Security Industry Transformation Map (ITM) Factsheet on Initiatives to Promote Best Sourcing

The Security ITM seeks to support buyers to adopt best sourcing of security services:

- A. Government to Take the Lead
- **B.** Schemes to Support Buyers
- C. Education and Outreach

A. Government to Take the Lead in Best Sourcing

- 2. Being a "smart" buyer for security services involves the following:
 - Understanding the security needs of a facility by doing risk assessment;
 - Allowing service providers to offer integrated solutions to meet security needs, and evaluating these proposals based on quality and value-for-money;
 - Structuring contracts based on desired performance outcomes, rather than prescriptive demands such as headcounts; and
 - Building a longer-term partnership with service providers and security officers, based on mutual understanding and trust.
- 3. The government will take the lead in adopting Smart Sourcing. The Security ITM targets for most government agencies to adopt outcome-based contracts by 2020. This will include conducting security risk assessments and establishing longer contract durations, thus providing the demand for service providers to begin transformation.
- 4. Government agencies, such as MHA and JTC, have started to re-structure security contracts by aggregating demand and focusing on outcomes. This serves to provide sufficient economies of scale to incentivise technology, process innovation and training.
 - a. JTC will be launching an outcome-based security tender for its buildings in one-north. Participating security agencies can propose how best to meet the desired security outcomes for the cluster of buildings, for example by installing CCTVs equipped with video analytics and linking them to a central command centre, with roving response teams. JTC will also place emphasis on training to continually enhance the skills and knowledge for the security personnel deployed at one-north.
 - b. JTC aims to achieve productivity savings of at least 20%, and hopes to demonstrate the benefits of outcome-based contracts through the integration of people, processes and technology.
- 5. MHA will work with the Ministry of Finance to help government agencies transit from headcount-based to outcome-based contracts, and this support will include outreach and training of procurement personnel.

B. Schemes to Support Buyers

Smart Sourcing Initiative (SSI) by NTUC U Care Centre

- 6. Service buyers of security, cleaning and landscaping services, who are early adopters of Best Sourcing, can receive funding support under this new pilot grant administered by NTUC U Care Centre. The grant covers up to 20% of the total contract price, and is capped at \$100,000 per contract.
- 7. To qualify for funding under the SSI, security service buyers must meet requirements such as:
 - a. Conducting a risk assessment before drawing up tender specifications;
 - b. Specifying expected performance outcomes rather than headcounts through the use of technology-enabled solutions in their tender specifications;
 - c. Placing heavier emphasis on quality rather than price when evaluating bids;
 - d. Training their procurement staff to be familiar with best sourcing principles; and
 - e. Putting in place longer-term contracts.

Security Productivity Initiative (SPI) by Workforce Singapore

- 8. The Security Productivity Initiative (SPI) is part of the Lean enterprise Development Scheme (LEDS) programme. Under the SPI, five scalable security technology solutions have been identified and validated with industry stakeholders. These solutions include visitor management systems and video content analytics, which can deployed across different property types such as industrial and commercial buildings. They help companies raise productivity and become more manpower-lean.
- 9. Companies that need help to redesign jobs and equip staff to implement the technology transformation can receive customised support with the SPI. They will receive a Guide to Security Job Redesign (JR) and attend a two-day workshop facilitated by professional consultants, and be guided to conceptualise a JR project. To implement the projects, companies are directed to apply for the WorkPro Job Redesign Grant, which supports up to 80% project costs, subject to a cap of \$300,000. Applications for the JRG will be fast-tracked.
- 10. As at January 2018, more than 30 companies have begun this transformation journey through the SPI, and about half have applied or are in the process of applying for the JRG.

C. Education and Outreach

<u>Tripartite Guide on Best Practices in Procuring Security Services</u>

11. The Security ITM Tripartite Committee will launch a guide to explain how to go about planning and evaluating an outcome-based tender for security services. The tripartite guide will outline the features of outcome-based security contracts and provide practical guidance, with samples to guide development of tender and contract requirements. Public and private sector buyers can expect the guide to be introduced by the first half of this year.

<u>Training on Best Sourcing for Security Services</u>

12. MHA and SSG will work with training providers to develop and launch a programme by next year on how to best source for security services. This will include hands-on workshops and case studies, targeted at procurement officers and service providers keen to learn more about smart-sourcing. The training programme will be launched by next year.

Outreach Efforts by Security Industry Council

13. The Security Industry Council, comprising the Association of Certified Security Agencies, Security Association Singapore and the Union of Security Employees, will conduct a series of seminars targeted at buyers in the commercial and industrial sectors starting from March this year. Buyers will receive practical guidance on contracting practices which support industry transformation and uplift the working conditions of security officers.

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