

Metrics...

What are
'metrics'?

How are metrics
used in PBA?



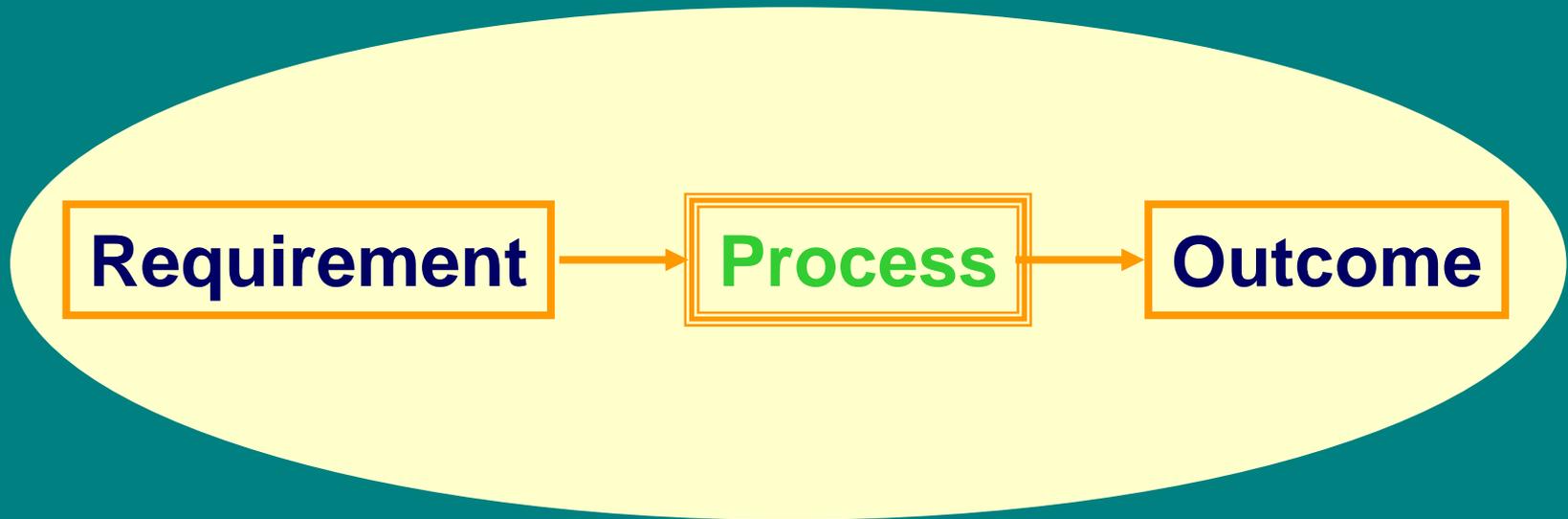
Performance-Based Acquisition

Performance Work Statement (PWS) means a statement of work for performance-based acquisitions that describes the required results in clear, specific and objective terms with measurable outcomes.

Statement of Objectives (SOO) means a Government-prepared document incorporated into the solicitation that states the overall performance objectives. It is used in solicitations when the Government intends to provide the maximum flexibility to each offeror to propose an innovative approach.

Process-Performance: Then and Now

PBA: Metrics



Seven Steps

to Performance-Based Services Acquisition

1 Establish the team.

2 Decide what problem needs solving.

3 Examine private-sector and public-sector solutions.

5 Decide how to measure and manage performance.

4 Develop a PWS or SOO.

6 Select the right contractor.

7 Manage performance.

Metrics

➤ Performance-based contracts for services shall include--

1) A performance work statement (PWS);

2) **Measurable performance standards** (in terms of quality, timeliness, quantity, etc.) and the method of **assessing contractor performance against performance standards**; and

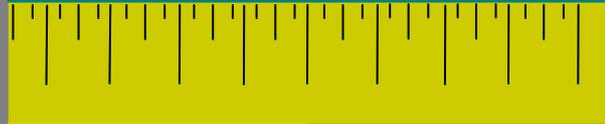
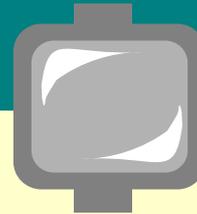
3) Performance incentives where appropriate. When used, the performance incentives shall correspond to the performance standards set forth in the contract

Metrics are:

- Measurable standards
- Objective measures
- Indicators of performance
- Quantitative

Metrics:

