# Executive Summary

KPMG\_Truist\_Merger's Vision and Values are a strong reminder of the higher purpose and drivers that make the organisation what it is.

The commitment to the values of Hospitality, Compassion, Respect, Justice, and Excellence, especially to those most in need, provide clear direction as to what is important to KPMG\_Truist\_Merger. At KPMG, our vision, purpose, and values align strongly with yours and so we can commit to the SJCHC Vision and Values in partnering with you to deliver your HRIS project to enable your Mission.

We love that central to this implementation of an HRIS is the non-negotiable objective to have a positive impact on caregivers. Like you, we know that caregivers are critical to Patient Experience, Customer Experience, and the Clinical Experience. This single objective for caregivers looms large in our response and our team – we commit to supporting you towards this objective and holding accountability to improve the caregiver experience. This is not a tech slam and we are drawing upon all our private health industry and HR expertise to bring the right team to KPMG\_Truist\_Merger.

We recognise in our response and approach your two guiding pprinciples:

* To optimise your processes and relationships – Implementing an HRIS will enable KPMG\_Truist\_Merger to improve and drive efficiency in many workforce processes. Further, this project will enable further enhancement of the new operating model for all workforce services. By having an integrated architecture across all workforce systems, KPMG\_Truist\_Merger for the first time will be able to truly understand the caregiver baseline, make talent decisions based on real-time data and insight and ensure you are creating meaningful connections within the organisation.
* To strengthen your culture – The data and insight generated by an integrated landscape for workforce data will enable KPMG\_Truist\_Merger to better understand key indicators of culture around performance, tenure, engagement, and absence. With a strong analytical platform at its core, HRIS will help Workforce, and leadership better understand indicators of culture and take actions to strengthen where required.

The scene for the criticality of this HRIS implementation is set amongst the key trends driving unprecedented growth in health globally and Australia. Trends we all know well:

* A growing population.
* An ageing population.
* A rise in chronic illness and associated co-morbidities.

Growth in the global health system is set at about 5% per year in an already USD 10 trillion industry. This presents an amazing opportunity for KPMG\_Truist\_Merger to continue to fulfil its mission of caring for those most in need.

However, the reality is that this is a challenging time for private hospital and aged care operators:

* The impact and uncertainty of the COVID 19 pandemic continues to loom large over private hospital providers.
* People are moving away from private health insurance – particularly young people. This is reducing demand for elective surgery.
* There is a steady shift of private patients to public hospitals.
* The long-term financial viability of many of the community services you provide is under immense pressure – driven by government regulation, increased service standards, workforce challenges, and the health insurance industry.

Through our work with KPMG\_Truist\_Merger Workforce, we know the challenges you face and how important the HRIS implementation is to deliver a contemporary operating model. We can see how the HRIS will help to reduce the risks, including:

* The ability to recruit quickly enough to meet the demand from hospitals and services.
* Understanding the workforce profile and key data and insights that would enable proactive interventions in areas such as performance and engagement.
* The ability to accurately workforce plan and develop learning programs to support KPMG\_Truist\_Merger building a future-fit workforce.

With the increase of demand seen through 2021 for Group Workforce, we understand the need to create efficiencies in implementing the HRIS and improving the caregiver experience.

To ensure the project is successful we recognise that Change Management will be critical. This is not a 'Tech Slam', it is about changing the Workforce ecosystem and enabling it through leading technology. Implementing the HRIS impacts the operating model, the processes, the Workforce teams, line leaders, caregivers, and applicants. We are bringing our best in these areas to KPMG\_Truist\_Merger. A team that has been integral to the most complex change management projects in health over the past few years.

We Understand the Healthcare Sector

KPMG brings its depth of global and local experience working across the Health Sector, specifically within Private Health. We understand the challenges and the nuances of supporting complex transformation in the Health Sector and have experience in engaging with clinicians of various levels and clinical specialities. KPMG’s experts bring significant clinical, administration, management, and leadership experience within the Health Sector. With first-hand experience and knowledge of HRIS systems, processes, awards, and agreements, they will form part of this project, providing challenge and guidance to ensure that the project's outputs are fit-for-purpose and future-fit across KPMG\_Truist\_Merger.

