<i>Date taken</i>	27 / 02 / 2013

I ROBERT KING MANDER state:

Background

1. I am currently employed as the Senior Responsible Officer in the Department of Community Safety. I commenced in that role in early February 2013.
2. I am a long term public servant having commenced with the public service board. I commenced in Payroll in HR in Queensland Health (QHealth) in 1985.
3. I commenced employment with the Department of Education in 1992 as a Payroll Supervisor and then progressed to Payroll Manager, HR Director and Program Director of HR.
4. At the end of 2005 I became the Director of HR of the Shared Services Initiative (SSI).
5. I left the public service in 2011 (Department of Education) and returned to my current role in February 2013.

2005 Selection of SAP

6. As part of the SSI there was a co location of staff into Shared Services.
7. I was involved in the tender and evaluation of the selection of SAP in 2004. My evaluation group were looking at the total cost of ownership and value for money.
8. As far as I can recall there was a formal tender process and each team had to do an evaluation. All the evaluation scores were then collated into a final score.

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9. I think the Project Manager at the time was Darrin Bond who was the Executive Director under the SSI.
10. There would have been a project manager and I assume Darrin Bond had oversight.
11. The process was CorpTech's responsibility and I think Geoff Waite was in charge of CorpTech at the time. Corptech provided the technical support for the current Finance and HR functions for Govt agencies and SSI were leading the implementation of a new standardised solution.
12. Geoff Waite was in charge of CorpTech and the SSI.
13. There was no impact on the Department of Education as such except that we had people working on the project directly.
14. My role as the HR Director was to meet frequently about the process. The project itself was managed by CorpTech and SSI.
15. When I came back to the Department of Education (DET) from that process, it appeared from discussion with the DET representatives on the evaluations groups that Aurion would have been the preferred option
16. While SAP was selected as the preferred option it was not implemented into the Department of Education. You can't implement without doing a lot of pre work. You can't just turn on a system and replace it with another.
17. SAP HR was implemented into the Department of Housing in 2007/2008 ???(not sure of year). Apart from QHealth, no other agency (apart form those already using SAP) went with it.
18. The Department of Education was eventually removed from the Shared Services Initiative and we only went with SAP Finance.
19. The reason Department of Education exited the Shares Services Initiative was we did not think we were getting the right, value for money outcomes for the agency.
- 20.
21. **2007 Evaluation – Sub Committee – Functional and Business**
22. I don't recall exactly how I became involved in the process but I presume all agencies had to commit resources to participate.

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23. I think my boss at the time Stan Sielaff would have asked me to represent the Department of Education's interests. I did not have to physically relocate from my office.
24. Given my role in the Department of Education I attended as many discussions as I possibly could.
25. I cannot recall if as part of the process whether a Request for Information (RFI), Request for Offer (RFO) and/or Request for Proposal (RFP) was issued. That would normally precede the Invitation to Offer phase. That part of the process was managed outside the Department of Education.
26. Usually an RFP would go out and working groups would be formed to look at the different aspects of the process and proposals.
27. While I was involved in the evaluation process the Department of Education was not involved in the process of going out to market.
28. I recall a number of recommendations were made by Terry Burns in a review he conducted in 2007. I don't specifically recall when the review occurred. It would have been around April 2007. I left the Department of Education from April 2008 to April 2009.
29. I also don't specifically recall reading the report although I would have had access to it. I do recall a recommendation being made that a Prime Contractor model was the best way to go.
30. I think I first became involved in the evaluation around September 2007. I was on one of the sub category teams – Functional and Business. I was not on the evaluation panel in a broader sense.
31. I think the leader of my group was Darrin Bond. Each leader was from CorpTech or the SSI. I did not think the Department of Education was very well represented and we were frustrated that our voice was not being heard.
32. As part of the evaluation process we would have received briefings. The briefings would have been on probity issues. I thought those issues were being looked at by an independent probity person. It would have been a fairly general discussion such as acting in a transparent and honest manner, no conflicts of interest and focussing on the future.
33. Darrin Bond was the leader. He worked in CorpTech and SSI as a Director.

