

AGREEMENT MANAGEMENT

An Acquisition Process Area at Maturity Level 2

Purpose

The purpose of Agreement Management (AM) is to ensure that the supplier and the acquirer perform according to the terms of the supplier agreement.

Introductory Notes

The Agreement Management process area involves the following activities:

- Executing the supplier agreement
- Monitoring supplier processes
- Accepting the delivery of acquired products
- Managing supplier invoices

The legal nature of many acquirer-supplier agreements makes it imperative that the project management team is acutely aware of the legal implications of actions taken when managing the acquisition of products or services.

The supplier agreement is the basis for managing the relationship with the supplier, including resolving issues. It defines the mechanisms that allow the acquirer to oversee the supplier's activities and evolving products and to verify compliance with supplier agreement requirements. It is also the vehicle for a mutual understanding between the acquirer and supplier. When the supplier's performance, processes, or products fail to satisfy established criteria as outlined in the supplier agreement, the acquirer may take corrective action.

Related Process Areas

Refer to the Project Monitoring and Control process area for more information about monitoring projects and taking corrective action.

Refer to the Measurement and Analysis process area for more information about specifying, analyzing, and reporting measures and how measurement data are analyzed and reported.

Refer to the Solicitation and Supplier Agreement Development process area for more information about establishing and maintaining the supplier agreement.

Refer to the Acquisition Validation process area for more information about validating products.

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This process area primarily addresses the acquisition of products and product components that are delivered to the project's customer. Throughout the process areas, where we use the terms product and product component, their intended meanings also encompass services and their components.¶

Examples of products and product components that may be acquired by the project include the following.¶
<#>Subsystems (e.g., navigational system on an airplane)¶
<#>Software¶
<#>Hardware¶
<#>Documentation (e.g., installation [1])

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Refer to the Acquisition Technical Management process area for more information about evaluating supplier deliverables.

Specific Goal and Practice Summary

SG 1 Satisfy Supplier Agreements

- SP 1.1 Execute the Supplier Agreement
- SP 1.2 Monitor Selected Supplier Processes
- SP 1.3 Accept the Acquired Product
- SP 1.4 Manage Supplier Invoices

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SP 1.1 Determine Acquisition Type¶
SP 1.2 Select Suppliers¶
SP 1.3 Establish Supplier Agreements¶
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Agreements with the suppliers are established and maintained.¶
SP 1.1 Determine Acquisition Type¶

Determine the type of acquisition for each product or product component to be acquired.¶
Refer to the Technical Solution process area for more information about identifying the products and product components to be acquired.¶
There are many different types of acquisition that can be used to acquire products and product components that will be used by the project.¶
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Specific Practices by Goal

SG 1 Satisfy Supplier Agreements

The terms of the supplier agreement are met by both the acquirer and the supplier.

SP 1.1 Execute the Supplier Agreement

Perform activities with the supplier as specified in the supplier agreement.

This specific practice covers internal and external communication as well as the use of information by the acquirer and supplier regarding the relationship, performance, results, and impact to the business. The acquirer manages the relationship with the supplier to maintain effective communication on key issues (e.g., changes in the acquirer's business), new supplier products and technologies, and changes in the organizational structure.

Refer to the Project Monitoring and Control process area for more information about monitoring projects and taking corrective action.

Typical Work Products

1. Integrated list of issues
2. Supplier project progress and performance reports
3. Supplier review materials and reports
4. Action items tracked to closure
5. Records of product and document deliveries

Typical Supplier Deliverables

1. Supplier project progress and performance reports
2. Corrective action results for supplier issues
3. Correspondence with the acquirer

Subpractices

1. Monitor supplier project progress and performance (e.g., schedule, effort, and cost) as defined in the supplier agreement.
2. Conduct management reviews with the supplier as specified in the supplier agreement.

