

Province of British Columbia

ASD Review Report

December 2010

Taleeb Noormohamed, Executive Lead

Aslam Nathoo, Policy Analyst

12/10/2010

Pages 2 through 50 redacted for the following reasons:

s12

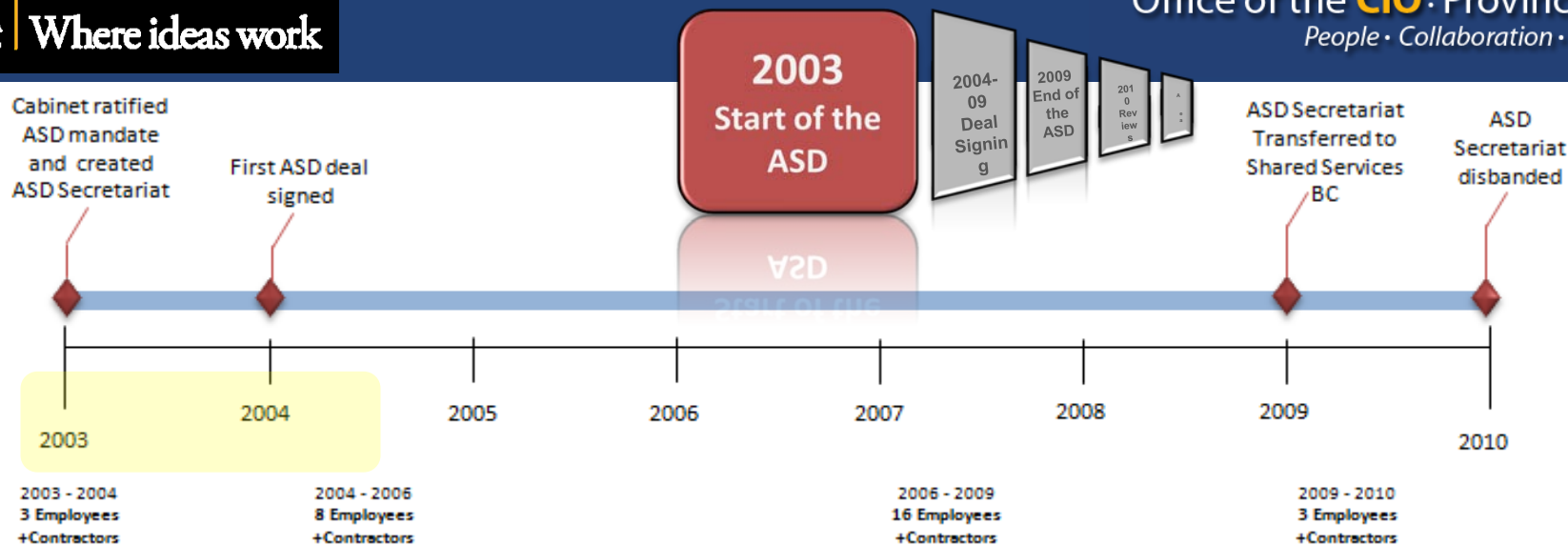
- End -



Where ideas work

Strategic Partnerships Office Vendor Management

June 26, 2012

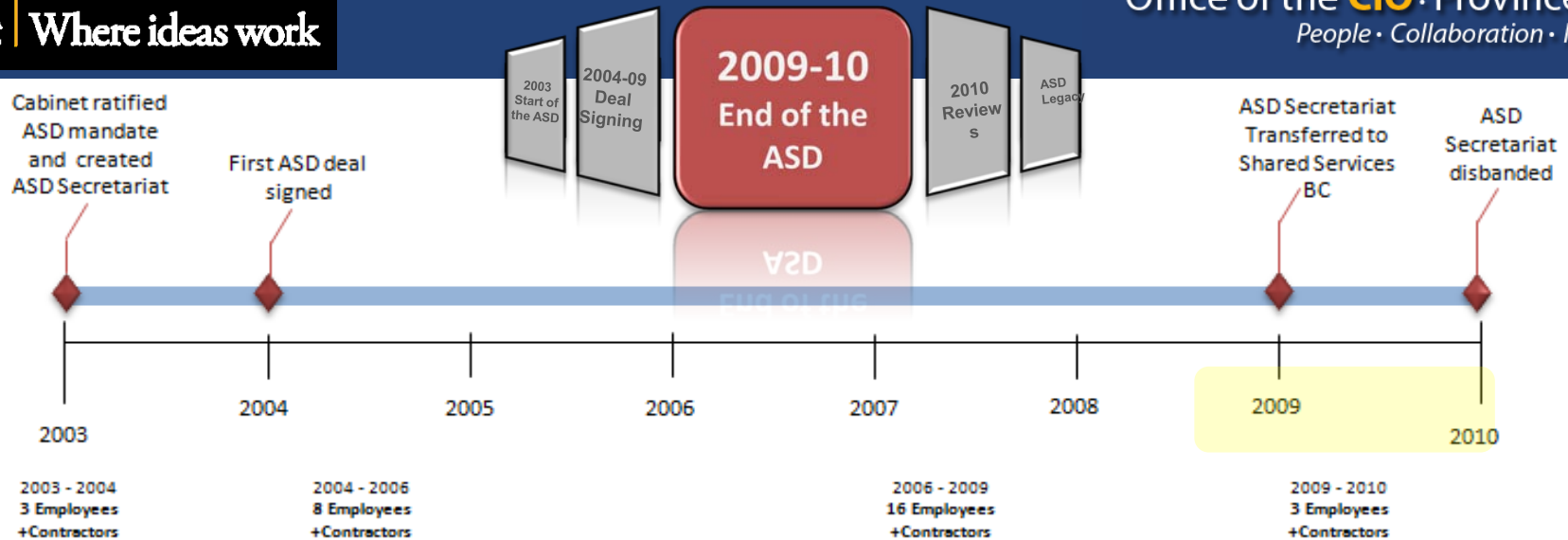


- In 2001 the Government of BC undertook a Core Review process in a desire to transform the way government services are delivered to British Columbians.
- **2003 ASD Secretariat created.**
- From 2004 – 2009 the ASD Secretariat delivered twelve major ASD initiatives
- The majority of the deals delivered through Joint Solution Procurement (JSP)

