



Quality Council for Trades & Occupations

www.qcto.org.za

256 Glyn Street, Hatfield, Pretoria, 0083
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INVITATION TO TENDER

FOR APPOINTMENT OF A REPUTABLE AND CAPABLE SERVICE PROVIDER TO PROVIDE BUSINESS PROCESS RE-ENGINEERING, ANALYSIS, RE-DESIGN, MAPPING OF QCTO'S CORE BUSINESS OPERATIONS FOR A PERIOD OF TWENTY - FOUR (24) MONTHS

TENDER NO: QCTO 07/2022

CLOSING DATE: 15 SEPTEMBER 2022 at 11:00

Company Name		
Address		
Contact person	Ms/Mrs/Mr/Prof/Dr	
Contact numbers	(w)	(cell)
Email address		

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1. INTRODUCTION

The QCTO is a Schedule 3A Public Entity that was established in accordance with the Skills Development Act, No. 97 of 1998 (as amended) and the National Qualifications Framework Act, No. 67 of 2008 (as amended) and came into operation on 1 April 2010. The main functions of the QCTO amongst others are to develop standards for occupational qualifications including trades and skills programs, accredit skills development providers, and assessment centres, conduct assessments, quality assurance and issue certificates to qualifying candidates. Therefore, the QCTO is responsible for standards generation and maintenance; quality assurance of occupational full and part qualifications registered on the National Qualifications Framework (NQF) and the Occupational Qualifications Sub-Framework (OQSF) policy, including skills programs. The QCTO has approximately 120 staff members and is situated in Hatfield, Pretoria. More information can be obtained from <https://www.qcto.org.za/>.

Prospective Service Providers who are interested in providing Business Process re-engineering, analysis, re-design, mapping and documentation for the Quality Council for Trades and Occupations (QCTO) core business operations as specified herein, and in accordance with the General Conditions of offer, as well as the specifications are requested to complete this tender document, together with all the standard bidding documents in full and submit proposals in sealed Envelopes marked **Tender Number QCTO 07/2022** and placed in the tender box at 256 Glyn Street Hatfield, Pretoria, 0083 not later than the closing time and date. **It is compulsory for bidders to attend the virtual briefing session.**

1.1 TENDER SUBMISSION AND COMPLIANCE

The tender must be submitted in the following manner:

- 1.1.1 One (1) original technical proposal and Three (3) copies of the original technical submission;
- 1.1.2 One (1) USB Technical submission in a separate sealed envelope;
- 1.1.3 One (1) original pricing proposal and one (1) copy must be submitted in a separate sealed envelope: 'The pricing schedule must be submitted adjacent to the SBD3.3 form in the bid proposal'.

Table: 1.1

Closing Date	Address
Date: 15 September 2022 Time: 11:00	Quality Council for Trade and Occupations Tender Box @ Reception 256 Glyn Street Hatfield Pretoria 0083

NB: Late Submissions will not be considered

Table: 1.2

Briefing Session Information
Compulsory Virtual Briefing session Date: 31 August 2022 Time: 11:00am – 12:00am Link: To receive the link, kindly send an email to tenders@qcto.org.za before <u>26 August 2022</u> . The link will be sent by end of business on <u>28 August 2022</u> .

Prior to submission, the tenderers must check that all pages are properly numbered, and all required documents are signed and initialled. QCTO will hold the duly authorised signatory liable on behalf of the tenderer.

NB: Please create an index page for ease of reference. Paginate your proposal submission by using numbered file dividers or a similar system.

Each page should be initialed with black ink.

1.2 PRICING

- 1.2.1 The tenderer must submit details regarding the tender price for the services on the pricing schedule provided in SBD 3.3. The completed form/s must be submitted together with the proposal.
- 1.2.2 Bidders are required to indicate their rates (costs) inclusive of all applicable taxes.
- 1.2.3 It is a requirement of this tender that the tender price is based on a fixed price.
- 1.2.4 The price proposal must include VAT (if applicable).
- 1.2.5 All other cost increases will be negotiated, not exceeding the actual inflation rate (CPI).
- 1.2.6 QCTO will not provide upfront payments.

