

ANNEX D

W8485-23SL02/A

**PERFORMANCE MANAGEMENT
SPECIFICATION (PfMS)**

FOR

REPAIR, OVERHAUL AND IN-SERVICE SUPPORT

OF

LIFE RAFTS & SURVIVAL KITS

1 Performance Management Specification

1.1 General

- 1.1.1 The Performance Management Specification (PfMS) is the critical component of this Contract in that it ties together the Basis of Payment (BoP) (Annex B) and the Performance Work Statement (PWS) (Annex A) to ensure the Canadian Government receives contracted performance while delivering ongoing Value for Money.
- 1.1.2 This Annex defines the system and processes whereby the Contractor's performance in delivering against defined Outcomes are measured and the Contractor's behaviour in achieving and improving upon the Outcomes is aligned with Canada's needs.

1.2 Scope

- 1.2.1 This PfMS defines the outcomes, the control system, the remedies and rewards, and the management tools that will be used to achieve the required performance and motivate the desired behaviours from the Contractor.

1.3 Outcomes

- 1.3.1 The expected outcomes for this contract that will be tracked and evaluated in this PfMS are detailed in the PWS Para 2.2.1.

1.4 Indicators

- 1.4.1 **Key Performance Indicators (KPIs)** The performance measures that evaluate the extent to which the Contractor has achieved the important or key outcomes are called KPIs.
- 1.4.2 **Performance Indicators (PIs)** The performance measures that evaluate the extent to which the Contractor has achieved the remaining outcomes are called PIs.

1.5 Performance Measures

- 1.5.1 The following Performance Measures will be utilized in this PfMS:
 - 1.5.1.1 **KPI 1 - Repair & Overhaul (R&O) Completion Date** is a measure of the Contractor's performance in meeting the agreed to return date for an item that has been sent to them. Performance is assessed by comparing the actual return date to the agreed to return date in the Monthly Summary Report (CDRL MAT-001). If the Completion Date is exceeded and the item was identified with a Repair Priority Code (RPC) of C (Critical) in the estimate approval email, the Contractor shall be responsible to ship the item, at their expense and by the fastest means possible, to the location identified by the ROCEA as per the Managed R&O Process Annex A, Appendix 2. If the Contractor completes the authorized work in advance of the last agreed-to completion date, they may send the completed item to DND but shall only invoice DND on or after the last agreed-to completion date.

- 1.5.1.2 **KPI 2** - Fit/Form/Function Compliance is a measure of the Contractor's performance in returning items to Canada that are compliant with the Form, Fit and Function(s) detailed in the applicable repair manuals or other specifications. Items that are not compliant will be returned to the Contractor for warranty action as per the Warranty terms of the Contract.
- 1.5.1.3 **KPI 3** - R&O Cost Compliance is a measure of the Contractor's performance in meeting the agreed to total cost for an item that has been sent to them. Performance is assessed by comparing the actual total cost to the agreed to total cost in the Monthly Summary Report (CDRL MAT-001). If during repair the Contractor exceeds the agreed to price, they must only invoice DND for the agreed to price.
- 1.5.1.4 **PI 1** – DND 626 Completion Date is a measure of the Contractor's performance in meeting the agreed to completion date for DND 626 taskings assigned to them. Performance is assessed by comparing the actual completion date to the agreed to completion date in the Monthly Summary Report (CDRL MAT-001). If the Contractor completes the authorized work in advance of the last agreed-to completion date, they may send the completed DND 626 deliverable but shall only invoice DND on or after the last agreed-to completion date.
- 1.5.1.5 **PI 2** - DND 626 Compliance is a measure of the Contractor's performance in completing deliverables that are compliant with the requirements defined in the DND 626 SOWs.
- 1.5.1.6 **PI 3** - DND 626 Cost Compliance is a measure of the Contractor's performance in meeting the agreed to total cost of a DND 626 tasking. Performance is assessed by comparing the actual total cost to the agreed to total cost in Monthly Summary Report (CDRL MAT-001).
- 1.5.1.7 **PI 4** - Technical and Financial Data Availability is a measure of the Contractor's performance in delivering Technical and Financial data as per Contract Data Requirements List & Data Item Descriptions (CDRLs & DIDs) per Annex A, Appendix 4. Performance is assessed by comparing the date that CDRLs & DIDs were to be delivered compared to the actual date that they were delivered.
- 1.5.1.8 **PI 5** - Technical and Financial Data Compliance is a measure of the Contractor's performance in delivering technical and financial data that are error free in accordance with and compliant with the Contract Data Requirements Lists & Data Item Descriptions (CDRLs & DIDs) per Annex A, Appendix 4. Performance is assessed by comparing the data that was delivered compared to the required data in the CDRLs & DIDs.

1.6 Review Period

- 1.6.1 All of these performance measures will be reviewed at the Progress Review Meetings (PRMs) where the Contractor's performance will be assessed.