

Descriptions of Statement of Work, Performance Work Statement, and Statement of Objectives

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- **A statement of work (SOW)** is portion of a contract which establishes and defines all non-specification requirements for contractor's efforts either directly or with the use of specific cited documents.
- **A performance work statement (PWS)** is a statement of work for performance-based acquisitions that describes the required results in clear, specific and objective terms with measurable outcomes.
- **A statement of objectives (SOO)** is 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. That portion of a contract that establishes a broad description of the government's required performance objectives.

Statement of Work (SOW)

The SOW should specify in clear, understandable terms the work to be done in developing or producing the goods to be delivered or services to be performed by a contractor. Preparation of an effective SOW requires both an understanding of the goods or services that are needed to satisfy a particular requirement and an ability to define what is required in specific, performance-based, quantitative terms. A SOW prepared in explicit terms will enable offerors to clearly understand the government's needs. This facilitates the preparation of responsive proposals and delivery of the required goods or services. A well written SOW also aids the Government in the conduct of the source selection and contract administration after award. A Data Requirements Review Board (DRRB) may review each SOW to ensure compliance with the policy, guidance and procedures contained in the MIL-HDBK-245D handbook. The SOW is aligned with the acquisition milestones and phases described in the Defense Acquisition Guidebook (DAG).

After contractor selection and contract award, the contract SOW becomes a standard for measuring contractor performance. Consequently, the SOW writer must consider the contractual and legal implications of the SOW during its preparation. As the contracted effort progresses, the government and the contractor will refer to the SOW to determine their respective rights and obligations. In this respect, the SOW defines the contract and is subject to the interpretations of contract law. The SOW must clearly define the work to be performed, since the language detailing the contractor's effort may be pertinent to legal questions concerning the scope of work. In a dispute concerning performance, rights, or obligations, clearly defined requirements as contained in the contract schedule will enhance the legal enforceability of a SOW, which has a high level of precedence in the solicitation document and contract as stated in FAR 52.215-8.

The standard format for the SOW is as follows (subject to variations specified in MIL-HDBK-245D Section 4 for specific types of SOWs):

SOW Section	Title
1	Scope
2	Applicable Documents
3	Requirements

Performance Work Statement (PWS)

The PWS should state requirements in general terms of what (result) is to be done, rather than how (method) it is done. The PWS gives the contractor maximum flexibility to devise the best method to accomplish the required result. The PWS must be written to ensure that all offerors compete equally. The U.S. Government must remove any features that could restrict a potential offeror. However, the PWS must also be descriptive and specific enough to protect the interests of the U.S. Government and to promote competition. The clarity and explicitness of the requirements in the PWS will invariably enhance the quality of the proposals submitted. A definitive PWS is likely to produce definitive proposals, thus reducing the time needed for proposal evaluation.

Preparing a PWS begins with an analytical process, often referred to as a "job analysis." It involves a close examination of the agency's requirements and tends to be a "bottom up" assessment with "re-engineering" potential. This analysis is the basis for establishing performance requirements, developing performance standards, writing the performance work statement, and producing the quality assurance plan. Those responsible for the mission or program are essential to the performance of the job analysis.

A different approach to the analytical process is described in the Defense Acquisition Guidebook, Chapter 10, Acquisition of Services. It describes the Requirements Roadmap Process and the availability of a database PWS and QASP authoring tool known as the Acquisition Requirements Roadmap Training (ARRT) tool. The ARRT provides authoring question and answer "wizards" to guide users through the requirements roadmap process to create standardized PWS and Quality Assurance Surveillance Plan (QASP) templates. In summary, the requirements roadmap process includes the following tasks:

- Define the desired outcomes: What must be accomplished to satisfy the requirement?
- Conduct an outcome analysis: What tasks must be accomplished to arrive at the desired outcomes?
- Conduct a performance analysis: When or how will I know that the outcome has been satisfactorily achieved, and how much deviation from the performance standard will I allow the contractor, if any?

When a contract is awarded, the PWS is legally binding upon the contractor and the U.S. Government. It provides an objective measure so that both the U.S. Government and the contractor will know when increments of work are completed and payments are justified.

Statement of Objectives (SOO)

The SOO is an alternative to a performance work statement (PWS). It is a summary of key agency goals, outcomes, or both, that is incorporated into performance-based service acquisitions in order that competitors may propose their solutions, including a technical approach, performance standards, and a quality assurance surveillance plan based upon commercial business practices.

SOO content depends both on the type of services and on the program phase. It is possible that a "mature" program, such as a software product which is in the maintenance phase, could require slightly more detail in the SOO to properly integrate with other software program under development or in operation. In any case, the key is to keep the document short and concise.

The SOO should not address each work breakdown structure (WBS) element, but each WBS element should be traceable to do something in the SOO. For example, a SOO may instruct the bidder to address his engineering approach. That is not a particular WBS element, but several WBS elements might be created to breakout the engineering tasks. Try not to group all WBS elements in the same objective. End users will get the best service and competition will be maintained if dissimilar objectives are submitted on separate SOOs for bidding by the contractors.

The following steps provide the conceptual process for developing the SOO:

Step 1. Conduct market research to determine whether commercial items or non-developmental items are available to meet program requirements.

Step 2. Review the requirements documents which authorize the program, various DoD, services, joint services requirements documents for program management and acquisition management impacts to the program.

Step 3. Prepare a bibliography citing the specific portions of all applicable governing instructions, directives, specifications and standards with which the program must comply. Keep these requirements to the absolute minimum.

Step 4. Develop the program objectives by completing a risk assessment that highlights the high and moderate risks in the areas of business, programmatic, and technical identified on the program based on the requirements and user's high level objectives.

There is no predetermined length for the SOO document. It should be a concise, cogent document of appropriate length.