



Divisions of General Practice

Information Management Maturity Framework
(IMMF)

**Toolkit — Guide to selecting
specialist advisers for IM**



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Toolkit – Guide to selecting specialist advisers for IM

Purpose

The purpose of the “Guide to selecting specialist advisers for IM” is to assist Divisions address the action tasks below.

Action Tasks	Capacity Gap	IMMF Element
Develop a panel of accredited external IM advisers and contractors	Reactive to defined	Divisional Capabilities

This task should have been identified from the Information Management Maturity Framework (IMMF) gap analysis and toolkit specification.

This tool should be used in conjunction with the earlier tools:

- Management Guide for Division IM Competencies
- Sample IM Job Descriptions

Explanatory notes

While IM is an integral part of all that Divisions do, it is sometimes more appropriate to externally contract an activity or function rather than perform it within the Division. Outsourcing, which is also known as contracting out, refers to an arrangement where a Division has an activity or function performed by an external provider. The main purpose of outsourcing is to allow a Division to concentrate on its core activities.

Externally contracting has its risks. An external contractor may not have the knowledge, skills or familiarity with the health sector to supply the services required. When this occurs, it may adversely affect the Division’s ability to meet its program or service obligations if the required activity or service is vital to that function. A second purpose of this tool is to assist CEOs to minimise that risk through use of a set of criteria to select suitable external IM advisers.

This tool describes the circumstances in which externally contracting or outsourcing an activity may be more preferable to developing it in-house, and provides a set of selection criteria for pre-qualifying IM specialist advisers.

Using this tool will help CEOs ensure that services are contracted from external sources when it advantages the Division and that risks in sourcing external services are kept to a minimum. Division CEOs should review the guidelines and consider whether their requirements should be met by an external provider or provided in-house. If a decision is made to source the service externally, the CEO can use the checklist for selecting specialist IM advisers to minimise their risk in purchasing such services.

CEOs should refer to State Based Organisations (SBOs), other Divisions and the Australian General Practice Network (AGPN) for advice when selecting suppliers as they will be familiar with many potential suppliers and in most cases will have already sourced services from them.

The principal references used to create this “Guide to selecting Specialist Advisers for IM” are listed at the end of the document.

Instructional design

This tool consists of the following parts:

Part 1: Criteria for externally sourcing specialist external IM advisers

Part 2: Checklist for selecting specialist external IM advisers



Part 1 – Criteria for externally sourcing external IM advisers

This Part describes some basic criteria for deciding whether to carry out activities using sources internal to the Division or sourcing such activity from external sources.

CEOs should discuss these criteria with their Board and senior staff to identify their local requirement for outsourcing IM or IT competencies.

Part 2 – Checklist for selecting specialist IM advisers

A checklist for selecting specialist IM advisers taking into account the factors to be considered that will minimise risk. CEOs should incorporate elements from the checklist in their due diligence checks for external IM or IT contractors. CEOs will find it useful to liaise with other Divisions, refer to the SBO and to seek information from the AGPN when selecting specialist IM advisers.

Summary of outcomes and resources

Workstreams	Outcomes	Resources
Skills or knowledge acquisition requirements for staff	The Division is able to access appropriate specialist advisers.	This outcome is self administered by Divisions.



Part 1: Criteria for externally sourcing specialist IM advisers

All Divisions are seeking to achieve efficiencies, improve service to their members and implement best practice while simultaneously reducing costs. Outsourcing is one means of achieving these objectives.

Outsourcing, which is also known as contracting out, refers to an arrangement where a Division has an activity or function performed by an external service provider. Under such arrangements the Division retains overall responsibility for the activity. The main purpose of outsourcing is to allow a Division to concentrate on its core activities. Principles for deciding whether a Division should externally contract services include:

Criteria for Externally Sourcing External Services

- The extent to which the Division has an ongoing interest in the performance standard of the activity. The level of interest may be determined by how critical the activity is to the Division's core business. The closer the activity is to a Division's core business the more the Division needs to keep direct control of it. For example, the performance standard of providing National Performance Indicator (NPI) data returns may be more critical than for cleaning services.
- Whether the skills of existing staff are critical to the continuation of the activity. This may be determined by the specialist nature of the activity or the length of training or experience required to perform the activity. For example, it may be difficult to source externally a service which needs detailed knowledge of a Division's reporting obligations.
- Whether the skills required are specialist skills required infrequently or are difficult to obtain. For example, major website development is likely to be a relatively in-frequent activity. As a result, retaining those skills in-house may be unnecessary. Such services may be better to be purchased externally only when needed.
- The capacity of the Division to manage the staffing consequences of the adopted approach. An agency's capacity may be affected by:
 - the time frame involved;
 - the number of staff involved in the activity;
 - the cost of each approach, and the organisational costs of supporting them;
 - the availability of sufficient specialist staff to assist on site;
 - whether sufficient resources are available within the Division; or
 - whether assistance may need to be provided through consultancy arrangements.

If it is decided to obtain specialist IM / IT services from external sources, they should be obtained using well-defined contracts or equivalent instruments. Both outsourced and in-house functions must be clearly specified and documented with well-defined deliverables, service level agreements and transparent accounting is required for the cost of such functions.

Situations where sourcing external services may be advantageous

- Even large Divisions may find it difficult to provide specialist IM/IT skills in-house. These typically include designing a network architecture, developing a website or setting up sophisticated security systems including digital certificates and firewalls. These kind of skills tend to be highly specialised, expensive and only needed periodically. This makes them perfect skills for contracting them from external sources.
- Medium sized Divisions will also contract out the specialised, expensive skills in the same way large Divisions do. They will have even less capacity to engage specialist staff and may look to outsource services like running surveys and producing analysis or reports with tools such as Crystal Reports.
- Small sized Divisions will certainly not be able to support specialist skills in house. In addition to the skills already listed as potential ones for contracting out, smaller Divisions may wish to contract out and share their IT operations and support and administrative skills like accounting and human resource management. The concept for smaller Divisions is one of consolidating services across Divisions as well as outsourcing.