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34. The people in my group were I think myself, Darrin Bond, Kevin Milman and I am not sure about the other people. It could have included Sandra Bowtell. Damon Atzeni was also in the team.
35. Terry Burns was leading the process along with his lieutenant Shaurin Shah. They provided a lot of guidance and advice on questions and issues the team would have.
36. The prime contractor model was Terry's and I don't know if he sat in any groups. Terry was certainly present and had an interest in the process.
37. I have had a fair bit to do with Terry post this process. Prior to the evaluation if I had met Terry it would not have been long before the evaluation. I have a fair bit of respect for Terry Burns.
38. I had never met Shaurin Shah and until the evaluation process.
39. Since this process both Terry Burns and Shaurin Shah have worked in the Department of Education. I think it was a couple of years post this process when their roles had finished at CorpTech.
40. I understood both Terry Burns and Shaurin Shah to be contractors.
41. I remember at the time there was a lot of frustration with the SSI approach that had included Accenture. It was not progressing and I think we were happy to see a different approach being taken.
42. A lot of money had been spent and not much had happened two-three years down the track. I don't think the departments were getting a lot of return.
43. There was poor governance, commercial acumen and leadership.

Evaluation Process

44. I was brought into the evaluation process to bring a Department of Education Training and the Arts (DETA) perspective.
45. We were given the part of the proposal that our team was to evaluate. I cannot recall whether we were given the entire proposal. I think we were only given the bit that belonged to our team.
46. I think there was a Conflict of Interest Register it does ring a bell with me. I did not have any conflict of interest to declare.

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47. I think there may have been a discussion about somebody in the evaluation panel having a conflict of interest but I do not remember anything more than that.
48. When I was asked about Keith Goddard all I can say is that he got up in meetings a number of times.
49. The evaluation process was conducted over a number of days. I think it took about a week or bit over to evaluate. I think from when we were first briefed to the final report we would have worked between 10-15 hours in total.
50. I think I went to 3 or 4 meetings which were informal. Notes may have been taken.
51. We would have had a list of criteria on the question of functionality and technical and business requirements and we would have scored against those.
52. The only tenders I can recall were Accenture and IBM. I was not involved in the RFP. The Invitation To Offer had gone out and submissions had been received by the time I became involved.
53. We were evaluating the submissions.
54. I remember Accenture as they were the current provider engaged under Shared Services and I recall IBM because they were the eventual winner. There was another, Logica but they were ruled out fairly quickly. My recollection is that they did not have the grunt or capability to deliver.

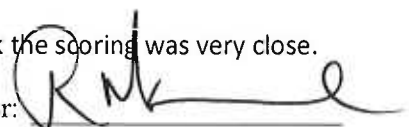
Scoring Process

55. As part of the scoring process the team would have meetings to discuss the good and bad aspects of the proposal.
56. I do not think we individually scored. We came up with collective scores.
57. The categories we had to score against were provided to us.
58. I am not sure who developed the evaluation criteria and I do not recall any of the criteria.
59. After we came up with our score there would have been discussions within our group and then all teams would come together.
60. The scoring sheets were given to the team leader at the end of the session. The score sheets remained in house.
61. I think from a group perspective Accenture was in front. I think the scoring was very close.

