



SCOPE OF WORK

FOR THE FRAMING OF AN APPROVED LIST FOR THE PROVISION OF RETAINED EXECUTIVE SEARCH WITH TALENT MAPPING, CONTINGENCY RECRUITMENT FOR PLACEMENT OF PERSONS WITH DISABILITIES AND SUPPLY OF FIXED TERM CONTRACTOR SERVICES FOR TRANSNET, AS AND WHEN REQUIRED, FOR A PERIOD OF FIVE (5) YEARS

BACKGROUND, OVERVIEW AND SCOPE OF REQUIREMENTS

1. BACKGROUND

Transnet is a State-Owned Enterprise responsible for enabling the competitiveness, growth and development of the South African economy through delivering reliable freight transport and handling services that satisfy customer demands.

During October 2021, Transnet finalised a detailed RFP process which ultimately led to the selection and appointment of an approved list of service providers for Executive Search and Headhunting (including talent mapping) services, to save the business time and improve the process of sourcing talent for business critical and scarce skill positions. For that purpose, Transnet RFP number **TCC/2021/10/0008/RFP** was then finalized and put in place, and the approved list was currently servicing all Transnet operating divisions nationally.

The contract was valid for three (3) years from 18th October 2022 (i.e. contract commencement date) and expired on 17th October 2025 (i.e. contract end date), thereby necessitating a need to formally activate relevant RFP processes for the selection and appointment of new service provider list to assume responsibility for continued provision of the services.

In addition to Executive Search / Headhunting with Talent Mapping, the new requirement is to include contingency recruitment for placement of Persons with Disabilities (PWDs) and the supply of Fixed-Term Contractors for the various functions.

2. EXECUTIVE OVERVIEW

Transnet's overarching objective is to create multiple approved panels of Talent Acquisition service providers who have both the capacity and capability to offer the most effective and efficient People Management support services on an "as and when" recurring basis.

This RFP is for the formation of a series of approved panels of potential service providers to supply Talent Acquisition services providers for a period of five (5) years Transnet further, seeks to partner with potential Talent Acquisition service providers who will improve its current processes for providing these services to its end-user community throughout the Transnet Group.

The People Management strategy is in place to drive the achievement of Transnet strategic objectives through the acquisition and retention of best talent.

To achieve the People Management strategy of acquiring and retaining best talent, the following must be achieved:

- Recruit strategically and proactively;
- Improve time to hire;
- Reduce recruitment costs;
- Build talent pool/pipelines;
- Focus on Transnet's Employee Value Proposition (EVP) and Employer Branding to attract key talent and required skills;
- Attract and hire candidates from previously disadvantaged groups (i.e. females and People with Disabilities (PWD)), in line with the Transnet Employment Equity targets and the National Economically Active Population

It is required that People Management leverage multi-sourcing channels to achieve Transnet strategic objectives; therefore, retained executive search with talent mapping, contingency recruitment for placement of persons with disabilities and supply of fixed term contractor services is one of the initiatives to create more sourcing channels for Transnet.

Whereas Transnet is seeking partners to provide solutions for talent sourcing services nationally with a footprint in Africa, it also seeks to improve its current processes for providing these services to its end user-community throughout its locations.

The selected service providers must share in the mission and business objectives of Transnet. These mutual goals will be met by meeting contractual requirements and new challenges in an environment of teamwork, joint participation, flexibility, innovation and open communications. In the spirit of partnership, Transnet and its Service Providers will study the current ways they do business to enhance current practices and support processes and systems. Such a partnership will allow Transnet to reach higher levels of quality, service and profitability.

The Respondent shall provide the following services to Transnet as and when requested:

- Executive Search with talent mapping,
- Contingency recruitment for placement of Persons with Disabilities (PWD) and
- Supply of Fixed Term Contractor services

The Respondent shall at all times, follow the instructions given by the Transnet representative responsible under the highest confidentiality. The Respondent shall provide services with the objective of avoiding any confidentiality breaks.

