



PROPOSAL

Presented to The State of Minnesota NASPO ValuePoint Cooperative Purchasing Program



Proposal for IT Research and Advisory Services  
Cost Proposal

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Presented by:

Information Services Group Public Sector

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# 1 Cost Proposal

## 1.1 ISG Breakdown of Rates

### Line item 1: Online IT Research Subscription Services Price Breakdown

#### ISG Market Insights Annual Subscription

Understand where the market is today in the digital journey

- All ISG Provider Lens™ Archetype reports & ISG Provider Lens™ Quadrants studies, research notes and webinars (more than 300 reports per year) plus all previously published research. This includes ISG Provider Profiles.
- Fifteen 45-minute inquiry calls of our major research studies with an ISG Research Analyst to review and discuss the research findings in detail.
- Ten **ISG on Demand** Inquiry Events into our global team of Advisors/SMEs that fall outside of written content.

#### Pricing per State/City/County Department/Agency, institution of higher education:

Three-year pricing (for 1 department for 3 years)	
Year 1	\$35,000
Year 2	\$37,350
Year 3	\$39,850

### Line item 2: Additional Areas of Technology-Related Expertise for Online IT Research Subscription Services Price Breakdown

#### Optional: Insights On Demand

Qty. 1 (5 additional hours of advisory inquiry outside of included research topics)	\$5,500/year
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This will include the custom inquiry of five research questions that go beyond the scope of our services outlined above for a fixed fee per package of five.

### Line Item 3: ISG Events

Individual Ticket Prices:

- Early bird: \$1,250
- Full price: \$1,495

Package prices:

- Five for the price of 4 - \$5,000
- Ten for the price of 8 - \$10,000
- Fifteen for the price of 12 - \$15,000

### Optional: ISG Advisory Services

ISG offers the following services, which we can provide as needed according to the hourly rates described below or other bundled pricing methods at the request of NASPO Value Point. We will provide fixed pricing via SOW based on the rate schedule below.

Global organizations seek out ISG to help them address common enterprise questions:

- What is going on in the sourcing market place? What is going on with service providers? What new solutions are available?
- How well is my current operating model performing? How do I compare against the market and my peers from an operational and financial perspective?
- What is the best strategy to employ to improve my organization's performance and what is the roadmap to get me there?
- How do I most effectively implement to the selected strategy to meet my objectives at manageable risk?
- What are the competencies required to ensure I actually realize the intended benefits of my new service delivery model?

ISG has developed the following ISG Services Life Cycle Framework to help our clients understand, design and implement services strategy and sustainable operational change:



Provided below are descriptions of some of our services.

#### Human Resources (HR) Technology and Delivery Strategies

HR has been in the vanguard of digital technology adoption, and ISG has been helping clients transform their HR delivery models and technology landscape for over 20 years. We have deep functional domain expertise, as well as experience in SaaS and ERP implementations including Workday, SAP/Success Factors, Oracle Human Capital Management (HCM) and others. We have developed strategy, cost and return on investment (ROI) benefits, deployment planning, partner evaluation and delivery model transformation for all HR functions, including payroll.

**Services include:** HR Technology and Delivery Strategy and Business Case, HR Technology and Services Benchmarking, Partner Selection and Negotiations for HCM, System Integrator, HRO/AMS Services, Target Operating Model Design, Deployment Oversight and Business.

#### Robotic Process Automation (RPA)

ISG helps clients navigate the myriad challenges, risks, and opportunities from software selection to building their bot workforce to leverage the technology to transform and improve business outcomes. RPA uses digital robots to execute processes in the same way that a person manipulates existing applications and systems. We view RPA as a critical enabler for the client to drive significant improvements into current work tasks and processes. RPA can also accelerate financial benefits from greater value delivery, in some cases even “leap frogging” over the benefits that might be available from traditional sourcing alternatives. These services can be provided by an ITO or BPO provider, in-house staff, or in a hybrid internal/external model.

**Services include:** Consulting, Implementation and Software Licensing.



## Organizational Change Management (OCM)

Our OCM practice supports clients through digital transformation and ensures that changes are smoothly, successfully and permanently implemented to achieve lasting benefits.

**Services include:** OCM Consulting and Staff Augmentation for ERP and other system deployments.

## Research

ISG Research provides both buy-side and service provider clients with information and insights that give them a view into change – in their industry, relevant domains and the sourcing industry broadly – that may impact your strategic options for service delivery/receipt and management. Our research raises the question, “Have you thought about... ?” which leads to exploring relevant alternatives.

**Services include:** ISG Index, ISG Insights, ISG Provider Lens, custom research, ISG ProBenchmark™, ISG Momentum™ and ISG Performex™.

## Data and Analytics

ISG Data and Analytics defines and sizes the opportunity for both short- and longer-term sustainable improvements in costs, productivity, quality and other key areas in all supporting processes of global enterprises. Our services help organizations initialize the change through standardization, customer orientation, and the most competitive allocation of resources through delivering full transparency and comparative analysis to support the design of the future state of operational excellence.

**Services include:** Contract Benchmark, Performance Management, Qualitative Assessment and total cost of ownership (TCO) Benchmarking.