- Already exist
- Commonly used by industry
- Reflect public law and industry certifications



Metrics originate with the Customer

PBA: Metrics



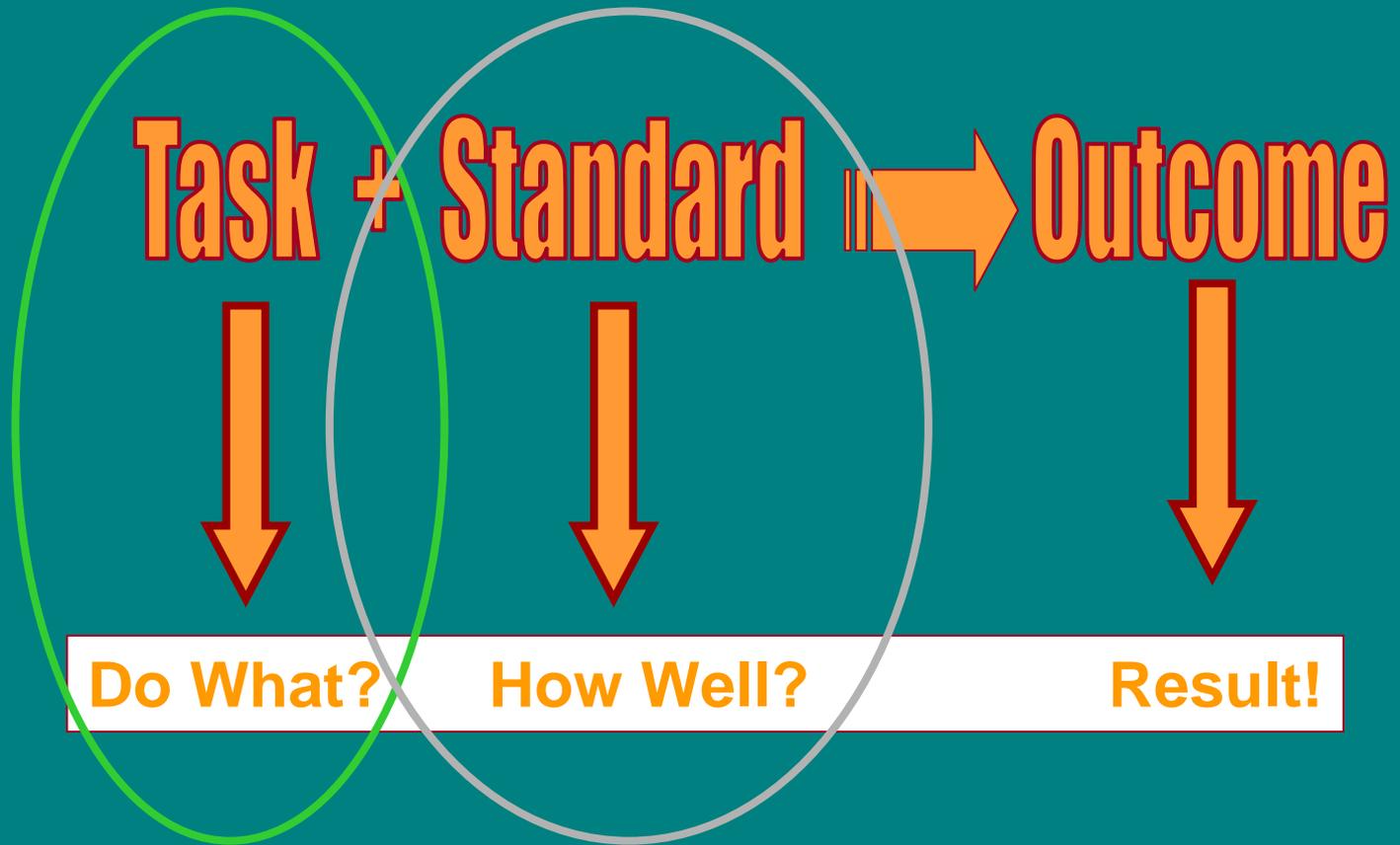
Tasks

Standards

Indicators

Identify the “Do Whats” & “How Wells”