Following the conclusion of the RFP process, Transnet's intention is to frame an approved list with successful Respondents and thereafter conclude Framework Agreements.

3. SCOPE OF REQUIREMENTS

Transnet is seeking to form partnerships with potential service providers who will provide Executive Search with Mapping services, contingency recruitment for placement of Persons with Disabilities (PWDs) and the supply of Fixed-Term Contractors for the various functions across all its Operating Divisions. The potential service providers will be engaged by Transnet to provide the service on an "as and when required".

The approved service provider list will service the following Transnet operating divisions nationally:

- Transnet Corporate Centre (inclusive of Transnet Academy)
- Transnet Freight Rail;
- Transnet Engineering;
- Transnet Port Terminals;
- Transnet Pipelines;
- Transnet Property;
- Transnet Rail Infrastructure Manager; and
- Transnet National Ports Authority.

Transnet is going through an unbundling process which may impact the make-up or number of the operating divisions in line with the business strategy.

The scope of work covers 3 areas, and each is clearly unpacked individually.

Part A: Retained Executive Search with Talent Mapping: The current service of finding and attracting the best experienced candidates with the required skill set to become applicants for executive or senior management positions. The scope of work will be for the Transnet Senior Management (grade levels A – D), *inter-alia*, specialist roles below level D classified as business critical, priority and scarce skills for Transnet and/or the country. Transnet may engage in cross boarder recruitment in line with the organisation's strategic direction.

Part B: Contingency Recruitment for Placement of Persons with Disability service:

This means employers only pay the recruitment agency if they successfully place a candidate in the job. Typically, multiple recruitment agencies may work on filling the same position, creating a competitive environment that can lead to faster placements. This will streamline the journey of recruiting Persons with Disabilities in line with Employment Equity Act, thereby assisting Transnet in realising the goal of creating an inclusive workplace.

Part C: Fixed-Term Contractors: Sourcing for fixed-term contractor candidates to help Transnet manage fluctuating workforce needs to complete a specified task or project within a specific period (has a fixed date), other than an employee's normal or agreed retirement age. There must be a justifiable reason for the contract.

3.1 PART A: RETAINED EXECUTIVE SEARCH WITH TALENT MAPPING

Retained Executive Search with Talent Mapping is a recruitment strategy that focuses on finding senior level / executive talent / hard to find talent. This differs from other forms of recruitment in that it guarantees the search firm's exclusive service throughout the hiring process and payment of services is done according to agreed tranches throughout the process.

The scope of work will be for the Transnet Senior Management (grade levels A – D) *inter-alia*, specialist roles below level D, if they are classified as Critical, Priority and Scarce skills for the Company and/or the country. Transnet may engage the service provider in cross boarder recruitment in line with the organisation's strategic direction.

3.1.1 The Retained Executive Search Process:

The executive search process is a disciplined and systemic, ensuring quality and thoroughness. The process to be followed by service providers will be according to the following set of key milestones:

a) Initial Engagement and Fee Structure

In a retained executive search, the search firm retains exclusivity to work on the allocated assignment payment schedule is based on a "rule of thirds" payable in tranches. The first and second tranches are based on the cost to company provided during the briefing session and calculation per tranche is based on the applicable placement fee %.

- First payment: 1/3 of the total fee is payable after Transnet has selected / shortlisted at least 3 or more candidates for interviews.
- Second payment: 1/3 of the total fee is payable post completion of all interviews with the shortlisted candidates.
- Final payment: 1/3 is payable on candidates' start date. The final tranche is based on the % placement fee of the annual cost to company (**plus guaranteed sign-on bonuses if applicable, subject to approval**) accepted by the candidate less 1st and 2nd tranches paid, adjusted upwards / downwards.

b) Discovery and Position Specification

Upon allocation of the search assignment to the search firm, briefing sessions with the major stakeholders must be held to understand amongst others:

