



OPD_Sub-Contractor Management Process

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1. Purpose of the Document

The document is intended to explain the process that needs to be followed within 5G for managing a Sub-Contractor.

2. Who is a sub-contractor?

A Sub-Contractor is a company/person who has been hired by 5G to perform any type of software development work such as developing a function as part of a Work Product, Testing, Manual-Writing or providing support functionalities.

3. When do we hire a sub-contractor?

A complete set of items that need to be checked before making a decision of hiring a Sub-Contractor is included below.

SNo	Check List Items	Yes	No
1	Do we have the necessary skill sets or technology knowledge to perform this task		
2	Do we have enough resources who can be deployed to this activity within the time line committed for completion of the task		
3	Will we able to deliver the work product as committed to the customer with the existing team size		
4	Does our contract restrict us from sub-contracting any part of the work product to a third party		

The preferred answers to the first set of questions provided above will be "NO". In case even if any one of the above questions is marked as "YES", then the PM has to review the decision of sub-contracting the work product very carefully.

SNo	Check List Items	Yes	No
5	Is it possible to define the work product (or) activity which is planned to be sub-contracted as an independent item and churned out as a separate functionality.		
6	By subcontracting the work, will the timeline be substantially reduced		
7	Are we mitigating any of the technological risks by sub-contracting the work		
8	Will we able to start the activity sooner than our resources would otherwise allow.		
9	Does the benefit outweigh the cost by using the sub-contractors		



The preferred answers to the first set of questions provided above will be “YES”. In case even if any one of the above questions is marked as “NO”, then the PM has to review the decision of sub-contracting the work product very carefully along with the Management.

4. Process for choosing a sub-contractor

Step 1: PM of the project needs to prepare a Request for Proposal (RFP).- RFP is a document that will contain Statement of Work (SOW) and the instructions to the bidders.

The Statement of Work will include all the information such as the work to be performed by the vendor, when the work needs to be started and when is it due, how will the completed work product be measured for acceptance and the working relationship between 5G and the subcontractor.

Instructions to the vendor may include, the information on what needs to be done by the bidder to submit the proposal, the process of selection etc.

In cases where 5G has a long term contractual agreements with a sub-contractor, then sending out a SOW will suffice the process requirement.

Step 2: Upon receiving the proposals from the vendors, the proposals need to be evaluated carefully and objectively. The criteria for selecting the vendors are as follows:

Project Scheduling, Tracking & Reporting methodology
• Clearly defined process, roles and responsibilities
• Frequent and regular tracking methodology
• Planned communication
Project Organization Structure
• Clear definition of roles and authority
• Defined Reporting process
Problem Management Process
• Defined and responsive Process
Related Experience
• Proven skills in the related areas pf expertise
• Customer References
Software Development Process
• Clearly defined methodologies, activities, roles and responsibilities
Cost Proposed
• A clear break-up of cost
Support Provided
• Warranty period and clear definition of how the product will be supported

Step 3: Once the vendor has been selected based on the various criteria listed above, the next step is to send the SOW & the contract to the COO for approval. The contract is then negotiated and finalized after which a PO is raised by the CFO.



5. Sub-contractor management process

5.1 Defining the Sub-Contractor's Work

The SOW has to be executed and both the project teams (5G and the subcontractor) have to clearly understand the scope defined in the SOW.

5.2 Nominate the Person In-charge

Before the work commences, a Person from 5G has to be identified and nominated to be the person in-charge of the subcontractor. Normally the Project Manager or the Lead of the Project will be given this responsibility and in case of any deviation, it has to be noted and the reasons for the deviation should also be recorded

5.3 Trackable Plan

The sub-contractor must provide a project schedule and plan that clearly includes the following

- List of all activities that need to be performed (a work breakdown structure)
- Person responsible for each activity
- Dependencies of each activity
- Planned start and end dates of each activity
- Contract deliverables and the dates of those deliverables
- Assumptions behind the project schedule plan
- Risks if any

5.4 Measure Performance Regularly

The frequency in which the performance will be reviewed should be decided before starting the work. Normally it is desirable to have weekly review meetings. Let the sub-contractor's representative be part of the regular weekly project tracking meetings. The meetings need to be formal and the status reports have to be circulated before and after the meeting.

5.5 Deliverables Acceptance

The acceptance criteria should be clearly defined in the SOW and the acceptance sign-off should take place against these criteria. If any major problems are identified at this stage, the Person In-charge should instruct the sub-contractor to re-work on the work product after which only the deliverables can be accepted. A formal sign-off process has to be followed while the project is being completed.

- End of Document -