

**From:** spo  
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### **SPO ALERT**

**Date:** October 5, 2012

**To:** State Agency Chief Procurement Officers

**From:** State Procurement Office

**Re:** IT Consulting and Staffing Managed Services Provider (MSP) Information

As a follow up to previous information that has been provided about the MSP Program, the attached is continued communications that can be shared with State Agency Procurement Officers and their customers. This communication is the first of several informational notices that will be provided to Agencies regarding the transition to this Program.

If you have any questions regarding this announcement, please contact Terri Johnson at [terri.johnson@azdoa.gov](mailto:terri.johnson@azdoa.gov).

SPO ALERTS are available  
Online at <http://www.spo.az.gov>

October 5, 2012

The State Procurement Office recently awarded IT consulting and staffing requirements to a Managed Services Provider (MSP), Knowledge Services. This program will be referred to as AZ-MSP, and will deliver solutions to help manage the cost and sourcing of projects up to \$1 million by providing contract labor, financial spend reporting and invoicing.

The AZ-MSP program provides hiring managers the opportunity to continue business with local IT consulting and staffing companies with whom they have historically had success. In addition, AZ-MSP provides The State of Arizona with all of the necessary tools to improve efficiency, and also provides both suppliers and managers with real time performance information.

The next step in the rollout process will require Knowledge Services to reach out to key agency stakeholders to participate in a brief discovery meeting. The meetings may be done in person or by phone. ***Agencies are also encouraged to contact the AZ-MSP team to schedule a brief meeting by emailing the Knowledge Services AZ-MSP program team at [AZMSP@knowledgeservices.com](mailto:AZMSP@knowledgeservices.com) to schedule a time to meet, provide insights, and to ask questions about the MSP program.*** The following are example topics that will be discussed.

- IT Consulting and Staffing Sourcing Process
  - What is needed to send out a requisition in your agency?
  - What suppliers do you use?
- IT Consulting and Staffing Selection and Onboarding Process
  - How many resumes do you want to see per requisition?
  - Who interviews?
  - How are interviews scheduled?
  - What is needed before a candidate may start work?
- Milestone and Time Recording and Approval Processes
  - How are milestones and time recorded now?
  - Who approves time?
- Invoice Processing and Payables
  - What needs to be on an invoice to get paid?
  - What is the invoice approval process?
- Reporting needs

## **Program Kickoff**

Effective January 1, 2013 only AZ–MSP participating IT consulting and staffing suppliers will have opportunity to service State of Arizona for IT consulting and staffing requirements. To ensure a clean cut-over, and to eliminate billing disruptions or duplications, the following schedule of events will be strictly followed:

- By December 14, 2012– All hiring managers, procurement managers, and Accounts Payable processors and managers should be registered in the dotStaff™ Vendor Management System (VMS).
- By December 21, 2012– (consulting and staffing organizations are responsible for this activity) All existing IT consulting and staffing resources serving the State of Arizona must be registered in the dotStaff™ system.
- January 1, 2013 – (IT consulting and staffing organizations are responsible for this activity). All IT Consulting and Staffing resources time tracking must be entered in the dotStaff™ system. The dotStaff system automatically invoices approved time for all IT staffing and consulting resources for January 1, 2013 forward.
- January 8, 2013 – Managers of IT Consulting and Staffing resources will be required to login to the dotStaff™ system to review and approve/deny any time awaiting approval for the week of January 1, 2013

Below you will also find a list of Frequently Asked Questions (FAQs), and also a high-level schedule of events for your review.

For further information or questions, please email the Knowledge Services AZ–MSP Program Team at [AZMSP@knowledgeservices.com](mailto:AZMSP@knowledgeservices.com) or [terri.johnson@azdoa.gov](mailto:terri.johnson@azdoa.gov)

## High-level Implementation Schedule

	State	Supplier	AZ-MSP Team
<b>October</b>	Receive Program Announcement & Info	Receive Program Announcement & Info	Send Program Announcement
	Participate in Discovery Meetings	Participate in Supplier Open House	Supplier Portal Prepared
<b>November</b>	Approve AZ-MSP Process Recommendations	Download Program Documents	Technology Configuration
	AZ-MSP Site added to State Internet	Return Contract and Data	Contract Status Monitoring and Reporting
<b>December</b>	State Users Registered in System	Contractors Registered in System	Data Load
	State Users attend Education	Suppliers Attend Education	Desktop Pilot Prep
	Desktop Pilot		Final Program Adjustments
<b>January</b>	Time /Milestone Approval Online	Time /Milestone Entry Online	
	New SOW RFP and Job Postings Online		