Agreement Management (AM)

Reviews cover both formal and informal reviews and include the following steps:

- Preparing for the review
- Ensuring that relevant stakeholders participate
- Conducting the review
- Identifying, documenting, and tracking all action items to closure
- Preparing and distributing to the relevant stakeholders a summary report of the review

Management reviews typically include the following:

- Reviewing critical dependencies
- Reviewing project risks involving the supplier
- Reviewing schedule and budget

Refer to the Project Monitoring and Control process area for more information about conducting project milestone reviews.

Refer to the Acquisition Technical Management process area for more information about conducting technical reviews.

3. Identify issues and determine corrective actions necessary to resolve and track them to closure.

Refer to the Manage Corrective Action to Closure specific goal in the Project Monitoring and Control process area for more information about tracking corrective actions to closure.

Unresolved issues escalate through the appropriate management chain according to the organization's issue resolution process.

4. Use the results of reviews to improve the supplier's performance and to establish and nurture long-term relationships with preferred suppliers.

The acquirer's evaluation of supplier performance is carried out primarily to confirm the supplier's competency or lack of competency relative to performing similar work on the project or other projects.

5. Monitor risks involving the supplier and take corrective action as necessary.

Refer to the Project Monitoring and Control process area for more information about monitoring project risks.

Deleted: 3. Conduct technical reviews with the supplier as defined in the supplier agreement.¶
 Technical reviews typically include the following:¶
 <#>Providing the supplier with visibility into the needs and desires of the project's customers and end users, as appropriate¶
 <#>Reviewing the supplier's technical activities and verifying that the supplier's interpretation and implementation of the requirements are consistent with the project's interpretation¶
 <#>Ensuring that technical commitments are being met and that technical issues are communicated and resolved in a timely manner¶
 <#>Obtaining technical information about the supplier's products¶
 <#>Providing appropriate technical information and support to the supplier¶
 4. Conduct management reviews with the supplier as defined in the supplier agreement.

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SP 1.2 Monitor Selected Supplier Processes

Select, monitor, and analyze supplier processes.

When there must be tight alignment between supplier and acquirer processes, the acquirer should monitor these processes to help prevent interface problems.

Selecting processes for monitoring involves considering the impact of the supplier's processes on the project. On larger projects with significant subcontracts for development of critical components,

monitoring key processes is expected. For less critical components, the selection process may determine that monitoring is not appropriate. Between these extremes, the overall risk should be considered when selecting processes to be monitored.

Monitoring, if not performed with adequate care, can at one extreme be invasive and burdensome, or at the other extreme be uninformative and ineffective. The acquirer decides on the necessary level of monitoring depending on the level of risk if the supplier's process is not performed correctly. Monitoring activities can range from reviewing supplier-supplied process data to on-site appraisals of the supplier's processes [SEI 2007].

Analyzing selected processes involves taking the data obtained from monitoring the processes and analyzing them to determine whether there are serious issues.

Typical Work Products

1. List of processes selected for monitoring or rationale for non-selection
2. Activity reports
3. Performance reports
4. Performance curves
5. Discrepancy reports

Typical Supplier Deliverables

1. Supplier process quality assurance reports

Subpractices

1. Identify supplier processes critical to the success of the project.
2. Monitor selected supplier processes for compliance with requirements of the agreement.
3. Analyze results of monitoring selected processes to detect issues as early as possible that may affect the supplier's ability to satisfy requirements of the agreement.

Trend analysis can rely on internal and external data.

SP 1.3 Accept the Acquired Product

Ensure that the supplier agreement is satisfied before accepting the acquired product.

This practice involves ensuring that the acquired product meets all requirements and that customers concur before acceptance of the product. The acquirer ensures that all acceptance criteria have been satisfied and that all discrepancies have been corrected. Requirements for formal deliverable acceptance and how to address non-conforming deliverables are usually defined in the supplier agreement. The acquirer

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Select and evaluate work products from the supplier of custom-made products.¶
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should be prepared to exercise all remedies if the supplier fails to perform.

The acquirer, usually through its authorized supplier agreement administrator, provides the supplier with formal written notice that supplier deliverables have been accepted or rejected.