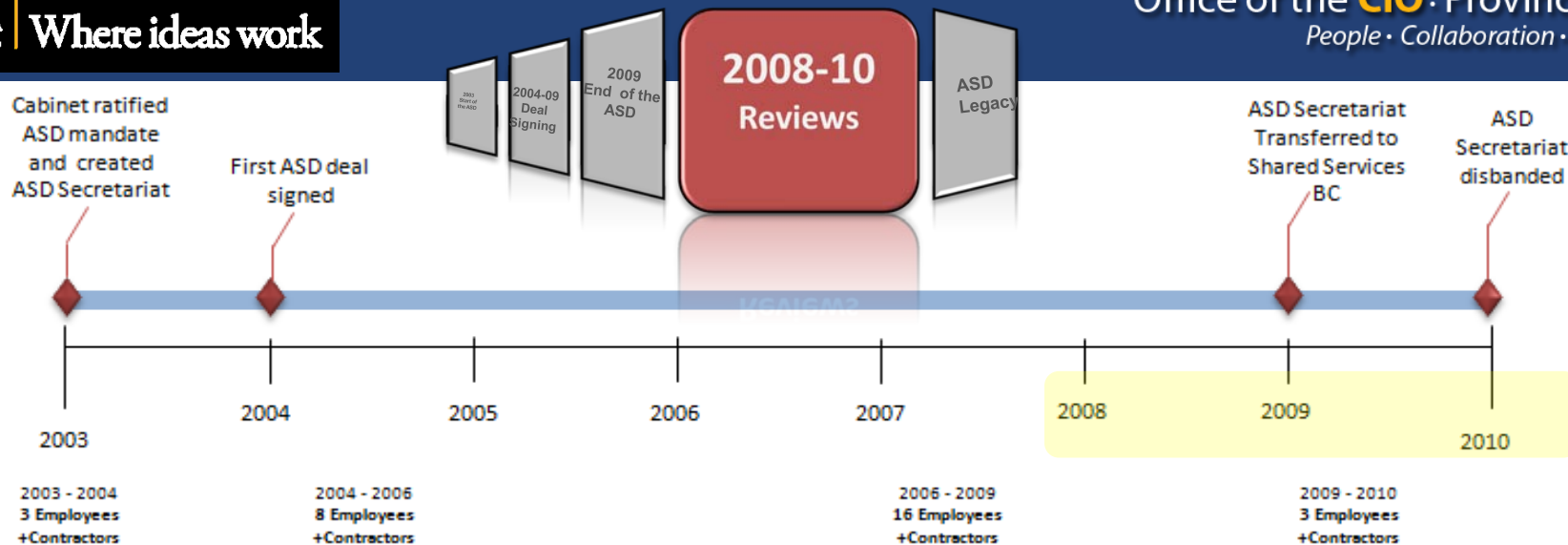


Deal	Signed	Value as Signed
Revenue Service BC	2004	\$301M
Health Insurance BC MAXIMUS	2004	\$379M
Provincial HR Mgt System	2004	\$133M
Workplace Support Services	2004	\$300M
WSI Property Management	2004	\$1.6B
Common Student Information System (BCeSIS)	2005	\$39M
Residential Tenancy Office	2005	\$7.25M
Online Channel Office Services	2006	\$35.6M
Provincial Lab Info Solutions	2007	\$149M
Pan Canadian Health Surveillance	2006	\$37M
Hosting Services BC	2009	\$586M