NB: FAILURE TO PROVIDE THE PRICING PROPOSAL WILL INVALIDATE THE BID AND RESULT IN IMMEDIATE DISQUALIFICATION OF THE PROPOSAL

One (1) original hard copy technical pricing document (sealed in an envelope) and one (1) copy.

The service providers on the panel will be engaged through the Request for Quotations Process based on the desired deliverables (as and when required) to confirm actual costs per brief or scope of work.

1.3 PARTNERSHIPS AND LEGAL ENTITIES

In the case of the tenderer being a partnership, close corporation or a company, a certificate reflecting the names, identity numbers and address of the partners, members or directors (as the case may be) must be submitted with the tender.

1.4 CONSORTIUMS AND JOINT VENTURES

- 1.4.1 If the tendering unit emanates from a joint venture or collaborative partnership or consortium (including a newly formed company), which does not have a joint track record of at least three (3) years, the individual entities that make up the tendering unit should each provide all the mandatory requirements. Should all the requirements in respect of the tendering unit or the individual entities, as the case may be, not be met, the tendering unit will be disqualified.
- 1.4.2 It is recognised that tenderers may wish to form consortia to provide the services.
- 1.4.3 In response to this invitation to tender, a consortium shall comply with the following requirements:-

- 1.4.3.1 A copy of the agreement entered into by the consortium members shall be submitted with the tender. It shall be signed so as to be legally binding on all consortium members.
- 1.4.3.2 The tender document shall be signed so as to be legally binding on all consortium members;
- 1.4.3.3 One of the members shall be nominated by the others as authorised to be the lead member and this authorisation shall be included in the agreement entered into between the consortium members;
- 1.4.3.4 The lead member shall be the only authorised party to make legal statements, communicate with QCTO and receive instructions for and on behalf of any or all the members of the consortium;

1.5 ACCEPTANCE OF TENDERS

QCTO does not bind itself to accept either the lowest or any other tender and reserves the right to accept the tender that it deems to be in the best interest of the organisation. QCTO reserves the right to accept the offer in full or in parts.

2. AIM OF PROPOSAL

The aim of this proposal is for QCTO to appoint a suitably qualified and experienced service provider to undertake Business Process Analysis and Improvement. The objective of this process is for the service provider to assist QCTO with re-engineering, evaluation and re-design of business processes as well as to make recommendations for the automation of processes. The establishment of a continuous improvement capability and sustained culture-shift is also required. The appointment of the successful bidder will be for a period of twenty-four (24) months commencing on the date as prescribed in the Letter of Award and signed Service Level Agreement.

3. BACKGROUND

The Quality Council for Trades and Occupations (QCTO) is a Quality Council established in 2010 in terms of the Skills Development Act, No. 97 of 1998 (as amended) and the National Qualifications Framework Act, No. 67 of 2008 (as amended). Its role is to oversee the design, implementation, assessment and certification of occupational qualifications, including trades, on the Occupational Qualifications Sub-Framework (OQSF). The QCTO also offers guidance to skills development providers who must be accredited by the QCTO to offer occupational qualifications.

In summary, the QCTO is responsible for:

Establishment and management of the Occupational Qualification Sub-Framework (OQSF);

- Occupational Qualifications and skills programmes development and maintenance;
- Accreditation of Skills Development Providers;
- Accreditation of Assessment Centres;
- Assessment;
- Certification;
- Research and Knowledge Development; and
- Stakeholder Management and Advocacy.

4. SCOPE OF SERVICES

The broad scope of work will include re-engineering, analysis, re-design and implementation of improved business processes in order to achieve improved efficiencies, effectiveness and high productivity within the QCTO. In responding to this bid, the service provider must provide a detailed methodology and approach including the implementation plan on how the service provider will deliver on the services as detailed below.