- The specific requirements of the role
- Company culture and management style
- Strategic objectives and challenges
- Ideal candidate profile and qualifications
- Employment Equity requirements
- Compensation for the role

All this is consolidated into one position specification document to guide the search and for use as a recruitment tool for attracting potential candidates. It is advised that the above gets signed off by the client to ensure alignment.

c) Research and Strategy Development

The search firm must develop a targeted strategy, identifying:

- Companies that are likely to have suitable talent.
- Specific teams or departments to target.
- Geographical considerations
- Companies that are off-limits due to for example, existing client relationships

- This strategic plan ensures the search is targeted at the highest potential pool of executive talent.

d) Candidate Identification and Mapping

The search firm identifies potential candidates using its established networks, proprietary databases, and original research. This includes:

- Direct targeting of passive candidates (those not actively looking for jobs)
- Accessing industry contacts and referral networks
- Discreet ways of determining interest without compromising confidentiality

By discreetly reaching out to passive candidates, executive search recruiters create a robust candidate pool that closely aligns with the specified position requirements. The expected output is for the service provider to share a comprehensive talent map which provides Transnet with a view of available talent for the role.

e) Candidate Evaluation prior to presentation to the client

The executive search firm must conduct extensive interviews with the candidates to determine:

- Career history and achievements
- Leadership style and cultural fit
- Interest and motivation for the opportunity
- Compensation expectations and potential barriers to acceptance

This extensive screening process ensures that only the most qualified candidates are presented to Transnet.

f) Candidate Presentation and Client Interviews

The executive search firm submits a shortlist of highly qualified candidates, together with detailed profiles that contain:

- Career history and achievements
- Assessment of strengths and areas of potential concern
- Motivation factors and compensation expectations
- Candidate disclosures and declarations

Then the search firm schedules interviews between Transnet and short-listed candidates, requesting feedback following each interview assignment. Transnet candidate feedback is crucial in the decision-making process, and the search firm will use this feedback to refine the search if necessary.

g) Competency based and Psychometric assessments.

The service provider will take full responsibility of coordinating and conducting competency and Psychometric assessments and the cost of which will be borne by the service provider. Psychometric assessment batteries to be used by the service provider must be aligned to Transnet assessment centre requirements.

h) Background Checks: Reference Checking and Due Diligence

Final candidates must go through thorough background checks including reference checks conducted and paid for by the search firm, which include:

- Pre-employment screening checks / verifications must be in line with the Transnet Talent Acquisition policy requirements. (ID, credit, criminal, qualifications, sanctions, social media, PEP, fraud, directorships).
- Reference checks: minimum 2 reference checks from recent, previous direct managers the candidate reported to.
- Candidates' disclosure and declaration form must be completed by the candidate.

- Identifying potential problems or red flags
- Transnet Medical Tests paid for by Transnet. The search firm to assist with admin coordination with the candidate.

i) Offer Negotiation and Onboarding Support

After Transnet selects their preferred candidate, the search firm:

- Must provide a comprehensive view of the candidate's current compensation including evidence of earnings e.g. payslip.
- Help develop a competitive proposition for the candidate.
- Supports negotiations between the client and the candidate.
- Provides communication management throughout the acceptance process.
- Provides onboarding support for a seamless transition.

j) Post Offer Acceptance – Candidate Pack

Upon offer acceptance, the service provider to share the candidate's placement pack digitally, which must contain the following:

- Critical market insights about the role
- CV with confirmation that employment gaps were verified with the candidate and candidate reasons for leaving confirmed by the candidate.
- Conflict of interest declaration
- Background / risk checks (pre-shortlisting and pre-candidate offer)
- Reference checks
- Certified Copies of qualifications
- Certified ID Copy etc.

