

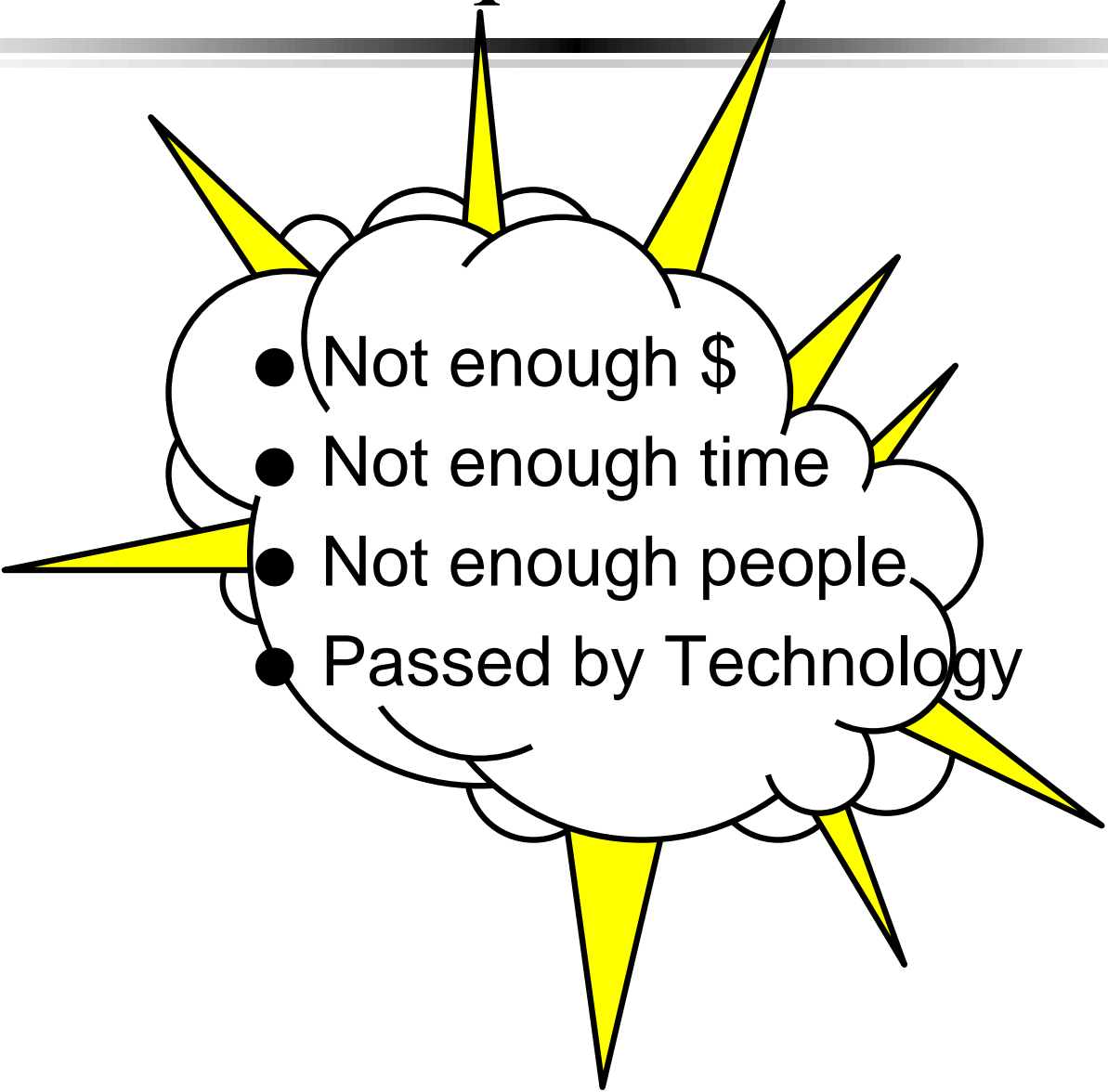
Performance Based Statement of Work/RFP's

Michael Allen



1998 Acquisition Reform Road Show San Diego, CA
Assistant Secretary of the Navy (Research, Development & Acquisition)
Acquisition Reform Office