The proposal must be specific to the QCTO and it's imperative that where a provider has a recommendation that is not included in the scope of work, the provider must scope their proposal and provide indicative costs of such a service.

4.1 The business process re-engineering and process improvement aims to achieve the following objectives:

- 4.1.1 Re-design QCTO business processes to improve QCTO maturity level.
- 4.1.2 Ensure alignment of processes to all applicable legislation and mandates.
- 4.1.3 Re-engineer the current QCTO processes to suit the organisation's plans of automating the same processes.
- 4.1.4 Eliminate any institutional process duplication.
- 4.1.5 Create a common understanding of the processes within QCTO.
- 4.1.6 Align the organisation's strategies in a coherent manner to respond to service delivery imperatives.
- 4.1.7 Eliminate bottlenecks in the processes.
- 4.1.8 Ensure effectiveness and efficiency of the business processes.
- 4.1.9 Advise and drive integration of processes for enhanced efficiency and transparency.

4.2 The scope of work includes but is not limited to:

- 4.2.1 Review, analyse and agree on the current "As-Is" processes
- 4.2.2 Define the need ("To Be") approach and priority (the design criteria for the new processes and scope and priority of the proposed development) Analysis and Concept Design of "To-Be"
 - a) Guide and manage the review, improvement and re-engineer organization-wide business processes in line with approved QCTO policies, strategies, procedures and role profiles.
 - b) Assess the current QCTO business processes and their alignment to the organisation's functional and strategic plans including all applicable legislations and mandates.
 - c) Automate current processes as far as possible.
 - d) Engage with all internal and external stakeholders to attain a full understanding of all steps of a process.
 - e) Identify objectives, risks and critical controls in processes.
 - f) Conduct role clarification workshops to understand the role of the officials in the process and designing actual maps
 - g) Map processes to organisational functions
 - h) Select and automate technologically executable processes
 - i) The metric shall be a minimum 10% cumulative quarterly improvement over three iterations in year one. (on the assumption that the first three (03) months of year 01 of the project will be the Lean Six Sigma Yellow Belt Training)
 - j) The metric in year 02 shall be a minimum of 15% cumulative improvement over four iterations.
 - k) Mentor/coach individual teams in the business to achieve process improvement as per metrics in (i and j above)
 - l) Drive the automation business processes at the end of Year 01 – the QCTO shall bear the cost of the automation.
- 4.2.3 Compile a Business Process Inventory and align to the current Standard Operating Procedures (SOPs) of the QCTO.
- 4.2.4 Conduct workshops and interviews with relevant officials in order to understand all the current processes of QCTO core business units.
- 4.2.5 Elimination of silos and process duplication.

- 4.2.6 Guide staff on changes to current business process in line with best practices (i.e., identify missing steps, steps that are duplicates/ redundant that we can eliminate, better ways to sequence steps)
- 4.2.7 Develop and implement a Change Management process and plan, which will help to ensure the buy-in of all staff and structures to prepare the organisation for a seamless adoption and implementation of improved business processes and SOPs.

4.3 EXPECTED OUTCOMES AND DELIVERABLES

- 4.3.1 Submit work breakdown structure (WBS) with timed deliverables/milestones and a monthly progress report as requested by QCTO.
- 4.3.2 Provide QCTO with hard and soft copies of the completed QCTO Process Manual with workflow mappings.
- 4.3.3 Provide a consolidated editable electronic file for each process, workflow, activity, rule, exception, etc., that is included in the QCTO Process Manual
- 4.3.4 Provide a consolidated final report summarising the project, listing Current State, Future State change recommendations and other Process Improvement Recommendations.
- 4.3.5 Formal presentations to key stakeholders as and when required
- 4.3.6 In year 01 - training of all identified employees in Lean Six Sigma Yellow Belt, including the certification exam within the first 03 months of the project.
- 4.3.7 At the end of year 01 - training of 10% of the Yellow Belt employees in Lean Six Sigma Green Belt, including the certification exam and application of skills in a project(s).
- 4.3.8 In year 02 - 1% of the cohort that achieved Yellow Belt Certification must be mentored and trained to become a Black Belt, thus at least one individual.
- 4.3.9 Other deliverables are specified in the table below:

Deliverable no	Description	Deliverable Detail
1.	Train ALL Core Business staff in Lean Six Sigma Yellow Belt, including International Exam (IASSC CSSYB or similar) voucher. Approximately 65 in number. The other capable staff must progress to Green and Black belt status as per 3.3.7 and 3.3.8 above.	Internationally accredited training and preparation, including certification exam.
2.	Monthly Reports on the assessment/review of the current business processes at QCTO and creation of inventory for processes and SOPs	Monthly Reports of progress
3.	Improved and mapped business processes with three (03) months rolling KPI Improvement targets agreed at the outset.	Final signed off improved business processes report (To-Be-Report) with KPI metrics report
4.	Change Management	Sign off Change Management Plan
5.	Recommendations on process automation opportunities or needs for improved business efficiencies.	Business Automation Activity (Level 07) Report.
6.	Closeout reports and any other reports	Preliminary and final closeout report or any other report the QCTO might deem necessary.

4.2 REQUIREMENTS

The minimum desired resources for this project:

4.1.1 Lead Consultant

4.1.1.1 Lead Consultant with a minimum -recognised NQF Level 7 Bachelor's degree in Industrial Engineering or equivalent with Lean Six Sigma Black-belt Certification with experience in business process re-engineering and continuous improvement.

4.1.1.2 The Lead Consultant must have experience in delivering internationally- accredited Lean Six Sigma training and mentorship. The successful bidder must be an IASSC (International Association for Six Sigma Certification or similar) Accredited Training Organization (ATO).

4.1.1.3 The Lead Consultant must have extensive Business Process reengineering (BPR) and Continuous Improvement (CI) experience in private and public sectors for both profit-making and non-profit industries.

4.1.1.4 Proof of experience in achieving successful process automation.

4.1.2 Project Manager

4.1.2.1 A Project Manager with a PMI PMP, Prince2 or project management degree and experience managing BPR/CI projects in the public and private sectors.

4.1.3 Business Analyst

4.1.3.1 Business Analyst with at least a recognised Bachelor's degree at NQF Level 7 or equivalent and experience in creating software development-ready process diagrams and flowcharts using Business Process Modelling Notation (BPMN) or Unified Modelling Language (UML) or similar.

**Please note that one individual can fulfil more than one role for example, the Lead Consultant can be the Project Manager or the Business Analyst can also be the Project Manager concurrently.*

5 PROJECT TIMELINES

The service provider must ensure that the project is completed within twenty-four (24) months after SLA is signed. Although the total duration shall be twenty-four (24) months, the QCTO shall review the bidder's performance at the end of every six (06) months and reserves the right to terminate the contract due to non-performance.

6 SPECIAL CONDITIONS OF CONTRACT

6.1 Contract performance and penalties for non-performance:

- 6.1.1 The contract shall be for a maximum duration of 24 months subject to a biannual appraisal by the QCTO.
- 6.1.2 Renewal for the next six (06) months shall be subject to satisfactory performance in the preceding.
- 6.1.3 The only exclusions to penalties shall be conditions that the QCTO accepts to be beyond the service provider's control.

7 SERVICE LEVEL AGREEMENT

The successful bidders will be expected to enter into a service level agreement with the QCTO. The service level agreement will include, amongst others, the following:

- i. Period of agreement;
- ii. Charges;
- iii. Changes to the proposed team;
- iv. Method of communication and reporting;
- v. Non-performance;
- vi. Financial penalties and termination of the contract;
- vii. Procedures relating to payments;
- viii. Procedures relating to management reports;
- ix. Terms of deliverables;
- x. Forms and formats of working papers;
- xi. Reviews;
- xii. Uncompleted work;
- xiii. Confidentiality; and
- xiv. Disputes.