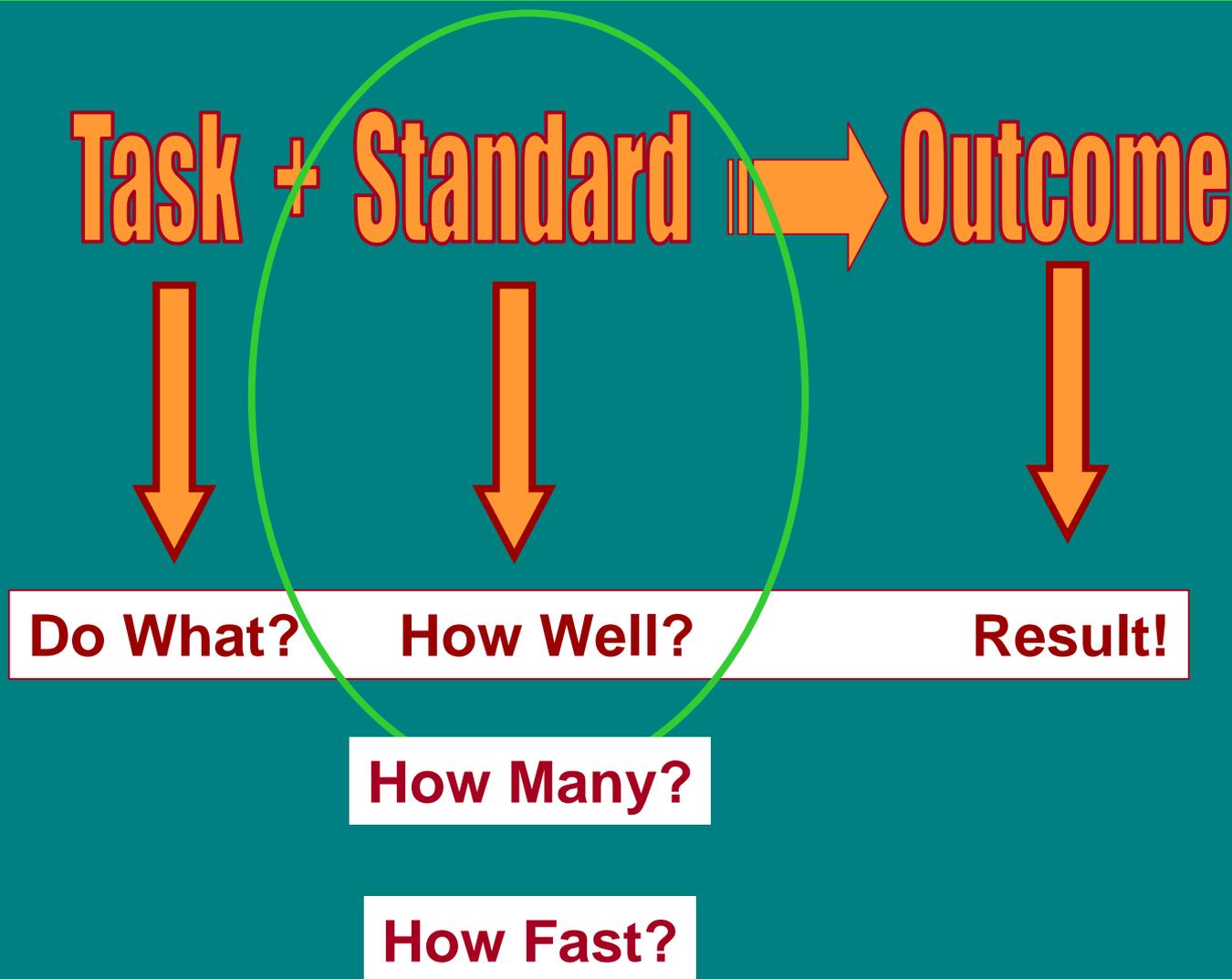
PBA: Metrics



“Employees shall arrive at the workplace not later than 9:00 am.”

Now for the "How Wells" ...

PBA: Metrics



Metrics: Binary vs. Comparative



The flying machine must be designed to carry two persons having a combined weight of about 350 pounds, also sufficient fuel for a flight of 125 miles.

The flying machine should be designed to have a speed of at least forty miles per hour in still air .