Typically, an authorized representative of the acquirer assumes ownership of existing identified supplier products or deliverables tendered, or approves services rendered, as partial or complete performance of the supplier agreement.

The acquirer has defined how this product or service will make the transition to operations and support in the transition to operations and support plan. Transition to operations and support activities are monitored by the acquirer.

Refer to the *Plan Transition to Operations and Support* specific practice in the *Project Planning* process area for more information about planning for the transition of the accepted product or service.

Refer to the *Monitor Transition to Operations and Support* specific practice in the *Project Monitoring and Control* process area for more information about monitoring transition activities.

Typical Work Products

1. Stakeholder approval reports
2. Discrepancy reports
3. Product acceptance review report with approval signatures

Typical Supplier Deliverables

1. Work products as defined in the supplier agreement
2. Services as defined in the supplier agreement

Subpractices

1. Review the validation results, reports, logs, and issues for the acquired product.

Refer to the *Acquisition Validation* process area for more information about validating products.
2. Review supplier verification results, reports, logs, and issues for the acquired product.
3. Confirm that all contractual requirements for the acquired product are satisfied.

This subpractice may include confirming that appropriate license, warranty, ownership, usage, and support or maintenance agreements are in place and all supporting materials are received.

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5. Document the results of the acceptance review or test.¶
6. Establish and obtain supplier agreement on an action plan for any acquired work products that do not pass their acceptance review or test.¶
7. Identify, document, and track action items to closure.¶

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Transition the acquired products from the supplier to the project.¶
Before the acquired product is transferred to the project for integration, appropriate planning and evaluation should occur to ensure a smooth transition.¶
*Refer to the *Product Integration* process area for more information about integrating the acquired products.¶*

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2. Training reports¶
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2. Ensure that appropriate training is provided for those involved in receiving, storing, using, and maintaining the acquired products.¶
3. Ensure that storing, distributing, and using the acquired products are performed according to the terms and conditions specified

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GP 2.1 Establish an Organizational Policy¶
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4. Confirm that all discrepancies have been corrected and all acceptance criteria have been satisfied.
5. Communicate to appropriate stakeholders that the supplier agreement has been satisfied.
The acquirer, usually through its authorized supplier agreement or contract administrator, provides the supplier with formal written notice that the supplier agreement has been satisfied so the supplier can be paid and the supplier agreement closed.
6. Communicate to relevant stakeholders the product's readiness for transition to operations and support.

SP 1.4 Manage Supplier Invoices

Manage invoices submitted by the supplier.

The intent of this practice is to ensure that payment terms defined in the supplier agreement are met and that supplier compensation is linked to supplier progress, as defined in the supplier agreement. This practice covers invoices for any type of charge (e.g., one-time, monthly, deliverable-based, pass-through). It covers invoice errors or issues, changes to invoices, billing errors, and withholding disputed charges consistent with the terms and conditions of the supplier agreement. The acquirer must also ensure that appropriate financial and invoice management controls are in place.

When accepting supplier deliverables, final payment should not be made to the supplier until it has been certified that all supplier deliverables meet contractual requirements and all acceptance criteria have been satisfied. When acceptance criteria have not been satisfied, the provisions of the supplier agreement may be exercised.

Typical Work Products

1. Invoices approved for payment

Typical Supplier Deliverables

1. Invoices

Subpractices

1. Receive invoices.
2. Review invoices and related supporting material.

Examples of areas of review for invoices and related support material include the following:

- Volumes for variable charges
- Pass through expenses
- Regulatory commitments related to payments
- Purchases made by the supplier on behalf of the acquirer

3. Resolve errors and manage issues with the supplier as required.

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4. Approve invoices.

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Transitioning acquired products to the project

This process area primarily addresses the acquisition of products and product components that are delivered to the project's customer. Throughout the process areas, where we use the terms product and product component, their intended meanings also encompass services and their components.