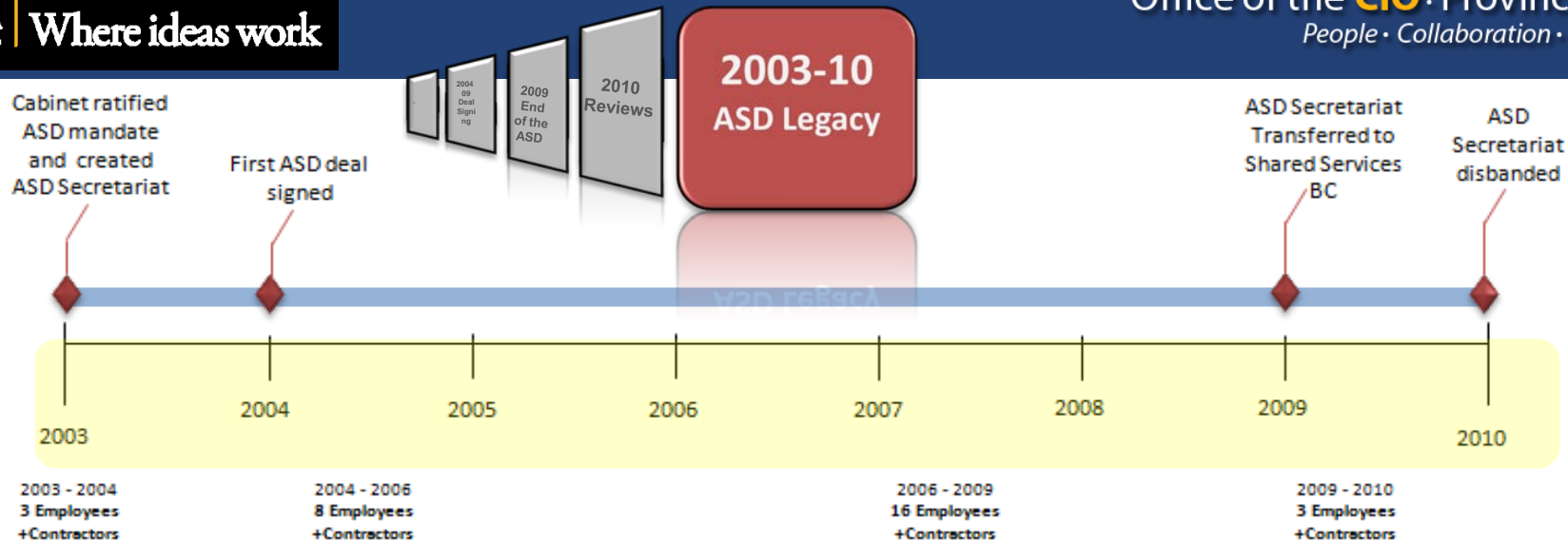
S 12



- By 2009 the ASD had begun its operational decline, mainly due to:
 - Core operations transferred into SSBC which diminished its profile and authority to implement the ASD's mandate,
 - The removal of a dedicated senior executive responsible for driving ASD strategy,
 - Hiring freeze limited the ASD's ability to maintain relevant internal capacity
- The ASD Secretariat was impacted to the point where the organization was no longer able to implement the full scope of its mandated responsibilities, and was subsequently disbanded in 2010.



- 2008 Auditor General (Joint Solution Procurement focus on Revenue Agreement):
 - Found that “both the Joint Solution Procurement process and the outsourcing of revenue management services substantially meet the principles of procurement best practice.”
- 2009/10 Office of Comptroller General (Monitoring and Reporting Benefits Realization):
 - Advocates for increased oversight, measurement and reporting regarding ministry progress towards the achievement of intended contract benefits.
- 2010 LCTZ for DMCTT (Review of ASD)
 - DMCTT commissioned an independent review (2010) to analyse whether the ASD approach to date had been successful and whether there were any best practice recommendations going forward.



While the ASD Secretariat was very effective at identifying, procuring and negotiating ASD contracts, several core issues were identified:

- Contracts were structured towards a specific solution or specific outputs rather than a desired outcome
- Contracts negotiated in isolation gave the same scope of services to multiple vendors
- Procurement process resulted in contracts that while defined, are no longer what is required
- Inconsistent AMO management and staffing with focus on contract terms and conditions
- Risk transfer objectives not met
- No consolidated vendor management
- No central management of the deals or the benefits achieved

Key Drivers for Change

- Challenges with model under ASD Secretariat and subsequent disbanding
- External and internal reports emphasizing centralized oversight model as best practices
- Successful model utilized with TELUS
-

S 12

- Direction from Treasury Board to

S 12

S 12



S 12

SPO Structure

SPO Division	Key Functions
Surveillance, Analysis and Practice	<ul style="list-style-type: none"> • Knowledge and Data Management • Best Practices • Horizontal deal perf mgmt and deal optimization • Financial modelling
Decision Strategy and Support	<ul style="list-style-type: none"> • Demand forecasting • Strategic planning and alignment • Innovation planning and transformational oversight • Planning / development of governance decision documents
Negotiations	<ul style="list-style-type: none"> • On-boarding • Deal negotiation / architecture • Transition
Relationship Management	<ul style="list-style-type: none"> • Communications management • Internal / BPS relations • Issue identification and dispute management • Strategic vendor relationship management

Page 61 redacted for the following reason:

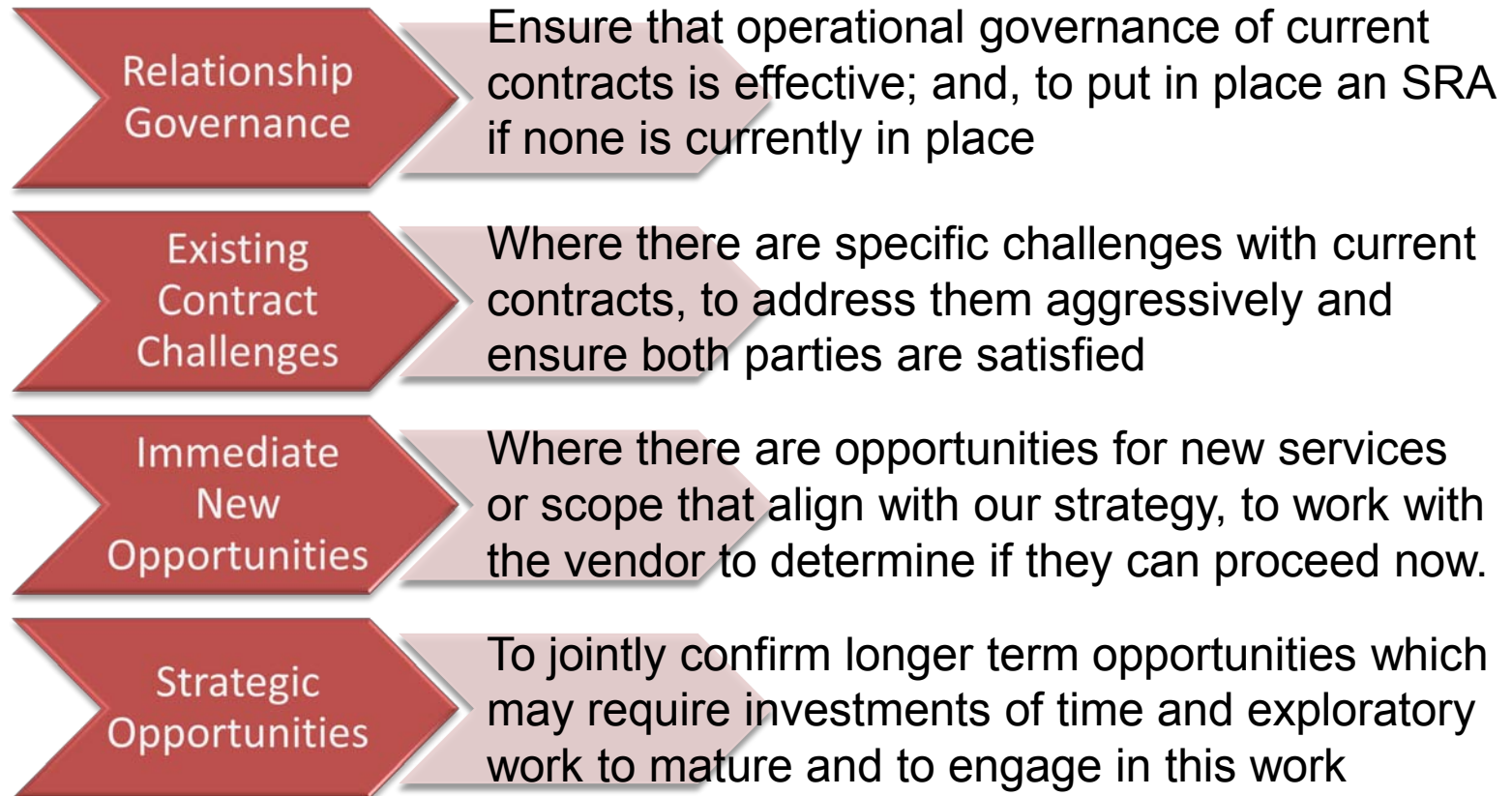
S 12

- Becoming directly involved in **strategic ASD and other high-value deals** through the deal lifecycle to ensure the Province's strategic interests are met, including approval and sign-off of following key documents prior to TB:

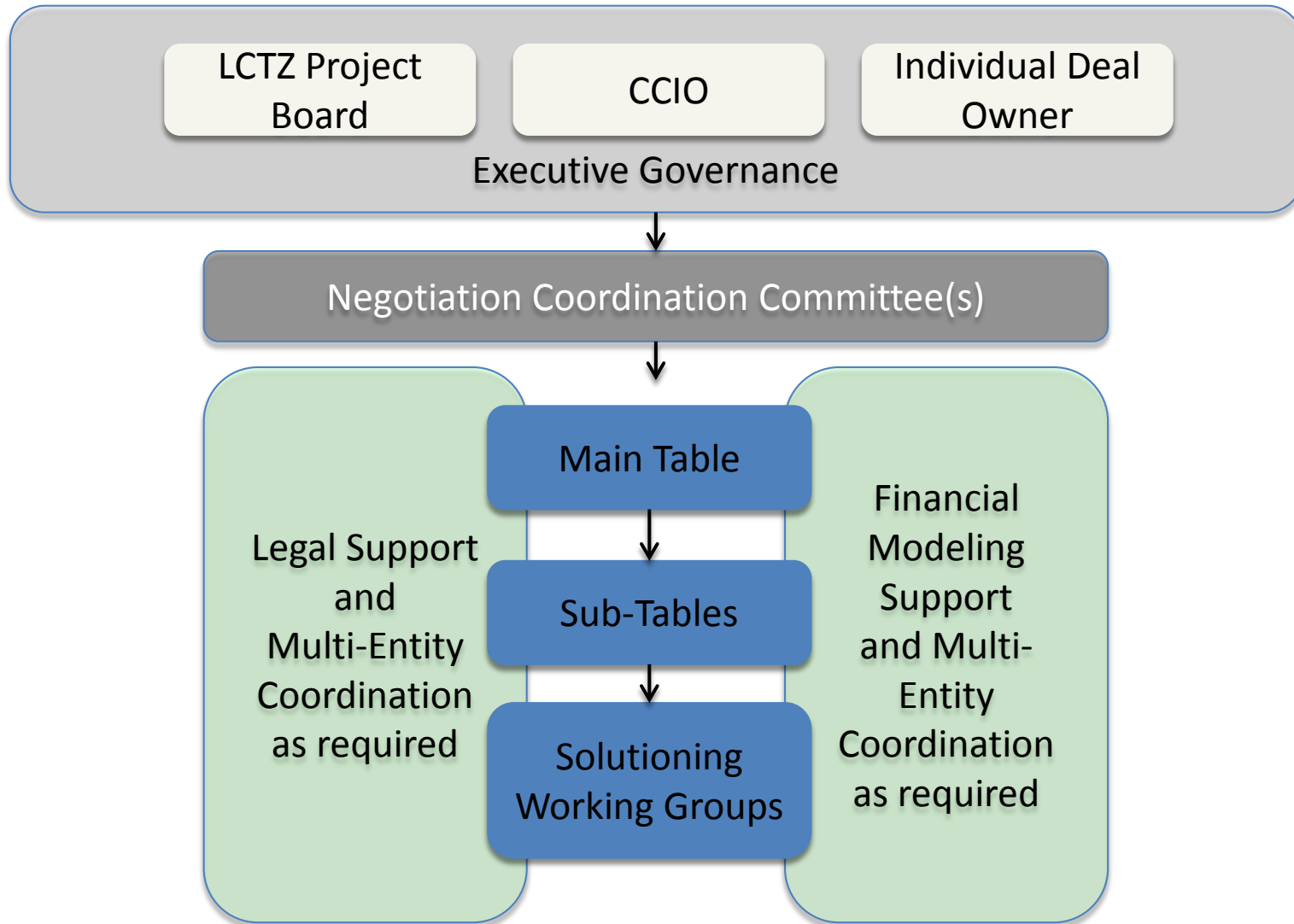
S 12

Vendor Engagement Streams

Engagement with each vendor on four main streams of activity:



Vendor Negotiations: General Model



Overall SPO Plan

- SPO strategies/activities:
 - Short-term (implement fiscal 12/13)
 - Deal re-alignment
 - Immediate cost savings
 - Structural changes and financial re-alignment
 - Initial vendor-based negotiations
 - End-of-term support
 - Establishment and start-up of SPO
 - Longer-term
 - Ongoing end-of-term support/SPO activities
 - Strategies in place for:
 - Cloud
 - Network manager, VOIP/UC
 - Ongoing vendor-based negotiations