3.1.2 ADDITIONAL TERMS AND CONDITIONS AND EXECUTIVE SEARCH WITH TALENT MAPPING

Submission of candidates not meeting role requirements and lengthy turnaround times

OBJECTIVE: To address issues relating to turnaround times, poor deliverables, and delays

DESCRIPTION

- **Turnaround times**

Upon receipt of the approved sourcing mandate, the Service Provider is expected to source and present screened and suitable candidates in line with the requirements of the position within 10 working days (2 weeks) (if the search mandate excludes talent mapping / long list).

In cases where the Service provider does not meet the turnaround times and this situation occurs 3 times per annum, Transnet has the right to review the relationship with the Service Provider and this may result in the termination of the contractual agreement with Transnet.

- **Poor quality candidates**

In cases where the Service provider is requested by Transnet to redo/resubmit the candidate search for the second time with this situation occurs 3 times per annum, Transnet has the right to review the relationship with the Service Provider and this may result in the termination of the contractual agreement with Transnet.

- **Delays from Transnet**

The **first tranche** will be payable by Transnet if it takes **more than 30 calendar days** for Transnet to review and provide feedback on CVs sent by the Service Provider.

3.1.3 CANCELLATION OF SEARCH ASSIGNMENT (S) - CANCELLATION PENALTIES

OBJECTIVE: The cancellation penalty clause is intended to regulate repayment to the service provider so that they can recuperate some of the losses incurred as a result of Transnet's cancellation of search mandate.

Cancellation penalties are not aligned to the payment of services per tranche, so the cancellation fees are payable by Transnet. This provision does not apply when the role is placed on hold temporarily.

DESCRIPTION

Cancellation of an assignment by Transnet, within (2) weeks or more after the briefing session with the service provider.

- Cancellation within a week – 10% of the 1st tranche
- Cancellation two weeks or more – 25% of the 1st tranche

The service provider will then be next in line to be allocated the next search assignment.

- Cancellation of the assignment by Transnet after confirming candidates for interviews or cancelling scheduled candidate interviews.
- 50% of the 2nd tranche will be payable by Transnet to the service provider.

3.1.4 CANDIDATE CVS RECEIVED BY TRANSNET POST BRIEFING THE SERVICE PROVIDER

OBJECTIVE: To provide guidelines on how Transnet will manage external and internal CVs received by Transnet after the executive search assignment has been allocated to the executive search service provider.

DESCRIPTION

There are two options available for Operating Divisions to exercise, in managing CVs of candidates (internal or external) received post the briefing session:

Option 1: To refer the candidates to the service provider for inclusion in the service provider selection processes. In case of the referred external candidate or Internal Transnet employee being placed, 100% of the last tranche is payable.

Option 2: Transnet may opt to run a parallel process / manage the entire recruitment process with their candidate (s) and pay 0% of the last tranche in case of placement.

No placement guarantees from the service provider will be applicable in this instance.

3.1.5 OWNERSHIP OF CANDIDATE'S CVS BY TRANSNET AFTER A CERTAIN PERIOD

OBJECTIVE: To provide clear time frame and guidelines regarding the ownership of candidate's CVs and to avoid any conflicts that may occur between Transnet and the service providers.

DESCRIPTION

If the Service Provider is the first to introduce a candidate, having first gained the candidate's permission to do so for an assigned role, the Service Provider may claim 'exclusivity' over that candidate for that particular role for a period of 12 months from the date the candidate was introduced.

The Service Provider will not have Candidate Exclusivity:

- if it introduces a candidate for a role but it is not the first service provider to do so.
- if it introduces a candidate for a role but Transnet has already identified that candidate for the Role through its own networks, referrals or research.
- if Transnet decided to refer external or internal candidate to the service provider, which Transnet identified post the briefing session for a specific role that the service provider is assigned to work on.
- if it introduces a candidate who is a former employee of Transnet and left Transnet in good standing less than 24 months ago.
- if it introduces a candidate to a role other than the one assigned, unless Transnet recommends the candidate for the alternative role.
- if the candidate who was previously presented by a Service Provider applies directly for another role within Transnet.
- if the candidate is presented by another Service Provider for another role in Transnet.
- If the Service Provider submit a candidate to Transnet who is an existing Transnet employee (either permanent or on a Fixed Term Agreement) or is engaged with Transnet as a Contractor / Consultant.