40 miles per hour, 100 per cent

41 miles per hour, 110 per cent

42 miles per hour, 120 per cent

43 miles per hour, 130 per cent

44 miles per hour, 140 per cent

Tasks – the step before Metrics

Categorize requirements as:

- **Critical Tasks**
 - “Must-do”
 - Failure jeopardizes Activity’s objective
- **Non-Critical Tasks**
 - ‘Unsat’ performance does not affect critical tasks
 - Includes “necessary” but not “critical” tasks
 - General requirements i.e., Compliance/Admin, Other

Tasks + Standards

PBA: Metrics

<u>Category</u>	<u>Task</u>	<u>Standard</u>	<u>Outcome</u>
Critical & Non-critical			
Customer Performance	Technical Non-technical	Specific detailed requirement	Specific Performance Outcome desired
Compliance /Admin	law regulation policy	Specific requirement detailed by regulation	Specific regulatory outcome required
General			

Working at the Car Wash ... yeah!

PBA: Metrics

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Task Areas

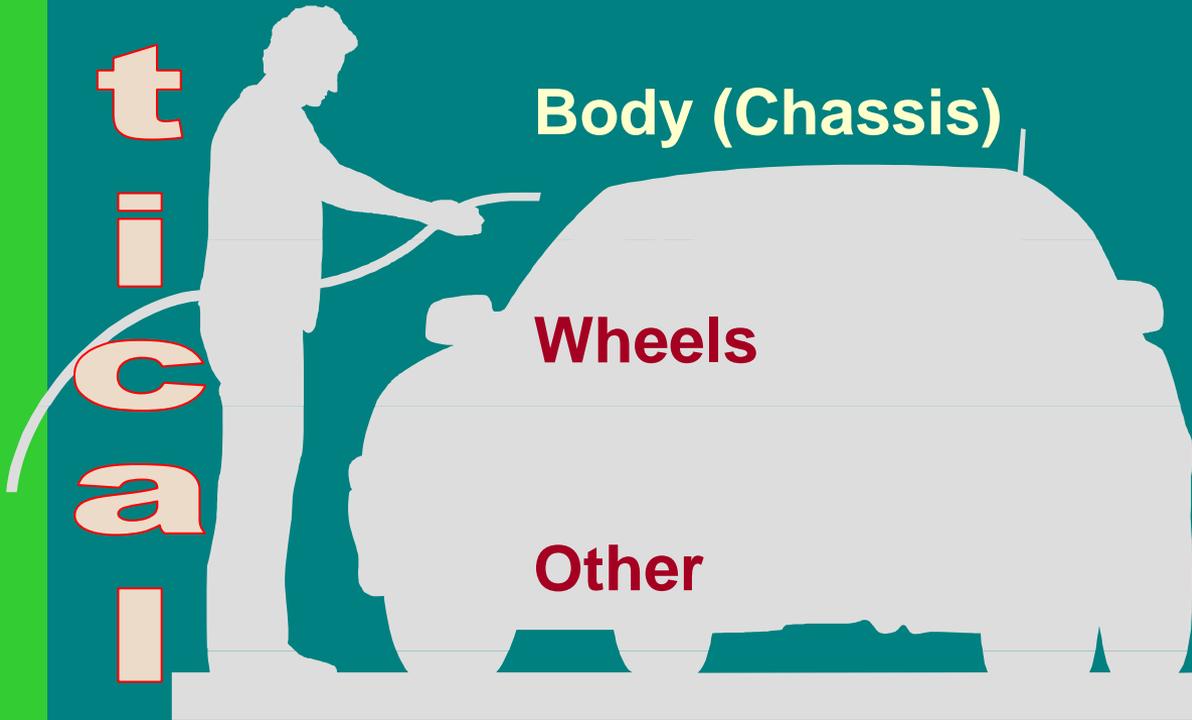
Sub-Tasks

Windows

Body (Chassis)

