

Practical Software and Systems Measurement

A foundation for objective project management



Services Measurement
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Services Measurement

- *Services make up 80 percent of the world economy and comprise more than half of U.S. Department of Defense acquisitions*
- *The CMMI for Services defines a Service as, “a product that is intangible and nonstorable”*
- *How do we effectively measure service performance, capacity, and quality?*
- *Can we leverage Performance-Based Services Contracting?*

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Examples of Services

- Travel
- Janitorial/housekeeping
- Legal
- Food/dining
- Consulting
- Process Improvement
- Engineering
- Training
- Healthcare/medical
- Motor Pool
- Maintenance (aircraft/automotive)
- Call Center
- Software Maintenance
- Systems Engineering & Technical Assistance (SETA)

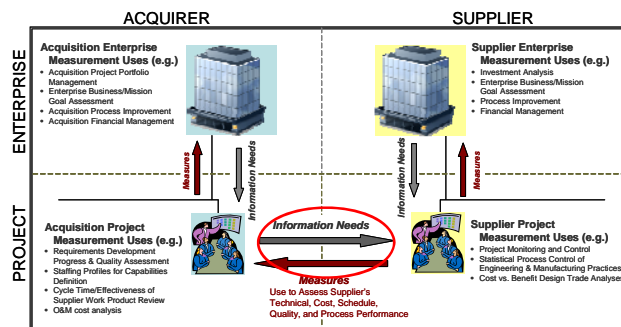
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Recent PSM Workshops

- ITIL® v3 (service provider perspective)
- Acquisition Measurements (measuring the Acquirer's activities)



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Policies/Guidance

- ***Performance Based Services Contracting/Acquisition***
 - ***Been around for 20 years***
 - ***Uses a Performance Work Statement (PWS) and Quality Assurance Surveillance Plan (QASP)***
- ***Performance Work Statements***
 - ***Defines the work to be done***
 - ***Identifies Measurable Performance Standards***
 - ***Does not specify the how or skills***

Is this typical?

- ***No PWS (therefore no performance standard or QASP)***
- ***Level of Effort (LOE) Time & Material services contracts specifying general functional areas of expertise (body shop)***
- ***Few specific tasks and/or deliverables***
- ***Often integrated with government personnel***

Objectives of the Workshop

- *At this workshop, we will discuss how PSM concepts could possibly be applied to the Services domain from the service customer perspective*
- *While a few service measures were added in the last revision of the ICM table, this workshop will explore whether that is sufficient, and what additional guidance should be offered*

Workshop Format

- *Background*
- *Scope Workshop*
- *Use ICM Method to generate possible additions to the ICM table*

Approach

- ***Identify Issues/Information Needs***
- ***Map to Information Categories (I)***
- ***Identify Measurable Concepts (C)***
- ***Identify/Define Measures (M)***

Intended Output

- ***Suggested ICM additions related to service acquisition***

Questions?

Performance-Based Services Contracting

- *Performance-Based Services Contracting/Acquisition (PBSC) has been around for decades to aid government organization measure performance of delivered and acquired services*
- *A key component of the PBSC is the Performance Work Statement (PWS) in place of Statement of Work (SOW)*
- *Has worked well in many service areas but has not had widespread success in areas like IT*

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PBSA contracts shall include

- (a) *The principal objective of performance-based services acquisition (PBSA) is to express government needs in terms of required performance objectives, rather than the method of performance, to encourage industry-driven, competitive solutions. Either a performance work statement (PWS) or a statement of objectives (SOO) may be used.*
- (b)
 - (1) *Measurable performance standards. These standards may be objective (e.g., response time) or subjective (e.g., customer satisfaction), but shall reflect the level of service required by the government to meet mission objectives. Standards shall enable assessment of contractor performance to determine whether contract results and objectives are being met, and*
 - (2) *Quality assurance surveillance plans (QASPs). The level of surveillance described in the plan should reflect the complexity of the acquisition. Plans should enable the contracting officer to fulfill the obligations of the government in accordance with 46.407(f). The contracting officer may rely on the inspection clauses in the contract or order, as appropriate. For example, a contracting officer may appropriately rely on the inspections clause in a simplified acquisition purchase or order without requiring a detailed QASP.*

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Performance Work Statement

- *A Performance Work Statement (PWS) means a statement in the solicitation that identifies the technical, functional and performance characteristics of the agencies requirements*
- *Describes What the work is not How it will be delivered in measurable terms*
- *Measurable performance may be objective (e.g., response time) or subjective (e.g., customer satisfaction), but shall reflect the level of service required by the government to meet mission objectives. Standards shall enable assessment of contractor performance to determine whether contract results and objectives are being met*

Questions/Thoughts

- *What are the major issues/information needs?*
- *What are the relevant Information Categories?*
- *What are we trying to measure?*
- *How do we measure service performance, capacity, and quality?*
- *How do we deal with LOE and no deliverables?*
- *What can we put on contract to support PBSC?*
- *Can we define Performance Measures for Services contracts/acquisition using ICM table/method*
- *Can we define Performance Standards?*
- *Are there any leading indicators for service performance?*
- *Do we need a new top level called Service? (vs. project and enterprise)*

Potential Areas to Explore

- ***Capacity***
- ***Availability***
- ***Quality / defects***
- ***Timeliness***
- ***Responsiveness***
- ***Cost***
- ***Schedule***
- ***Turn around/cycle time***

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Workshop Participants

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Summary

Conclusions, Recommendations, and Results

Next Steps/Action Items