3.1.6 TRANSNET RECOMMENDING CANDIDATES FROM A CURRENT SEARCH ASSIGNMENT TO OTHER ROLES

OBJECTIVE: To provide clear guidelines regarding the management of Service Provider candidates who according to Transnet may be suitable for alternative roles. These candidate (s) will be from a current search assignment that the Service Provider is working on.

DESCRIPTION

In the event that Transnet identifies a candidate to be suitable for an alternative role, Transnet will advise the Service Provider to engage with the candidate about the alternative role, provided the position grade / level of the alternative role is within the Service Provider 's scope of work.

Should the candidate be placed; Transnet will only pay the last tranche (33.3%) of the % placement fee. This can change based on the changes on the Talent Acquisition policy.

3.1.7 PLACEMENT GUARANTEES AND PERIOD – CREDIT OR REPLACEMENT

OBJECTIVE: To provide clear guidelines regarding placement guarantee period.

DESCRIPTION

If the placed candidate leaves the employment of Transnet for any other reason e.g., voluntary resignation, dismissal, poor performance etc., besides redundancy or death, before the expiration of the guarantee period, the Service Provider shall find a suitable replacement candidate, at no charge to Transnet.

The Service Provider shall guarantee its placements for a period of 6 (six) months; from the date the successful candidate commences employment with Transnet.

If the Service Provider is unable to source alternative suitable candidates the Service Provider shall credit Transnet as per below, based on the last tranche calculated as 33.3% of the applicable placement fee of the candidate's annual cost to company.

100% credit - If a candidate resigns or issued a termination notice within **first 2 months**.

75% credit - If a candidate resigns or issued a termination notice within **3 to 4 months**.

50% credit - If a candidate resigns or issued a termination notice within **5 – 6 months**

3.2 PART B: CONTINGENCY RECRUITMENT OF PERSONS WITH DISABILITY SERVICE

The service provider shall support to the Transnet in overseeing the implementation of the Employment Equity plan specific to People living with Disabilities.

The talent search and acquisition process should include but not be limited to the following services:

- a) Initial contact and requirement gathering:** Transnet reaches out to a contingency Service Provider with a job opening. The Service Provider will connect with the responsible People Management partner to understand the needs for the role.
- b) Sourcing:** This involves searching through their databases, tapping into their networks, posting on job boards, and sometimes headhunting candidates from similar roles in other companies.
- c) Longlisting:** The service provider will perform the screening and selection candidates, by decreasing the number of visibly under qualified or overqualified job applicants.
- d) Shortlisting:** Suitably qualified candidate CVs to be sent to Transnet post briefing by service provider. Candidates shortlisted must be in line with the minimum requirements of the job profile and within the salary budget specification.
- e) Interviews:** Shortlisted candidates are invited for interviews by the service provider. The shortlisted candidates are then interviewed by the employer, often through multiple rounds that may include practical assessments or meetings with different stakeholders within the company.
- f) Psychometric assessments:** The service provider will take full responsibility of coordinating and conducting competency and the cost of which will be borne by the service provider. Psychometric assessment batteries to be used by the service provider must be aligned to Transnet assessment centre requirements.
- g) Background Checks:** Conduct reference checks (Two reference checks from most recent employer(s)/managers and other), ID verification, credit (ITC) checks, qualification, and criminal verification checks. Candidates' disclosure and declaration form must be completed by the candidate etc.
- h) Offer:** The service provider will extend the offer to the selected candidate by Transnet. They will also facilitate any negotiations, acceptance of the offer of employment and confirmation of commencement date.