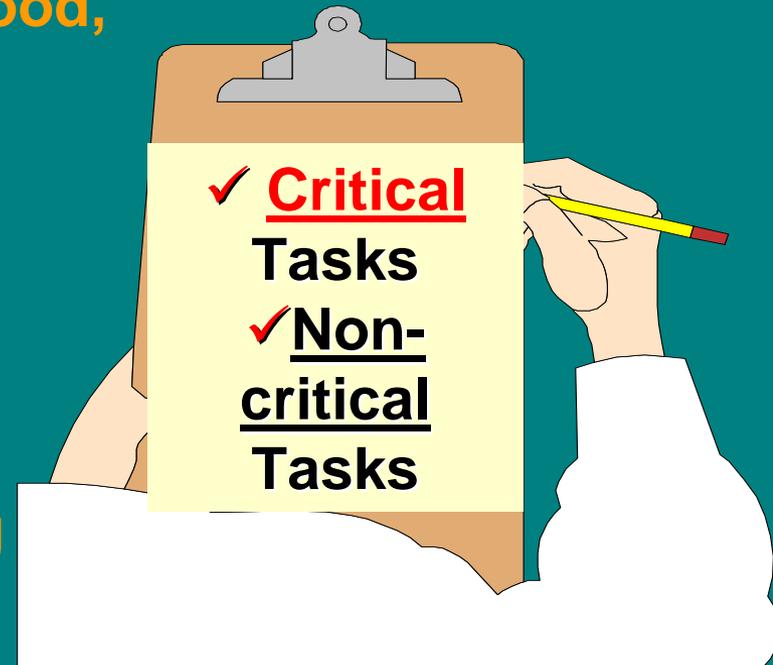
Wheels

Other



Identifying Critical Tasks

<u>Task Area</u>	<u>Sub-tasks</u>
Windows	Windshield Side windows Rear window
Body	Flat surfaces (hood, roof, trunk) Side panels Wheel wells
Wheels	Tires Wheel covers
Other	Time Care & Handling Interiors



Task + Standard



Do What?

How Well?

Respond to critical tasks

within __ hours of notification

Correct malfunctions

to OEM standards

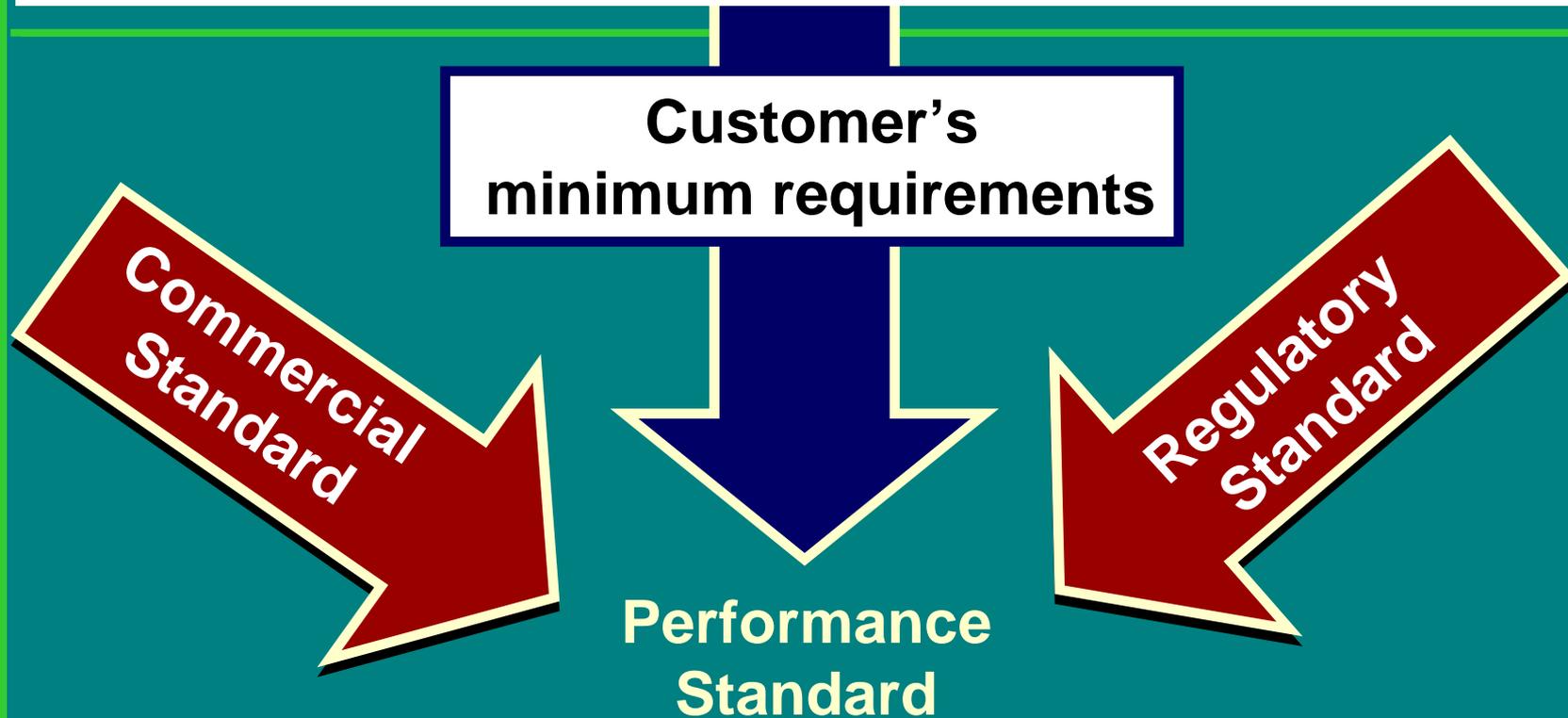
Mean time to repair

shall not exceed _____.