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62. It was a challenge for the group. The groups had worked with Accenture before and were a lot more informed about them and it was doubtful their approach would have changed. IBM was somebody fresh in the game. I think as a collective the groups may have asked for more information from IBM because of the lack of familiarity. I think that is why the presentation occurred.
63. The prime contractor was new terminology and Accenture had been with the SSI since 2005.
64. At the meetings the scores would be discussed. I think it was like a question and answer session. I am not sure whether any minutes were taken.
65. I think we had a good say. If we could not find something in a proposal we asked questions about it. Those questions were asked before the presentation.
66. In the sub evaluation teams the usual process if the team had questions would be that the team leader would collate them as a group and they would be sent out to the tenderers to provide a response. I would have thought this would have been done by Shared Services.
67. Throughout the process there were a number of meetings and I can't recall what Terry Burns would have said in those meetings. I was in and out of those meetings. Terry Burns and Shaurin Shah were leading the group.
68. Arrangements were made for IBM to give a presentation. I am not sure who made that decision but there was a designated person.
69. I think Accenture may have come in as well. I am not sure.

Presentations

70. IBM's presentation happened within a week of the original scores being presented.
71. Paul Supernight from IBM provided a presentation which I think went for a couple of hours. It was a conception type of presentation possibly on PowerPoint. I think it was conducted at CorpTech's office at 61 Mary Street in Brisbane.
72. The presentation was on two products – WorkBrain to replace the rostering system and SAP to replace ERP (Enterprise Resource Planning) system.
73. There was a feeling Accenture was not in favour. I got that from a sense in my team and education representatives working for me and those involved with Accenture that Accenture were not delivering.

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74. Accenture had been involved for some time and there may have been an underlying feeling that they had run their race.
75. From a broader government collective it was thought that maybe it was time for a change.
76. The presentation provided by IBM indicated that the Workbrain system would become the award interpreter (in lieu of SAP) because it was much quicker to develop and therefore deployment would be quicker. It was a break through. However it was agreed that IBM would need to demonstrate a working solution.
77. The presentation was potentially a game changer. In the sense that IBM were presenting a better model. They provided some hope of going forward.
78. However you would then have to go offsite to see if the model would work.

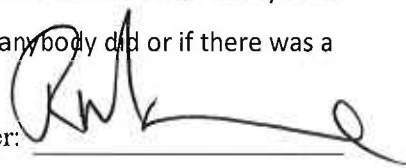
After the presentation

79. After the presentation we were asked to review our scores based on what we had just seen. I think we were asked to do this by Terry Burns. It could have been Shaurin Shah as those two were hand in glove.
80. I think we were asked to review our scores straight after the presentation. It may have been the same afternoon that we were asked to review our scores.
81. I do not recall any challenge being made to the request to review the scores.
82. We re-grouped to review our scores as a sub group. We reviewed them (I'm not sure exactly who was in our group). The scores were changed and IBM got a higher score as a result of the presentation.
83. I was swayed by the speed of the delivery. The major difference was the speed to market place and the products.
84. Each groups' scores were then collated into a whole group score and IBM received a higher score. Those score sheets would have been given to the team leader and as previously stated remained in house. I don't recall what was in the final report.
85. As I previously stated, prior to the presentation I thought Accenture was ahead.
86. There was also a caveat attached to make sure IBM's proposed system worked. There was to be a site view of what was to be proposed. In other words a demonstration that the system would work. I never saw a working system and I don't know if anybody did or if there was a

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demonstration of the working system. I certainly was not a party to it. In hindsight I don't know if it was a working system.

87. I would have expected after a demonstration that we would have been all brought back together. That would have been particularly important if the demonstration had been a failure.

88. Unless this occurs, the process was flawed.

Usual Practice

89. While questioning of tenderers happens, usually it happens at the RFI stage and not after scores have been collated.

90. I do not think I had seen a presentation before however at the time it did not seem unusual.

91. I do not think I have seen another occasion where scores have been reviewed. You would seek clarity before scoring.

Post Evaluation

92. I did not have much involvement after the presentation.

93. I was not involved in the negotiation of the contract.

Declaration

This written statement by me dated 11/3/13 and contained in the pages numbered 1 to 8 is true and correct to the best of my knowledge and belief.

[Signature] Signature
Signed at KEDRON this 11 day of MARCH 2013

Witnessed:
[Signature] Signature
Name THANIT MONY 11/3/2013

Witness signature: _____ Robert King Mander: _____