8 EVALUATION CRITERIA

QCTO may request additional information, clarification, or verification regarding any information contained in or omitted from a tenderer's proposal. This information will be requested in writing, and the bidder must provide the requested information within forty-eight (48) hours after the request has been made; otherwise, the bidder may be disqualified.

QCTO may conduct due diligence on any tenderer, which may include interviewing customer references or other activities to verify a tenderer's other information and capabilities (Including visiting the tenderer's various premises and/or sites to verify certain stated information or assumptions). In these instances, the tenderers will be obliged to provide QCTO with all necessary access, assistance and/or information which QCTO may reasonably request and to respond within the given time frame set by QCTO.

The 80/20 principle will be applied in terms of the Preferential Procurement Policy Framework Act.

The Tender will be evaluated in Two stages:

Stage 1: Mandatory Evaluation

During this stage, proposals will be reviewed to determine compliance with all mandatory requirements and such documents must be signed by a duly authorized representative.

Stage 2: Functionality

Only service providers that qualified during the Mandatory Evaluation will be evaluated on functionality. At this Stage, the evaluation process will be based on the service provider's responses in respect of their proposals against specifications and quality.

Service providers who score a minimum qualifying threshold score of 80 Points or more will be automatically categorized as technically acceptable and will be included on the respective panel. A bid will be disqualified if it fails to meet the minimum threshold for functionality as per the bid invitation.

8.1 Stage 1: Pre-Qualification (Mandatory Evaluation)

I/We have attached to this document:	Tick if submitted		Office use
	Yes	No	
• Correctly completed bid proposal and signed by authorised signatories.	Yes	No	
• One (1) original hard copy technical bid document and three (3) hard copies of the original technical submission.	Yes	No	
• One (1) original hard copy technical pricing document (sealed in an envelope) and one (1) copy.	Yes	No	
• One (1) USB Submission in a separate sealed envelope	Yes	No	
• Proof of company/closed corporation registration and a copy of CM/CK certificates	Yes	No	
• Copies of the identity documents of those with equity/shares	Yes	No	
• Completion of the Standard Bidding Documents (SBD 1, SBD 3.3, SBD 4 ,SBD 6.1)	Yes	No	
• CSD Registration (National Treasury)	Yes	No	
• Letter of Good standing (COIDA)	Yes	No	
• Lean Six Sigma Black-belt Certification for individuals directly working on the project.	Yes	No	

Note: Failure to meet all the above mandatory requirements will lead to bidder being disqualified.

8.2 Stage 2: Functionality

No.	Evaluation Criteria	Guideline	Scoring	Points
1	Experience in similar projects	Dated and signed (on company's letterhead) Completion/reference letters with experience managing BPR/CI projects in public and private sectors in the last ten (10) years Number of similar projects completed	0 - 2 projects = 0 3 projects = 20 4 projects = 30 5 or more projects = 40	40
2	Qualifications of the Lead Consultant	CV of a Lead Consultant with a minimum of a recognised NQF Level 7 Bachelor's degree in Industrial Engineering or similar with a Lean Six Sigma Black-belt Certification and experience in business process re-engineering and continuous improvement. The Lead Consultant must have extensive BPR and CI experience in private and public sectors for both profit-making and non-profit making industries.	More than 8 years' experience in business process re-engineering and continuous improvement = 25 5-8 years' experience in business process re-engineering and continuous improvement = 10 2-4 years' experience in business process re-engineering and continuous improvement = 5 Less than 2 years' experience in business process re-engineering and continuous improvement = 0	25
3	Qualifications of the Project Manager	CV of a Project Manager with a PMI PMP, Prince2 or project management degree and experience managing BPR/CI projects in the public /private sectors.	More than 8 years' experience managing BPR/CI projects in the public /private sectors = 5 5 to 8 years' experience managing BPR/CI projects in the public /private sectors. = 3	5

