
Developing RFP Statements of Work – The Need for Standardization & Tools

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The task of writing a Statement of Work (SOW) for a services contract, or a Request for Proposal (RFP), is rarely a pleasant undertaking for government managers. Perhaps even less so these days.

Across government, program managers are now largely responsible for completing this task (as opposed to procurement specialists), based on either a formal or informal division of responsibilities within their organizations.

While for many program managers the task of developing a SOW may be a fairly infrequent activity, on a cumulative basis across government it takes place more often than one might think.

At the federal level alone in Canada, consider that the Government of Canada establishes roughly 500,000 contracts for goods, services and construction each year (Source: Public Works and Government Services Canada). This amounts to 500,000 individual Statements of Work (typically for services), or Statements of Requirement (typically for goods or construction) being developed each year. Add the Crown corporations, provincial ministries, municipalities, school boards, hospitals and other Canadian public sector organizations to these figures, and the total easily jumps to well over 1 million SOW's per year.

A formal and binding description of the work required in the resulting contract, the SOW sets the parameters governing the contracted work, defining the tasks to be accomplished or services to be delivered in order to fulfill the terms of the contract.

As many managers are already well aware, its language must be explicit, unambiguous and sufficiently detailed, yet at the same time flexible to accommodate for the unknown (especially in multi-year service contracts). If a conflict arises between the government and the supplier concerning the contracted work, it is the SOW that will

be referred to first in an effort to resolve the dispute.

A sound SOW will significantly help in leading to a project's success, reducing the risk of cost overruns and delays, as well as reducing the risk of potential problems during and after the life of the contract.

Notwithstanding other important factors, the successful management of a contract is heavily dependent on a clearly articulated and well developed SOW. Conversely, a poorly developed SOW may expose the government organization to a number of operational, financial, legal and/or reputational risks at both the RFP and contract administration stages - risks that may have serious consequences for both the manager and his/her organization.

For any program manager who has been involved in the procurement process, they can easily attest to the fact that it can at times be filled with multiple pain points, often characterized by lengthy cycle times and delays to execute relatively routine pro-

urement actions.

In addition, the rules associated with the development of the SOW are not well understood, individual roles and responsibilities in the overall contracting process are not always clearly defined or delineated, and there is no general consensus as to what a 'good' SOW looks like.

Unlike many other elements of the RFP process, the SOW document survives the solicitation and evaluation stages of an RFP exercise, and forms the basis of the resulting contractual agreement between the government and the successful contractor(s). These two (2) principal functions of a SOW (RFP and Contract) are difficult to

Developing a SOW – A Case Study in Frustration

Well aware of the fact that you need to move your project along quickly given the short timelines, you begin the process of documenting your contract requirements in the form of a SOW - outlining the scope of work, defining the deliverables and timelines, determining your resource requirements, etc. After a few late evening sessions, you hurriedly deliver your completed SOW to the Contracting Branch within your department for review, expecting to hear back within a short period of time.

A few days pass without any word. Feeling the pressure from senior management to move the project along, you call your Contracting Branch to enquire as to the progress of the SOW and RFP. You are told that you are not the only internal client whose needs are legitimately pressing, that resources within the Contracting Branch are at an all-time low, and that you will be advised immediately when your document has been reviewed.

You are sensitive to the fact that the Contracting Branch is doing the best it can under difficult circumstances, yet your level of frustration with this process continues to grow.

After a few weeks, you receive a call, informing you that your document has been reviewed and that it will require further adjustments by you. When the document arrives at your desk, you are immediately dismayed by the amount of red ink that you see before you. The comments tell you that you have confused elements of the SOW with elements of the Contractual Terms and Conditions; you have used language that is not appropriate for a SOW; and that you have omitted sections from the departmental template in your document. **Your first thought is that you didn't even know that there was a departmental template!**

What you find lacking among the red ink covering your document is any tangible advice that can inform your next attempt. Four weeks have passed and you can honestly say that the only thing that you have learned from this process is that it is acutely frustrating, painful, and a genuine impediment to delivering your program.

balance and accommodate within a single static document, particularly for someone who is relatively new to the process.

Unsure of where to begin, unclear of what to include and what to leave out, and unfamiliar with the particular demands of the writing style, writing a SOW can be an acutely frustrating process, impeding managers from getting on with their primary function, the delivery of their programs.

Add to this the perception of risk already associated with procurement in general - there are serious risks to managers and to their departments (e.g. lawsuits, bid challenges, negative media coverage, political fallout, negative audit findings, etc.) associated with breaches of the procurement rules - and there is cause for a significant amount of risk awareness and risk avoidance.

Government program managers rightly see an enormous amount of risk associated with inadvertently breaking the rules, and, naturally, want nothing to do with these risks. That some program managers have sought to find workarounds and other short cuts as a means to expedite the procurement process is viewed by some as a measure of their growing level of frustration.

Managers, in general, are for a myriad of reasons engaged in a game of 'beat the clock' when it comes to contracting. The process cannot move fast enough for many of them. As such, there is a need for practical solutions that can be implemented quickly, and a widely held belief that the contracting process is already far too slow-moving.