## MSP Program Common User Concerns / Questions

- What will happen with the Suppliers I've always worked with?
  - You will continue to work with the suppliers you've historically had success with.
  - You can add additional suppliers if you wish.
  - If you are aware of sub-suppliers, they can now participate as prime suppliers.
- What happens to resources I already have?
  - Existing resources will be placed in the program under their current suppliers at their current rate.
  - Contractors will continue to get paid as they always have. There will be no change to that process.
- If a supplier refuses to participate, how do you handle the situation?
  - We've never had a supplier with resources refuse to participate.
  - If it happened, we do have contingency plans that include:
    - Identifying replacement suppliers;
    - Movement of your current resource(s) to another supplier;
    - Continue efforts in parallel to bring the original supplier into the program; and
    - Keep in mind: The suppliers want your business as much as you want to maintain the relationship!
- I can't afford to train new resources that have been on assignment for years. What happens if the resources leave?
  - The resource will see no change other than how they submit time.
  - We've never lost a resource due to a program implementation.
  - Some resources benefit due to no longer working for a sub-supplier(s).
- My most important supplier already told me they don't participate in these programs. What is going to happen?
  - This is indicative of a supplier that is likely over-charging the State, and does not want to compete. If there is an option to be measured or not be measured, their preference is to not be measured. If there is an option to compete or be a single source, their preference is to be your single source. That's their business objective. Your objective is to get good quality and reasonable pricing. We allow that. We simply ask your supplier to compete.
  - We've never had an active supplier fail to participate.

- If I have a critical supplier and they won't participate, can I exempt them from the program?
  - No. Exemption results in not having full program information which is a key objective. Additionally, it doesn't allow you to confirm their performance. Good suppliers will want to be recognized as good suppliers.
  - If a supplier is critical and persists with questions and statements indicating they are at risk, please direct them to the Arizona MSP Program Team via email to [AZMSP@knowledgeservices.com](mailto:AZMSP@knowledgeservices.com).
- What is required from me with respect to time and effort?
  - You may be asked to participate in a Discovery meeting. Approximately an hour to hour and a half for us to gain insights about your processes and needs.
  - You'll be requested to fill out a data sheet that will identify IT staffing resources and IT consulting resources, and IT milestone deliverables currently being utilized.
  - You will be asked to participate in one of several education sessions that we will host. These sessions are approximately 1 hour in duration.
- What is the timeline for cutover?
  - January 1, 2013
- Do contractors still fill out timesheets? Do I still approve time?
  - The time record in the dotStaff™ system will serve as the only formal record of time worked.
  - There will be an electronic time sheet created each week, by each resource. You will approve the e-time sheet online each week.
  - Data from the system can easily be exported by the supplier as opposed to requesting timesheets.
- Can I still use any supplier I want?
  - Absolutely. We encourage current suppliers to participate and continue their relationship with the State of AZ hiring managers.
  - You will be required to post open positions through the MSP. Instead of one call to your supplier, you'll place one call to the MSP and the appropriate suppliers (including yours) will be notified via the dotStaff™ system.
- Do I still decide who gets hired?
  - Yes
- Am I able to continue to communicate directly with my suppliers?
  - Communication with suppliers is NOT prohibited in this program.
  - We believe that improved communication with suppliers increased their ability to serve.
  - That communication can occur directly or through the MSP, however we do encourage ongoing communication with all suppliers.

- If I don't want to hear from suppliers will this program take care of that?
  - As stated above, we believe communication to suppliers improves their ability to service you, however; you are not required to communicate directly. You can request the MSP team to handle all communication on your behalf.
  - E-requisitions can also host your name or the name of the MSP, further facilitating your desired communication method.
- Will I see all resumes or will they be screening out resumes?
  - This is your choice.
  - The MSP can facilitate in screening and providing only qualified candidates or you can request to see all submissions.
- How do we get invoiced? How often?
  - Invoices are sent electronically.
  - Invoicing runs once per week, automatically collecting all approved time, project milestones, and expenses.
- Weekly is too often, can that be changed? I have suppliers that bill me once a month, how do you handle that?
  - The weekly invoicing method is standard and cannot be adjusted supplier to supplier.
  - If the State allows, suppliers can enter time, expenses and milestones once per month if they choose.
  - We only invoice for items entered and approved each week.
- What rates will be used for IT consulting and staffing resources?
  - Current IT consulting and staffing resources will be on-boarded at their current rates.
- What do MSP and VMS stand for? What do they mean?
  - MSP stands for Managed Service Provider and VMS stands for Vendor Management System. The definitions are as follows:
  - **A Managed Service Provider (MSP)** is a company that takes on primary responsibility for managing an organization's contingent workforce program.
  - **A Vendor Management System (VMS)** is an Internet-enabled contingent worker sourcing and billing application that enables an organization to procure and manage a wide range of contingent workers and services in accordance with the organization's business rules.