Why Performance Based Acquisition

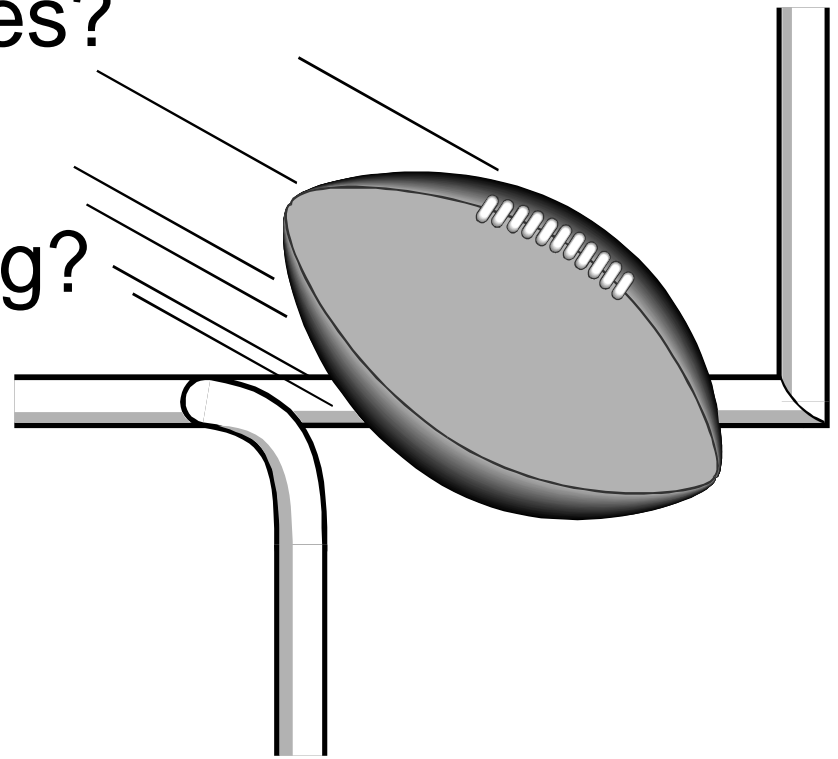
- 
- Not enough \$
 - Not enough time
 - Not enough people
 - Passed by Technology

“Explanation of PBA”

- What is Performance-Based Contracting
- Results-Oriented Statements of Work (SOW)

What is the Goal (Where do we want to be?)

- What are the Results?
- What are the Outcomes?
- Are they measurable?
- What is **industry** doing?



“Performance Requirements”

- Selection and Development of Performance Measures and Expectations
- For Specification, Statement of Work, Request for Proposal and Task/Delivery Orders

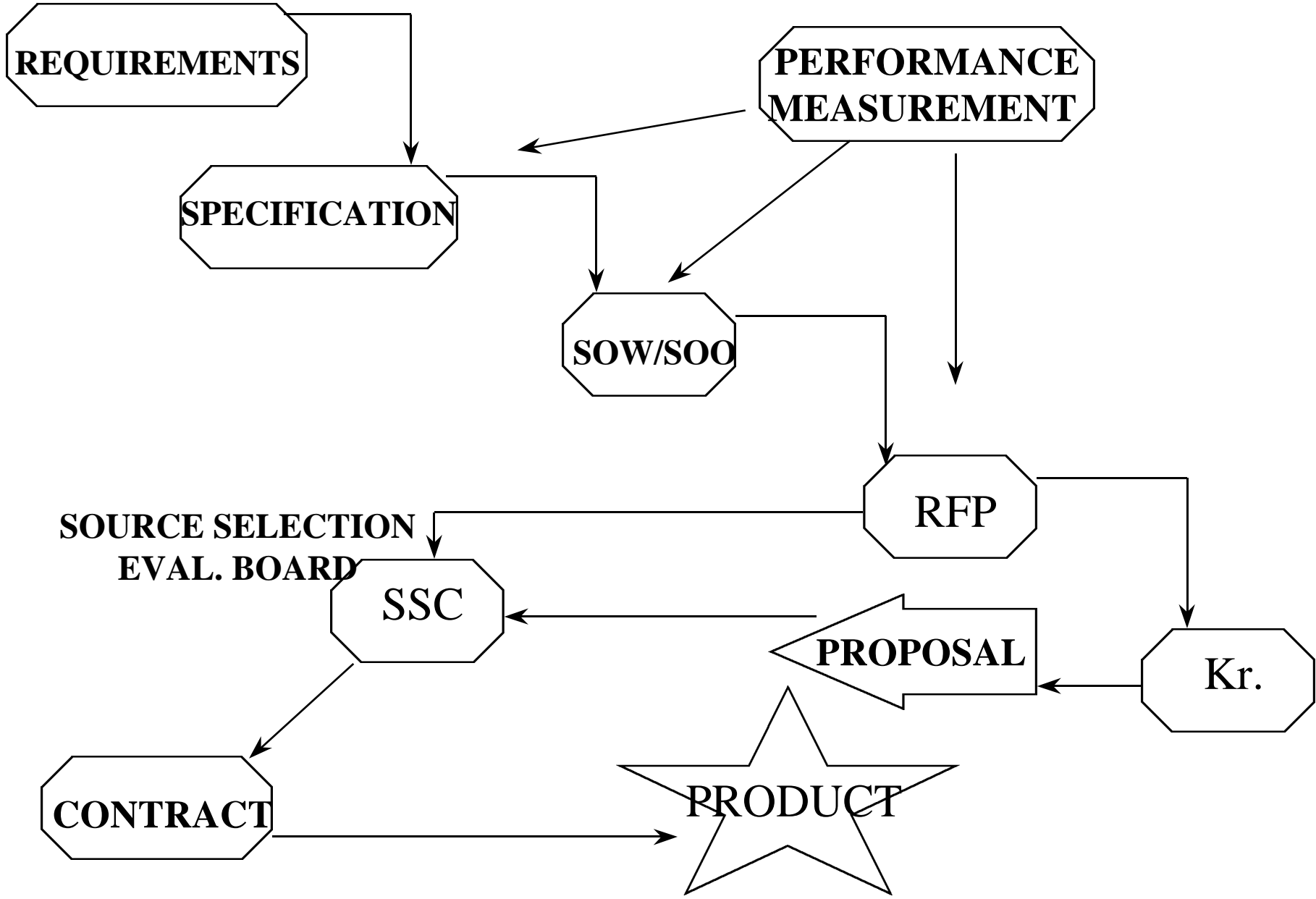
How does it happen?