Wouldn't it be nice if this situation could be improved?

Is there a 'silver bullet' out there that would enable managers to more quickly and easily develop good SOW's capable of being signed off by the internal Contracting Branch, as well as capable of mitigating contracting risks to their organizations?

Some organizations have pursued SOW training as a means to this end, developing and delivering courses for managers on how to write better Statements of Work.

The Treasury Board of Canada's Professional Development and Certification Program recognizes a 1-day training course entitled "*How to Develop Better Statements of Work*", offered through the Materiel Management Institute (MMI) and delivered by RFP Solutions. A course sum-

mary is available on-line at: <http://www.rfpsolutions.ca/training.htm>

The Canada School of the Public Service also offers a 3-day course on SOW's, and many departments (including Public Works) deliver in-house courses on this subject (also recognized by the TB Certification Program).

However, with roughly 300,000 Government of Canada employees, if a 1-day SOW course with twenty (20) participants were to be delivered 5 days per week, fifty-two weeks each year, it would take more than 50 years to train everyone in the Government of Canada alone on how to write a better SOW!

While training is certainly helpful, something more than a continuous and expensive training strategy is required to effect appreciable improvements in the way SOW's are developed across government.

In addition to training, many government organizations utilize basic SOW templates, and these can be helpful as well, yet many aspects of the SOW will always remain unique to the contracting requirement at hand, in addition to being dependant on the commodity or service being



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Daniel Charron, CMA
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Appointment Notice

Mr. Pierre Samson, M.Sc., FCGA, CEO of Samson & Associates, and his team are proud to announce the appointment of Mr. Daniel Charron, CMA to the position of Director, Financial Services.

Daniel possesses more than 15 years of experience in all aspects of management operations. His Certified Management Accounting title brings him a wide knowledge of financial management in the private and public sectors.

He brings us an impressive experience in various fields, particularly in strategic and business planning, management, cost accounting, finance, change management, restructuring, project management, auditing, financial and administrative systems, information management and human resources management.

His entrepreneurship skills contributed substantially in the operations of governmental business. His excellent customer service is the result of his leadership and hard work. He is always able to exceed the expectations and demonstrate excellent interpersonal skills and team work. His bilingualism and experience becomes an important asset for the team of Samson & Associates.

You can contact Mr. Charron (daniel.charron@samson.ca) at (819) 772-0044 ext. 62.

contracted for and the manner in which the requirement is being sourced.

Given the volume of contracts entered into annually by governments (as per above), it is surprising that there is no clear standard yet within the public sector vis-à-vis how a SOW should be written, and what its constituent parts should contain. Considering the consternation the process causes for both program managers and procurement personnel alike, and the relative importance of the SOW within the contracting process, there is an acute need to improve the way in which they are developed.

Surely, a more practical approach to this problem would be to establish standard SOW practices and conventions applicable to all/most government organizations. In other words, to develop a standardized description of what a 'good' SOW looks like, the sections to be completed, the messages to be conveyed within each section, the writing conventions and the general do's and don'ts.

Package such a thing within the form of a writing guide that managers can easily follow, helping them to organize their thoughts and convey the necessary messages, and the benefits could be enormous.

It is commonly acknowledged within the standards industry that some of the best

process candidates for any form of standardization are those which are rules-based, high-volume, and repetitive (amongst other factors). In this sense, the development of SOW's should naturally lend itself to some form of standardization.

The process of standardization in the area of SOW's would inherently promote conformity, thereby permitting efficiency gains through speed and consistency. The speed at which contracts are processed could be significantly improved if the SOW's were developed based on a clear set of rules, reducing the amount of back-and-forth process steps required to obtain final sign-off on the document.

Standardization would also provide opportunities for improved controls and increased compliance, while at the same time easing frustration for program managers, making better use of procurement advisors' time, providing greater consistency and clarity to bidders and reducing the existing risks for managers and their organizations associated with developing a sub-standard SOW.

Although not yet formally recognized as an official standard (we're still working on this), RFP Solutions has developed a *Statement of Work Writing Guide for Managers*. This 30-page document, based on a standardized table of contents for a SOW,

goes beyond a typical template and breaks down each of the essential messages that need to be conveyed within each numbered section of a SOW, giving managers guidance on how to convey this information in accordance with SOW best practices gathered from across the public sector. The Statement of Work Writing Guide for Managers is a companion document to the 1-day MMI course, entitled "*How to Develop Better Statements of Work*" (see above).

The *Statement of Work Writing Guide for Managers* is freely available on the RFP Solutions' website at: <http://www.rfpsolutions.ca/sowwritingguide.htm>. In addition, for government organizations within the NCR, RFP Solutions will, at no cost, deliver a 1-hour orientation session on the Writing Guide at a Lunch & Learn, or other internal venue.

While there is no single solution or 'silver bullet' that will ever reduce the task of developing SOW's to a perfect science, the Writing Guide has helped many managers to alleviate delays and frustration, as well as mitigate a number of contracting risks, by enabling them to develop a better SOW in substantially less time.

We encourage you to help yourself, and to let us know what you think. ■