Post Offer Acceptance – Candidate Pack

Upon offer acceptance, the service provider to share the candidate's placement pack digitally, which must contain the following:

- CV with confirmation that employment gaps were verified with the candidate and candidate reasons for leaving confirmed by the candidate.
- Conflict of interest declaration
- Background / risk checks (pre-shortlisting and pre-candidate offer) report.
- Reference checks

- Certified Copies of qualifications
- Certified ID Copy
- Disability declaration documentations

3.3 PART C: FIXED-TERM CONTRACTORS

Transnet require a competent and experienced Service Provider to provide fixed-term contractor candidates on an “as and when required” basis across its Operating Divisions to assist Transnet manage fluctuating workforce. The fixed term contractors may be paid on an hourly rate or at a fixed monthly rate.

Transnet aims to attract good quality candidates to fill critical workforce segments (CWS) positions and improve the speed of the recruitment process. The use of a well-established, experienced recruitment partner, who have access to a readily available pool of diverse talent is critical in support of the sustainability and growth of Transnet.

3.3.1 The talent search and acquisition process should include but not be limited to the following services:

- a) Kick-off call:** The Service Provider will connect with the responsible People Management partner to understand the needs for the role.
- b) Sourcing:** This involves searching through their databases, tapping into their networks, posting on job boards, and sometimes headhunting candidates from similar roles in other companies.
- c) Longlisting:** the service provider will perform the screening and selection candidates, by decreasing the number of visibly under qualified or overqualified job applicants.
- d) Shortlisting:** Suitably qualified candidate CVs to be sent to Transnet post briefing by service provider. Candidates shortlisted must be in line with the minimum requirements of the job profile and within the salary budget specification.
- e) Interviews:** Shortlisted candidates are invited for interviews by the service provider. The shortlisted candidates are then interviewed by the employer, often through multiple rounds that may include practical assessments or meetings with different stakeholders within the company.
- f) Psychometric assessments:** The service provider will take full responsibility of coordinating and conducting competency and the cost of which will be borne by the service provider. Psychometric assessment batteries to be used by the service provider must be aligned to Transnet assessment centre requirements.
- g) Background Checks:** Conduct reference checks (Two reference checks from most recent employer(s)/managers and other), ID verification, credit (ITC) checks, qualification, and criminal verification checks etc.
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- Certified ID Copy

3.4 ADDITIONAL TERMS AND CONDITIONS FOR CONTINGENCY RECRUITMENT OF PERSONS WITH DISABILITIES AND RECRUITMENT OF FIXED TERM CONTRACTORS

Transnet will require evidence of the Service Provider's existing talent pool.

Resource Availability: The service provider will be required to ensure availability of resources on an "as and when required" basis. The Service Provider will supply the required resources in line with the agreed timelines.

Resource Contracting and Appointment: Transnet will determine the duration of the selected candidate's contract if it is a fixed-term Contractor placement. Transnet reserves the right to permanently appoint the selected fixed-term contractor candidate after the contracted period, in line with Transnet's Talent Acquisition Policy. Transnet will engage the Service Provider of its intention and pay the Service Provider a placement fee. The fixed term contractors may be paid on an hourly rate or at a fixed monthly rate.

The scope of work limits the use of contingency recruitment services only to the recruitment of persons with disabilities across various occupational categories.

Transnet wants to permanently employ a candidate sourced by the service provider, for same or other positions, Transnet may do so but will be liable to pay a once-off placement fee for the new position in question. A pro-rated placement fee / conversion fee will be paid by Transnet if the resource's fixed term contract with Transnet is less than 12 months.

In the event of Transnet electing to permanently employ a candidate sourced by the Service Provider as set out in the above, Transnet shall inform the Service Provider in advance of the intention to convert the fixed-term contractor to a permanent employee, subject to following Transnet Talent Acquisition policy.

In case of a fixed term contract extension, Transnet will pay the service provider a pro-rated contract extension fee if the candidate's fixed term contract is less than 12 months.

4. VALUE ADDED SERVICES

The contracted service providers must provide details of any value-added services that they provide as part of their offerings e.g. logistics for interviews and/or onboarding support etc.