- Need
- Requirement
- Specification
- SOW/SOO
- RFP
- Source Selection
- Contractor Proposal
- Measurement



NEED



**SOURCE SELECTION
EVAL. BOARD**

SSC

PROPOSAL

Kr.

CONTRACT

PRODUCT

**PERFORMANCE
MEASUREMENT**

SPECIFICATION

SOW/SOO

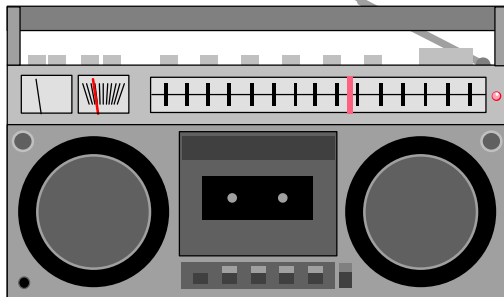
RFP

REQUIREMENTS

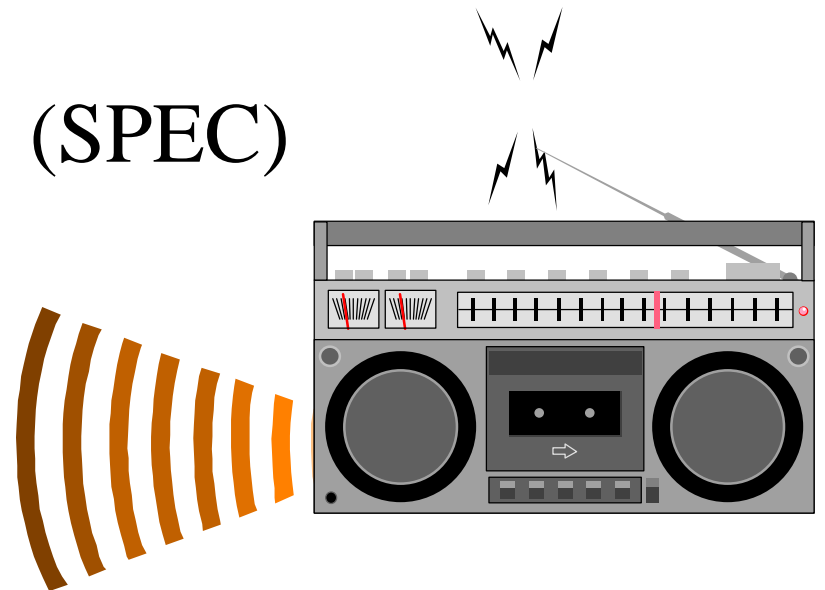
Performance Specification/SOW

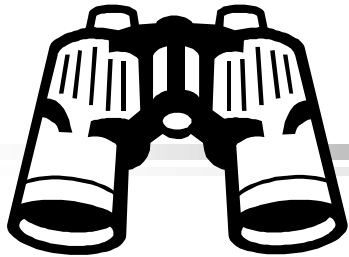
- Build me a box (SOW)
- Make it work this Way (SPEC)