We will appoint a senior member from our Health Sector team, Daniel McCluskie to support the engagement as our Healthcare sector Subject Matter Expert (SME). This will enable KPMG\_Truist\_Merger to obtain first-hand the required sector knowledge, and expertise from Daniel’s team. Daniel understands the challenges from an end-user perspective as he is a practicing clinician, who works as a casual Registered Nurse in the Intensive Care Unit at KPMG\_Truist\_Merger Ballarat. He has led many large-scale system implementations in the health setting including Electronic Medical Record systems and currently an ERP implementation at one of Australia's largest private hospital providers. Daniel comes forearmed with learnings and insights valuable to pre-empt any risks associated with this project.

We Are a Leading Implementation Partner of Workday in Healthcare

KPMG and Workday have a strategic global alliance, and this partnership makes KPMG one of the leading implementation partners of Workday in Healthcare. KPMG recently won a Workday Partner Industry Innovation Award for their innovation, expertise, and commitment to bringing accelerated Healthcare industry innovation to customers.

KPMG won the award for its Labour Distribution Enabled by Workday Prism Analytics solution in the Healthcare industry. This solution allows customers to create a customised data source for reporting time and cost through a data hub that blends Workday transactional data with external operational data. We intend to leverage this solution to assist KPMG\_Truist\_Merger solve for the Labour Costing analysis and insights, understanding that labour costs carry the significant expense line item for the organisation.

With over 30 Workday implementations in the Health Sector, we have assembled a team for KPMG\_Truist\_Merger that brings deep HRIS technical expertise in all the required implementation competencies and the HR consulting expertise.

With a view of opening international borders, KPMG is committed to bringing experienced Workday in Healthcare leaders to Perth to support this implementation. This will augment our Australian healthcare expertise and Workday expertise from other industries. Partnering with KPMG\_Truist\_Merger on this HRIS implementation is very important to KPMG and we are committed to doing what is required to ensure our proposal is the best it can be.

Further, we have expanded this capability to incorporate key players within the Healthcare ecosystem to add significant value across the Workday Platform for KPMG\_Truist\_Merger. Our Healthcare SME’s will prove valuable by designing and evaluating the reporting and analytic use case requirements and streamlining the business process workflows. We aim to establish a trusted team that will work with you throughout this initiative to deliver a single modern HRIS worthy of the Healthcare community.

We Bring You a “Model” Answer which is More Then Technology and focus on Change

KPMG’s Powered Enterprise for Workday is our unique and proven approach to HRIS transformation. KPMG’s Powered Enterprise fuses decades of our HRIS functional experience, leading HRIS practices, and future HRIS trends to develop pre-configured deliverables, including job catalogue, leading practice business processes with embedded controls, test scripts, and scenarios. All these pre-configured assets are aligned to Workday, providing you with 80% of the model answer allowing the project to focus on the remaining 20% unique to KPMG\_Truist\_Merger and what will drive you towards being the leading private healthcare provider in Australia by 2025.

KPMG Powered Enterprise is our "secret sauce" designed to bring greater certainty to your business case benefits and the guardrails needed to the budget, timeline, and quality to your HRIS implementation.

Success in this project cannot just focus on the Workday technology and End-User Training, it requires a broader Change Management capability to embed new ways of working and there needs to be a focus on the Service Delivery Model optimised to drive benefits from the Business Case. The Workday implementation requires a focus on people, process, data, integration, and culture to deliver on the business outcomes and caregiver experience.

We know that even the best technical solution is only successful with appropriate engagement, prototyping, testing, and training. We will apply our tried and tested methodologies to secure buy-in to the case for change, deliver against end-user requirements in the Solution Design, promote ease-of-mind during implementation and generate user uptake of the end solution, enhancing the user experience.

