

Running Case

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Senior management at Manage Your Health, Inc. (MYH) decided that it would be best to outsource the work involved in training employees on the soon to be rolled-out Recreation and Wellness system and provide incentives for employees to use the system and improve their health. MYH feels that the right outside company could get people excited about the system and provide a good incentive program. As part of the seller selection process, MYH will require interviews and samples of similar work to be physically presented to a review team. Recall that MYH has more than 20,000 full-time employees and more than 5,000 part-time employees. Assume the work would involve holding several instructor-led training sessions, developing a training video that could be viewed from the company's Intranet site, developing a training manual for the courses and for anyone to download from the Intranet site, developing an incentive program for using the system and improving health, creating surveys to assess the training and incentive programs, and developing monthly presentations and reports on the work completed. The initial contract would last one year, with annual renewal options.

1. Suppose that your team has discussed management's request. You agree that it makes sense to have another organization manage the incentive program for this new application, but you do not think it makes sense to outsource the training. Your company has a lot of experience doing internal training. You also know that your staff will have to support the system, so you want to develop the training to minimize future support calls. Write a one-page memo to senior management stating why you think the training should be done in-house.
2. Assume the source selection criteria for evaluating proposals is as follows:
 - Management approach, 15%
 - Technical approach, 15%
 - Past performance, 20%
 - Price, 20%
 - Interview results and samples, 30%

Using Figure 12-5 as a guide and the weighted scoring model template, if desired, create a spreadsheet that could be used to enter ratings and calculate scores for each criterion and total weighted scores for three proposals. Enter scores for Proposal 1 as 80, 90, 70, 90, and 80, respectively. Enter scores for Proposal 2 as 90, 50, 95, 80, and 95. Enter scores for Proposal 3 as 60, 90, 90, 80, and 65. Add a paragraph summarizing the results and your recommendation on the spreadsheet. Print your results on one page.

3. Draft potential clauses you could include in the contract to provide incentives to the seller based on MYH achieving its main goal of improving employee health and lowering health care premiums as a result of this project. Be creative in your response, and document your ideas in a one-page paper.

Companion Web Site

Visit the companion Web site for this text (www.cengage.com/mis/schwalbe) to access:

- References cited in the text and additional suggested readings for each chapter
- Template files