## Digital Strategy and Solutions

ISG Strategy helps clients transform their business operations by creating executable strategies and implementing transformative operating models and change programs that achieve desired business outcomes.

**Services include:** Analytics, Digital Backbone, Digital Experience, Digital Strategy, Engineering Solutions and Enterprise Agility.

## Sourcing Solutions

Sourcing Solutions – covering Transaction Services, Transition Services and Financial Analysis – support clients to implement their chosen sourcing strategy via a structured and systematic approach by selecting the best service offering from the most capable service provider at a competitive price. During Transition, ISG helps to plan and execute the transfer of operational delivery responsibility from one party to another. Financial Analysis supports Transaction Services and Renegotiations to optimize the value achieved while mitigating risk.



**Services include:** Document Management Services, IT Financial Management, IT Sourcing Strategy, Mergers and Acquisitions, Operating Model Design and Implementation, Public Sector ERP Software and Integration Services Selection and Project Oversight Services, Transaction Services, ISG FutureSource™ Transaction Methodology, Transition and Transformation, and Blockchain Now™.

#### **Network and Software Advisory Services**

Our Network and Software Advisory Services practice provides a wide range of services to clients. These services include Transformation Services to help clients design, source and successfully move to new network technologies and solutions; Network Sourcing Services to help clients to develop market-leading sourcing strategies to secure maximum savings on network services while developing appropriate contract structure to enable migration to new network services; Audit Services to identify and resolve inaccuracies in carrier billing and identify and implement service optimization recommendations; and Telecom Expense Management which helps clients manage monthly telecom invoices.

**Services include:** Audit, Network Sourcing, Telecom Expense Management and Network Transformation Services.

#### **Business Services**

ISG has deep insights into the specific needs of the enterprise's back, middle and front offices, including all Service Delivery Models (SDM) and Target Operating Models (TOM) such as Shared Services, Captive Offshore Centers, Business Process Outsourcing and functional domains including Finance & Accounting, Customer Care and Procurement. We are also experts in the deep integration to IT and Enterprise Resource Management systems. Understanding both the market for sourced services and the needs of integration of partially retained services in alternative service delivery models is critical for success in this area.

**Services include:** Finance and Accounting, Procurement, Customer Care and Global Business Services (GBS) Strategy.

#### **ISG GovernX™**

ISG GovernX™ offers a fully managed service that delivers both provider governance and program management support. ISG GovernX™ provides better governance to outsourced relationships by providing a global delivery team, innovative and proprietary technology, and quality controls beyond the reach of most organizations, delivering 25% savings in the management cost and typically more than 9% hard-dollar savings through improved management.

**Services include:** Consumption/Hardware Asset Management, Digital Vendor Management, ISG GovernX™, Governance Assessment/Workshop and Project Management.





#### Line item 4: IT Advisory Services Price Breakdown

Advisor Role	Hourly Rate
Analyst	\$185.00
Consultant	\$195.00
Senior Consultant	\$205.00
Consulting Manager	\$215.00
Principal Consultant	\$221.00
Director	\$240.00
Partner	\$300.00

Rates shown are for the first contract year. Rates will increase at 5% each subsequent contract year.

## 2 Pricing Scenarios:

### 2.1 Scenario #1

A state agency has a need for 20 executives to have access to comprehensive research services in a broad range of topics along with access to Subject Matter Experts (SME) advisors for a number of areas and mentoring services. Ten (10) executives will need dedicated access to all services. A team of three (3) administrative assistants serve the other ten (10) executives – these three (3) individuals will be responsible for pulling research data, although the executives will need access to the SMEs, via phone and/or videoconference, and other services. The 20 executives need the ability to share electronically the research data with each other and occasionally with their direct reports. Additionally, there are 100 IT professionals that need access to research papers, IT product reviews/rankings, IT scorecard and other assessment tools; these individuals may need occasional access to SMEs.

**Scenario 1 Pricing:** \$35,000, assuming the limitation of SME access in our base pricing.

### 2.2 Scenario #2

A large education system has 30 executives requiring access to comprehensive research services in a broad range of topics. The executives require access be granted to a variety of professionals within the system to retrieve documents, confer with analysts and distribute information to professionals within their respective institutions. These services need to be available online for retrieval by 100 identified users but no more than 30 users at one time. The executives need to share the information with upwards



of 500 professionals to make decisions for the system. The 30 executives require seven (7) consecutive days of training on selected topics pertinent to their needs. The training will be conducted on-site at the Centennial Office Building located at 658 Cedar Street, Saint Paul, MN 55106. The meeting space, and any required audio/visual equipment, will be provided by the education system.

**Scenario 2 Pricing:** Subscription price is \$35,000 per year. Training will be provided on a fixed price depending upon level of staff required plus travel expenses.

## 2.3 Scenario #3

A large county requires access to three (3) topic areas. The county expects access to information in other topic areas outside of their respective topics, a few times per year, when required. Their professional staff (not named), will have access to the information and distribute it electronically to key staff. Access to SMEs, via phone and/or videoconference, will be needed no more than one (1) time per month.

**Scenario 3 Pricing:** Subscription price is \$35,000, subject to the limitations outlined in our proposal.