Managing the people and change impacts will be critical to success and will need to be a significant focus for the project. At KPMG, we understand that change is personal; individuals experience changes to different extents and process change at different speeds. The impacts and changes to the ways of working will be experienced very differently across Workforce and caregivers and people managers; further these impacts will vary by the care setting in which the caregivers work.

Leveraging KPMG’s ‘Powered Change and Deployment’ methodology, we address the personal needs and look at a holistic solution to manage business change, drive business readiness, and maximise change adoption to deliver against required business outcomes. At the heart of our approach, Change and Training must work together, and we will ensure that Training and Change work shoulder-to-shoulder as one-team.

We Are Committed to the Long-term

This project represents the continuation of your digitisation journey, following the implementation of Kronos and now the implementation of Workday. With the revised Workforce operating model being defined and rolled out, this is an exciting time for Workforce as it moves to a more contemporary approach and model.

KPMG are committed to supporting KPMG\_Truist\_Merger and Workforce now and in the future. As such we would welcome the opportunity to discuss with you the provision of our AMS for a continued partnership with clearly aligned goals and a commitment to work together. We call our service “Powered Evolution” to focus on evolving your deployment to deliver rapid ongoing improvements and maintain agility and continuous innovation. Our response provides details on our capability and approach on the same.

A Commercially Competitive Offer

As a valued KPMG client, we have sought to invest in this significant project for KPMG\_Truist\_Merger, bringing the best team to bear and the commercial investment we are willing to make. We are fully committed to work in partnership with KPMG\_Truist\_Merger to modernise its technology platforms to transform Workforce to industry “leading practice", to become the best performing healthcare organisation in Australia by 2025. Our investment of $680,000 equivalent to approximately 21% of the services fees comprises the following:

* A discretionary discount to the value of $387,000, already included in our pricing, reflecting the knowledge and experience gained through the prior work we have completed with KPMG\_Truist\_Merger and our firm's commitment to work in partnership with you to successfully deliver this project.
* Global Healthcare Workday implementation expertise, equivalent to the value of $93,000, from KPMG's US based practice to provide solution best practice insights during process harmonisation activities and solution design.
* A KPMG advisory panel with a depth of industry experience, Workday implementation, and HR transformation expertise, free of charge to KPMG\_Truist\_Merger, to the value of $100,000, discounted from our pricing.
* Commercial discount of $100,000, with the objective of KPMG\_Truist\_Merger partnering with KPMG for joint marketing activities in relation to KPMG\_Truist\_Merger's HRIS project, discounted from our pricing.

We believe the work we have already done with KPMG\_Truist\_Merger will be invaluable during the process harmonisation activities to achieve a unified design for Group Workforce. Based on our depth of knowledge of KPMG\_Truist\_Merger's Group Services and hospital operations we have carefully and realistically estimated the work effort and have established a team structure and resource plan accordingly. The team includes Mark Bowden as your Project Director, who you know, and will work side by side with KPMG\_Truist\_Merger to make this project a success.

Ultimately, we have challenged ourselves in reviewing projects of a similar scope, complexity, and scale to implementing Workday HCM in the Private Health Sector when estimating this project for KPMG\_Truist\_Merger and are confident we have offered a commercially competitive bid for KPMG\_Truist\_Merger to consider.

Our offer includes important value-add services that, in our experience, have proven to increase delivery success. It helps you get to a faster outcome as it relates to caregiver adoption and experience, modernising your integration architecture, and increasing payroll resilience.

We would welcome the opportunity to deliver a fixed price offer that is outcome-driven and commercially competitive after a detailed discussion with KPMG\_Truist\_Merger to align on the proposed implementation and AMS approach and assumptions. We look forward to shaping our commercial offer with you demonstrating our conviction to partner with you and have “skin in the game”.

We thank you again for the opportunity and look forward to working with KPMG\_Truist\_Merger in the following stages of this process and would be pleased to discuss any aspect of our response in further detail with you.