

ITEM 9. TENDER VARIATION - TALENT MANAGEMENT SYSTEM

FILE NO: S123382.005

TENDER NO: 1550

SUMMARY

In 2015, the City went to market via an open tender process for a new Talent Management System, an integrated system to support a number of the City's key workforce management processes, including recruitment, on-boarding, learning and development, performance development, human resources case management and workforce planning. Managers and Human Resources (HR) staff will be able to manage various interrelated aspects of HR transactions through the Talent Management System.

On 16 May 2016, Council resolved to accept the recommended tenderer for a Talent Management System. A Major Services Agreement was executed in July 2016 and implementation of the system commenced in August 2016.

During the implementation of the recruitment module, it has become evident that the integration between the Talent Management System and chris²¹, the City's core payroll system, while compliant with the functional requirements in the Request for Tender, does not include the provision of data relating to vacant positions. Without that data, it is not possible to configure the system to fully enforce the City's policies and governance controls.

This report recommends that Council accept a variation to the Major Services Agreement for the Talent Management System, to enable the service provider to complete additional customisation work.

RECOMMENDATION

It is resolved that:

- (A) Council accept the variation to the tender to supply, install, integrate with existing systems, commission and provide ongoing support of a Talent Management System for a period of three years; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the tender variation.

ATTACHMENTS

Attachment A: Variation Evaluation Summary (Confidential)

(As Attachment A is confidential, it will be circulated separately from the agenda paper and to Councillors and relevant senior staff only.)

BACKGROUND

1. The City is implementing a new Talent Management System, an integrated system that supports a range of HR-related transactions. These transactions include recruitment, selection and on-boarding, learning and development, performance and development management, workforce planning and HR case management. Managers and HR staff will be able to manage various interrelated aspects of HR transactions through the Talent Management System.
2. The introduction of the Talent Management System will streamline HR operations by eliminating many paper transactions, and free up staff resources to dedicate more time to employee facing programs and services. The City will also be able to retire a number of non-integrated systems.
3. On 16 May 2016 Council resolved to accept the recommended tenderer to supply, install, integrate with existing systems, commission and provide ongoing support of a Talent Management System for a period of three years.
4. Contracts were executed in July 2016 and implementation workshops commenced in August 2016, with recruitment being the first module to be implemented.
5. During the implementation of the recruitment module, it has become evident that the integration between the Talent Management System and chris²¹, the City's core payroll system, while compliant with the functional requirements in the Request for Tender, does not include the provision of data relating to vacant positions. Without that data, it is not possible to configure the system to fully enforce the City's policies and governance controls.
6. The service provider has confirmed that an extra interface can be developed to pass position and vacancy data from chris²¹ to the Talent Management System. Because this work is outside the scope of the Major Services Agreement executed in July 2016, a variation is needed to engage the service provider for the additional work.

KEY IMPLICATIONS

Organisational Impact

7. The additional functionality will improve governance controls over the recruitment process, and will greatly improve the new system's ease-of-use. This in turn will lead to greater acceptance of the new system and make it easier for staff to perform recruitment tasks in an efficient and fully compliant manner.

BUDGET IMPLICATIONS

8. The cost of the variation can be absorbed within the approved budget of the broader HRIS Implementation Project, using savings achieved in other aspects of the project. There is no impact outside of the project budget.

RELEVANT LEGISLATION

9. The tender was conducted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and the City's Contracts Policy.

10. Attachment A contains confidential commercial information of the tenderers and details of Council's tender evaluation and contingencies which, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
11. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

CRITICAL DATES / TIME FRAMES

12. If the variation is accepted, development of the additional interface and functionality would commence immediately, with a target of completion in March 2017. The proposed go-live date for the Talent Management System recruitment module would be delayed by approximately one month to coincide with the completion of the additional works.

OPTIONS

13. Accept the variation to develop an extra interface and additional functionality as outlined above. This is the recommended option.
14. The other option would be 'do nothing'. The Talent Management System recruitment module would be implemented using 'out-of-the box' functionality, without position data integration between the Talent Management System and chris²¹.

PUBLIC CONSULTATION

15. There has been no public consultation regarding the tender.

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