BY JOHN E. MILLER

Fifty Tips for Your Statement of Work

A STATEMENT OF WORK (SOW) SPECIFIES IN CLEAR, UNDER-standable terms the work to be done in developing or producing the goods or services to be delivered or performed by a contractor. The purpose of a SOW is to detail the work requirements for projects and programs that have deliverables and/or services performed. An SOW needs to specify "what is to be done" in definitive and precise language and terminology.[1]

Generally, there are three major types of SOWs: (1) the design/detailed specification SOW, instructing the seller how to do the work; (2) the level-of-effort SOW, in which the real deliverable is a certain number of hours of work; and (3) the performance-based SOW, in which the seller is given the freedom to determine how to meet the buyer's requirements.

Throughout my 30-year contracts career, I have gradually developed a sample SOW format and a SOW checklist of 50 practical tips that I routinely refer to before I review or draft an SOW. These tools are intended to help you avoid overlooking important issues.

This is a practical format sample and checklist for both government and commercial SOWs, though they are not intended to address all possible government and commercial SOW issues. The contractual position you take on SOW issues often depends upon whether you are the buyer or the seller. There are many aspects to consider.

Sample SOW Format

A practical standard SOW format layout could be as follows:

1.0	Introduction/Overview	Brief description of the project
1.1	Background	How the project came to be
1.2	Scope	Description of the scope of work of the SOW and (if applicable) a work breakdown structure (WBS)
1.3	Objectives	Specific objectives that the SOW will achieve consistent with the scope
2.0	References	A list of all documents or portions of documents referenced in the SOW
3.0	Requirements	The "heart" of the SOW—tasks, deliverables, schedule, and assumptions
3.1	Tasks	Tasks in sequential order, methodology, specifications/performance requirements, standards, locations, travel, etc.
3.2	Deliverables	Work products, acceptance criteria, etc.
3.3	Schedule	Period of performance, milestones, etc.
3.4	Assumptions	Certain assumptions upon which the SOW is based
4.0	Monitoring Progress/Compliance	Reports, meetings, reviews, etc.
5.0	Notes	Areas of clarification, amplification, other information

General Tips

1.	Is the SOW appropriate for the contract type? (For example, fixed-price contracts require a tight SOW, while time and materials (T&M) and cost-reimbursement contracts require a looser SOW.)
2.	Does the SOW describe the requested goods and services in clear and understandable terms?
3.	Think of a SOW as defining the specifics of what is to be done.
4.	Is the work stated explicitly? Be definitive and precise. Don't use unnecessary narrative. Avoid redundancy.
5.	Is the work set out in a logical and chronological order?
6.	Don't use words with multiple interpretations.
7.	Use "shall" when it is mandatory, (e.g., "seller shall drill,"not "seller may drill" or "seller should drill").
8.	Use active voice, (e.g., "seller shall deliver software," not "software shall be delivered by seller").
9.	Use verbs that correctly describe the work requirements, such as track, document, refine, create, coordinate, install, verify, define, develop, perform, integrate, conduct, assist, provide, resolve, monitor, acquire, test, revise, record, conduct, maintain, inform, identify, use, install, implement, etc.).
10.	Don't use the words "either," "any," or "and/or."
11.	Avoid pronouns when the applicable noun can be used.
12.	Avoid elegant variations—use the same term for a particular item.
13.	Avoid ambiguity.
14.	Define terms that need to be defined.
15.	Define acronyms the first time they are used in the SOW.
16.	"Support" is ambiguous. Be specific.
17.	"Engineering and technical services" is ambiguous. Be specific.
18.	Is there enough "who-does-what-when-where-and-how" information?
19.	Are there any additional objectives that need to be listed?
20.	Are there any additional references to applicable documents that need to be made?
21.	Are there any additional specifications, standards, performance requirements, accuracy requirements, and quality requirements that need to be made?
22.	Do any additional methodologies need to be stated?
23.	Is there anything that is fuzzy?
24.	Are the buyer's duties and obligations clearly stated?
25.	Are the deliverables clearly stated and described?
26.	Are the acceptance criteria clearly stated?
27.	Avoid words such as ensure, assure, best, all, every, detailed, certify, as-required, average, adequate, equal, to the extent necessary, any, properly assembled, as directed, and subject to approval.
28.	Use simple sentence structure.
29.	Does a level-of-effort need to be stated?
30.	Don't assume. What is missing?

Specific Tips

1.	Do you only need a statement of objectives (SOO) document stating basic top-level objectives instead of a SOW, so that the seller can develop a cost-effective innovative solution (later converted to a SOW) to meet the SOO?
2.	Should this be a level-of-effort or completion-type SOW?
3.	Do you need a performance-based SOW? (A performance-based SOW has requirements that define work in measurable terms; performance standards, such as quality and timeliness tied to performance requirements; a quality assurance plan describing how performance is measured against standards; and positive and negative incentives tied to quality assurance plan measurements.)
4.	Remember that the SOW is part of the legal contract.
5.	A well-written SOW allows for more opportunities for more potential sellers to compete.
6.	Improper document referencing is a major factor in pricing, since total document compliance is implied unless stated otherwise. Reference only the minimal specifications and standards by tailoring what is really needed.
7.	Identify required data items.
8.	Specify "contractor format" when it meets the required need.
9.	Beware of pyramiding specifications (ever-increasing references in one specification to more and more specifications in another specification).
10.	Use commercial items and practices if such items and practices meet the required need.
11.	Should a list of additional services and products with applicable pricing options be provided that are not covered by the current price?
12.	Don't state a requirement as a part of or subset of another requirement since this secondary requirement may be overlooked by the seller.
13.	Don't tell the seller how to do the work (unless you are using a design specification).
14.	Don't use an agreement-to-agree provision in the SOW.
15.	Use drawings, illustrations, diagrams, charts, pictures, tables, and graphs if they clearly improve the communication in describing the requirements.
16.	Have your SOW reviewed by other knowledgeable people and honestly analyze their comments.
17.	Read the SOW and specifically look for loopholes—then fill them.
18.	Does negative scope need to be added, specifically stating work that will not be done under the SOW?
19.	Check the SOW for *ITARS* and *EAR* export compliance issues.
20.	Are there any conflicts or inconsistencies between the SOW and the contractual terms and conditions?

Many resources are necessary in creating, drafting, and reviewing a SOW. Use this sample format and checklist as one of your practical SOW resource tools—they will help to bring many issues to the surface. ***CM***

Endnote

1. PmPedia contributors, "Statement of Work," PmPedia **http://pmpedia.com/wiki/index.php?title=Statement_of_Work**, (accessed September 25, 2006).

About the Author

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