Examples of ways to source external IM Services

1. Targeted Request for Proposals

A Division in Victoria had a need to improve its records management capability. It reviewed the services available internally and identified what services it needed externally (specialist Records Management advice). Then it put together a brief statement of requirements and sent the statement to several potential suppliers the Division identified from the Records Management Association of Australia list server.

The statement of requirements document included a brief statement about what a Division of General Practice is, what it does and the business context in which it operates. This was done because the Division realised that suppliers may not know this information and it will save the Division considerable time in not having to answer these basic questions.

The statement of requirements document included:

- a description of the Division and its business environment;
- a clear statement of the business problem the Division was trying to solve (poorly organised records that cause Division staff to spend excessive time to find what they are looking for);
- a well defined statement of what was wanted from the supplier;
- a statement on the skills, knowledge and expertise required from the supplier;
- an indication of the likely budget (this enabled suppliers to self select out);
- a statement on when the service was required; and
- company details including insurance, quality certification and references.

2. Reference from another Division

A Division in Queensland required external services from an organisation skilled in managing a survey to members. The Division's CEO contacted several CEOs in adjacent Divisions and the SBO. One adjacent Division had just completed a survey of members using an external survey company. The Division recommended that company and it was engaged on the strength of that recommendation.

The company having just completed a very similar task was able to rapidly produce a survey for the Division and complete the management of it at a reduced cost than what it would have been had it started from scratch.

3. Using another Division's externally purchased services

One Division had a requirement for providing induction training to staff in a Customer Management System (CMS) that is used in many Divisions in the State. An adjoining larger Division had already purchased such services from an external provider. In this situation the second Division was able to use the purchasing arrangements of the first Division for the services. This saved considerable time and effort and as a result of the larger amount of business the supplier gained, it was able to give both Divisions a discount.



Part 2 – Checklist for selecting specialist IM advisers

Principles for Selecting External IM Advisers

Once it is decided to source IM services externally, the following principles apply to selecting specialist IM advisers. Applying these principles will save Division CEOs time in selecting external IM advisers, managing their activities and rectifying any problems which may arise.

Company Viability

- *Financial viability* could be checked by requesting a copy of the company's latest audited financial accounts. If an external supplier cannot supply an IM / IT service because they are in financial difficulty, this is a major risk to the Division.
- *Time in business* will serve as an indicative guide to their ability to deliver the service.
- Insurance cover is essential for public liability and workers compensation. Ask for the name of the supplier's insurer, their policy numbers and expiry dates.
- *Outstanding disputes or court cases* can affect a supplier's ability to deliver the service and it is also an indicator of client satisfaction with them. Ask if there are any. If necessary, this information can be checked.

Knowledge and Experience

- *Understanding of Information Systems used in Divisions and Practices.* This should be obtained by a request from the company. It should indicate the extent to which an external supplier understands the information systems used by Divisions and Practices.
- *Expert Knowledge for the task.* This could be obtained through a formal request. External suppliers that are familiar with the role of Divisions are more likely to provide solutions specific to the primary health sector.
- *References especially of work with other Divisions and the health sector.* It is important to request potential suppliers to nominate suitable referees. Ask if they have provided services to other Divisions and then check with that Division. Other Divisions have sometimes used the supplier and are in a good position to provide references. Obtaining references is the most effective way to minimise risk of a poor outcome.
- *Quality Certification.* Request a copy of the certification. Quality certification indicates the supplier at least has processes in place that address quality issues and seek to improve them.

Ability to deliver the service

- *Availability.* Request a potential supplier to tell what other work they have on. Depending on their capacity they may have difficulty making specialist resources available when the Division needs them. Remember that suppliers who do good quality work are more likely to already be busy than those who do not.
- *Value for Money.* Request a detailed price breakdown of a fixed price, daily or weekly rates and compare the fixed price to the amount of time the supplier is giving you and what they are going to provide for the money.
- *Local suppliers* are more likely to be concerned about delivering a quality service at a time required by the Division because they will want repeat business and be concerned about their local reputation.



How to use this Checklist

The following is a checklist that forms a useful starting point for selecting IM specialist providers. CEOs should consider each of the issues identified when selecting potential IM providers.

Principles	Verification
Company Viability	
Financial viability	Is the company able to meet its financial obligations? Does it have an up to date audited financial statement?
Time in Business	How long has the company been in business?
Insurance	Does the company have workers compensation insurance? Does the company have public liability insurance?
Outstanding disputes or court cases	Does the company have outstanding disputes or court cases? If so, what are they?
Knowledge and Experience	
Understanding of Information Systems used in Divisions and Practices	How well has the company demonstrated its knowledge of information systems used in Divisions and Practices? Comprehensive _____ Adequate _____ Not Adequate _____
Understanding of the role of Divisions	How well has the company demonstrated its knowledge of the role of Divisions? Comprehensive _____ Adequate _____ Not Adequate _____
Knowledge of IM – ILC	How well has the company demonstrated its knowledge of Information Management? Comprehensive _____ Adequate _____ Not Adequate _____
References especially of work with other Divisions and the health sector	Source? Relevance to the Assignment? How recent?
Quality Certification	Is the company quality certified?
Ability To Deliver the Service	
Availability	When can the required company staff be available?
Value for Money	What is being delivered for the price?
Local	Is the company local?



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