Virus protection

shall result in no more than __ infections per year.

Where do metrics originate?

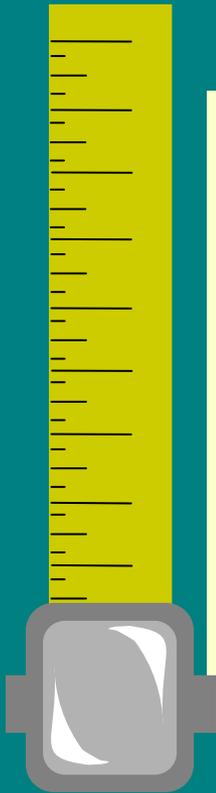


Standards should reflect:

- Complexity of tasks
- Reporting
- Schedule
- Accuracy Required

Identifying Performance Metrics

PBA: Metrics



Standards describe ‘how well’ a task must be performed.

The ‘***indicator***’ is a metric that compares actual performance to the standard.



Metrics - Measurable Performance Standards

PBA: Metrics

- **Quality**

- Failure rates
- Customer satisfaction

- **Effectiveness**

- % inoperable

- **Total Cost**

- **Timeliness**

- Adherence to schedule
- Response time

- **Quantity**

- Performance bands
- Completion rates



Which metrics best permit you to measure how well the process achieves the output?

Add the Metric to the Task

TOP LEVEL: The Contractor shall provide vehicle cleaning services as described herein.

Windows shall be free of streaks and dirt

Body shall be free of dirt or foreign matter

Wheels

- Tire treads shall be free of foreign matter
- Sidewalls are free of stains
- Wheel covers free of foreign matter

Other Process time will not exceed _____.
Vehicles will sustain no damage as a result of the process

PBA Metrics

PBA: Metrics

Task



_____ services shall begin

daily not later than 9:00 am



Standard

How will I know if performance meets standards?

- Standard: metric that states 'how well' the Army requires task performance.
- **Indicator**: metric that measures actual performance in terms that relate to the standard.

<u>Required</u>	<u>Actual</u>
Time	Time
Level of Quality	Level of Quality

Indicators

Task



_____ services shall begin

daily not later than 9:00 am



Standard

Which of these meet the performance outcome?

Services began at:

8:40 am

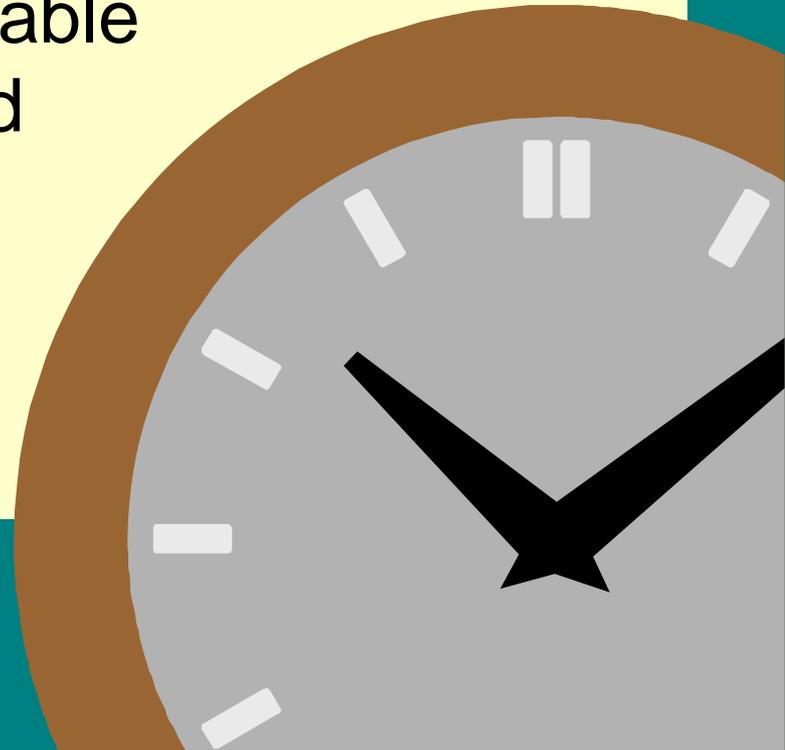
8:50 am

9:00 am

9:20 am

Indicators...