No.	Evaluation Criteria	Guideline	Scoring	Points
			2 to 4 years' experience managing BPR/CI projects in the public /private sectors = 1	
4	Qualifications of the Business Analyst	CV of a Business Analyst with at least a recognised Bachelor's degree at NQF Level 7 and experience in creating software development-ready process diagrams and flowcharts using Business Process Modelling Notation (BPMN) or Unified Modelling Language (UML)	More than 5 years' experience = 15 3 to 5 years' experience = 7 1 to 3 years' experience = 5 Less than 1-year experience = 0	15
5	Project Methodology	A detailed methodology and approach including the implementation/project plan on how the service provider will deliver on the services	Detailed Project plan but does not demonstrate understanding of the scope of work = 5 Detailed Project plan demonstrating understanding of the scope of work and expected milestones = 10 Detailed Project plan demonstrating understanding of the scope of work, expected milestones and good management = 15	15
				100

Each criteria shall be assessed and scored on the evaluation sheet using the above points.

Threshold: Bidders who score less than 70 out of 100 points on functionality, will not be considered for this project.

The percentage for functionality will be calculated as follows

$$P_s = \frac{S_o}{M_s} \times 100$$

Where:

Ps = percentage scored for functionality by bid under consideration

So = total score of bid under consideration

Ms= maximum possible score, i.e., 5x (a) 100 = 500

Ap = percentage allocated for functionality (in this bid = 100)

- i. The value scored for each criterion will be multiplied by the specified weight for the relevant criterion to obtain the marks scored for each criterion.
- ii. The scores for each criterion will be added to obtain the total score.
- iii. This score will be converted to a percentage and only bidders that have met or exceeded the minimum qualifying score of 80 percent on functionality will be on the panel
- iv. Bidders not meeting a minimum qualifying score of 80 percent on functionality will be disqualified.

NB: Bidders may be required to present to the QCTO.

8.3 Stage 3: Price and B-BBEE

Only bids that achieved the minimum qualifying score/percentage for functionality will be considered further in terms of the **80/20 preference point system**.

The formulae to be utilised in calculating points scored for the preference point system will be included in the tender document. **Step 1** will be the calculation of points for price where the lowest bid will score 80 points for price, while bids with higher prices will score lower points for price on a pro-rata basis.

The following formula will be utilised to calculate the points for price in respect of tenders with a Rand value below R50 000 000 (all applicable taxes included):

$$P_s = 80 \left[1 - \left(\frac{P_t - P_{min}}{P_{min}} \right) \right]$$

Where:

Ps = Points scored for comparative price of proposal or offer under consideration;

Pt = Comparative price of proposal or offer under consideration; and

Pmin = Comparative price of lowest acceptable proposal or offer.

Step 2 will be the calculation of points for the B-BBEE status level of contribution where 20 points will be awarded to a tenderer for attaining the B-BBEE status level of 1, and lower points will be awarded to tenderers with lower B-BBEE status levels as per table below:

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

Note: Non-compliant contributors or failure to provide certification substantiating the B-BBEE status level of contribution will result in the Tenderer being awarded zero (0) points for the preference point system.

8.4 CALCULATING THE FINAL SCORE

The points scored for the price (step 1) will be added to the points scored for the B-BBEE status level of contribution (step 2) to obtain the tenderer's total points scored out of 100.

AREAS OF EVALUATION	POINTS
Price	80
B-BBEE Status Level of contribution	20
Total	100

9 TENDER VALIDITY PERIOD

The validity period for this tender is 180 days.

10 ENQUIRIES

Any technical enquiries regarding the terms of reference shall be directed in writing to:

Mr. Tafadzwa Ramhewa

Email: Ramhewa.T@qcto.org.za



www.qcto.org.za

256 Glyn Street, Hatfield, Pretoria, 0083
Private Bag X278, Pretoria, 0001
+27 12 003 1800

Contact persons for SCM and administrative related issues::

Mr. Lekhotla Motloung

Email: tenders@qcto.org.za