(SOW)



(SPEC)





Who see's the SOW

- Government

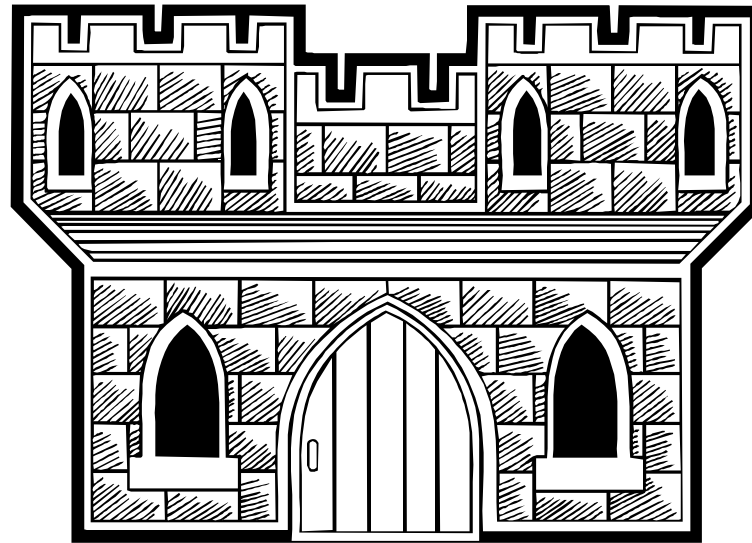
- Prog. Mgt.
- Technical (Eng. etc.)
- Budget
- Security
- Legal
- Contracting
- Comptroller
- User (Customer)

- Industry

- Management
- Technical
- Marketing/Sales
- Manufacturing
- \$
- Legal
- Contracting
- Support

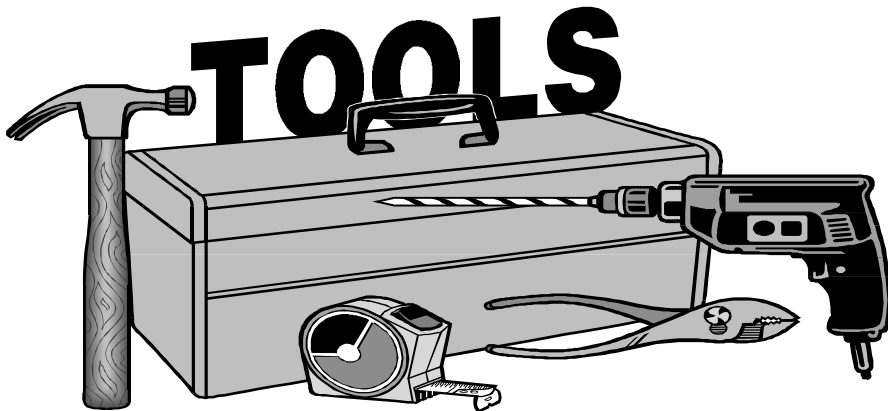
Incorporating the SOW in the RFP

- Tying is all together
- Connect “C” with “L & M”
- Effects of Source Selection



What are the tools?

- PMWS
- SPECRITE
- TurboSpecRight
- MilHndBk 245.D
- TurboStreamliner
- I-Mart
- Par 4
- DoD Deskbook
- PRISM



Administering Performance-Based Contracts

- The Contract Management Team
- Post Award Duties
- Do's and Don'ts for Administering a Performance-Based Contract

Perils of “not so good” SOW’s

- Unclear Tasks, Specifications Delivery Dates
- Imprecise Language (“Minimum”, “Approximately”, etc.)
- Lack of Integrated Structure or Chronological Baseline
- Wide Variation in Task Size/Description
- Lack of Control Factors (Reporting Requirements, Key Personnel Clauses, etc.)
- Failure to Properly Incentivize high-Quality Performance
- Lack of Professionalism

Benefits of Good SOW's in Contract Management

- Clear View of the Future
- Common Understanding With the Contractor
- Time Saving Management Tools
- Career Saving Management Tools
- Baseline Includes Technical, Cost, Schedule Planning Up Front!
- The Ability to Move from "Correcting Yesterday" to "Directing Tomorrow"

Lessons Learned from the Last few Years

- Culture Change
- Help others
- Win-Win