- Are measurable
- Reflect actual performance
- Compare directly to (are in the same terms as) the measurable performance standard



Which of these may make reasonable indicators?

Contractor shall identify and resolve malfunctions to OEM Standards within 24 hours of notification.

- 1. Time to resolve problems**
- 2. Size (# people) of a contractor response team**
- 3. Performance completed to stated quality level**
- 4. Complaints (validated) concerning performance**
- 5. Contractor's adherence to its proposed process**

Is it measurable?

Does it relate directly to an “outcome”?

Performance Indicators

Contractor shall identify and resolve malfunctions to OEM Standards within 24 hours of notification.

Which indicators support these standard?

Timeliness:

Quality of Performance:

Indicators compare actual performance to the standard

Purpose of the Performance Requirements Summary (PRS)

Performance Standard
& Performance Indicators



- Contract tasks that are critical to the outcome.
- Performance metrics.
- PWS/QASP information.

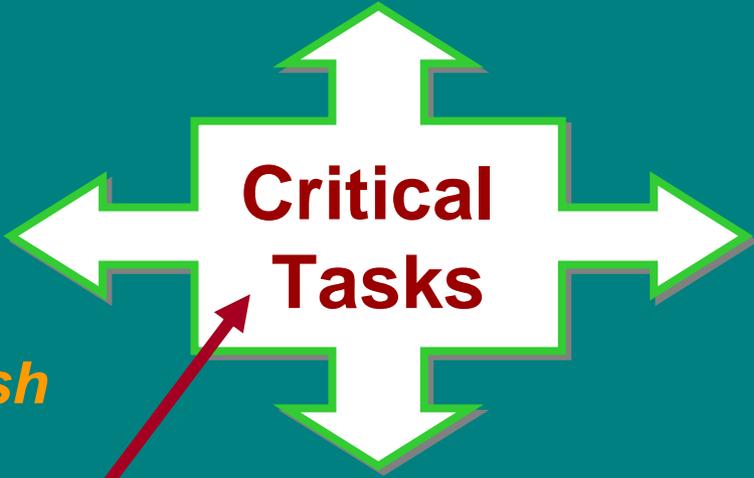
PRS answers these questions...

**Performance Standard
& Performance Indicators**
*What standard is appropriate?
& What should we measure?*

**Performance
Incentives**

*What carrot or
stick will best
reward or punish
performance?*

*What tasks must
be accomplished
to give us the
result we want?*



**Critical
Tasks**

**Acceptable
Level of
Performance**

*How far from
perfection can
we accept
performance?*

**Surveillance
Monitoring**
*How will we
determine
successful
performance?*

Performance Requirements Summary

PBA: Metrics

Task	Performance Standard	Performance Indicator	ALP %	Surveillance Method	Incentive
		Actual Performance			
	Type of Standard "How Wells"			Type of Sampling	

Critical Tasks
"Do Whats"

Acceptable Level of Performance

Y/N
+/-

PRS Task: Insert Critical Tasks

PBA: Metrics

Task	Standard	Indicator	ALP %	Surveillance Method	Incentive
Windows					
Body					
Wheels					

PRS Task: Insert Standards

PBA: Metrics

Task	Performance Standard	Performance Indicator	ALP %	Surveillance Method	Incentive
Windows	free of streaks and dirt				
Body	free of dirt, film & foreign matter				
Wheels	free of stains & foreign matter				

PRS Task: Insert Indicators

PBA: Metrics

Task	Performance Standard	Performance Indicator	ALP %	Surveillance Method	Incentive
Windows	free of streaks and dirt	Incidence of _____			
Body	free of dirt, film & foreign matter	Incidence of _____			
Wheels	free of stains & foreign matter	Incidence of _____			

Summary: Metrics

Here's what's important!



- ❑ Performance Outcomes
- ❑ Task Analysis
 - Critical
 - Non-Critical
- ❑ Measurable Performance Standards
- ❑ Metrics to Assess Performance
- ❑ Performance Requirements Summary