Examples of products and product components that may be acquired by the project include the following:

- Subsystems (e.g., navigational system on an airplane)
- Software
- Hardware
- Documentation (e.g., installation, operator's, and user's manuals)
- Parts and materials (e.g., gauges, switches, wheels, steel, and raw materials)

To minimize risks to the project, this process area can also address the acquisition of significant products and product components not delivered to the project's customer but used to develop and maintain the product or service (for example, development tools and test environments).

Typically, the products to be acquired by the project are determined during the early stages of the planning and development of the product. The Technical Solution process area provides practices for determining the products and product components that may be acquired from suppliers.

This process area does not directly address arrangements in which the

is integrated into the project team and uses the same processes and reports to the same management as the product developers (for example, integrated teams). Typically, these situations are handled by other processes or functions, possibly external to the project, though some of the specific practices of this process area may be useful in managing the formal agreement with such a supplier.

Suppliers may take many forms depending on business needs, including in-house vendors (i.e., vendors that are in the same organization but are external to the project), fabrication capabilities and laboratories, and commercial vendors. (See the definition of “

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. A formal agreement is any legal agreement between the organization (representing the project) and the supplier. This agreement may be a contract, license, service level agreement, or memorandum of agreement. The acquired product is delivered to the project from the supplier according to this formal agreement (also known as the “supplier agreement”)

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defining requirements.

Refer to the Requirements Management process area for more information about managing requirements, including

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traceability of requirements for products acquired from suppliers

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and product components that may be acquired from suppliers.

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Establish Supplier Agreements

Agreements with the suppliers are established and maintained.

SP 1.1 Determine Acquisition Type

Determine the type of acquisition for each product or product component to be acquired.

Refer to the Technical Solution process area for more information about identifying the products and product components to be acquired.

There are many different types of acquisition that can be used to acquire products and product components that will be used by the project.

Examples of types of acquisition include the following:

- Purchasing commercial off-the-shelf (COTS) products
- Obtaining products through a contractual agreement
- Obtaining products from an in-house vendor
- Obtaining products from the customer
- Combining some of the above (e.g., contracting for a modification to a COTS product or having another part of the business enterprise codevelop products with an external supplier)

In the event that COTS products are desired, care in evaluating and selecting these products and the vendor may be critical to the project. Things to consider in the selection decision include proprietary issues and the availability of the products.

Typical Work Products

1. List of the acquisition types that will be used for all products and product components to be acquired

SP 1.2 Select Suppliers

Select suppliers based on an evaluation of their ability to meet the specified requirements and established criteria.

Refer to the Decision Analysis and Resolution process area for more information about formal evaluation approaches that can be used to select suppliers.

Refer to the Requirements Management process area for more information about specified requirements.

Criteria should be established to address factors that are important to the project.

Examples of factors include the following:

- Geographical location of the supplier
- Supplier's performance records on similar work
- Engineering capabilities
- Staff and facilities available to perform the work
- Prior experience in similar applications

Typical Work Products

1. Market studies
2. List of candidate suppliers
3. Preferred supplier list

4. Trade study or other record of evaluation criteria, advantages and disadvantages of candidate suppliers, and rationale for selection of suppliers
5. Solicitation materials and requirements

Subpractices

1. Establish and document criteria for evaluating potential suppliers.
2. Identify potential suppliers and distribute solicitation material and requirements to them.

A proactive manner of performing this activity is to conduct market research to identify potential sources of candidate products to be acquired, including candidates from suppliers of custom-made products and vendors of COTS products.

Refer to the Organizational Innovation and Deployment process area for examples of sources of process and technology improvements and how to pilot and evaluate such improvements.

3. Evaluate proposals according to evaluation criteria.
4. Evaluate risks associated with each proposed supplier.

Refer to the Risk Management process area for more information about evaluating project risks.

5. Evaluate proposed suppliers' ability to perform the work.

Examples of methods to evaluate the proposed supplier's ability to perform the work include the following:

- Evaluation of prior experience in similar applications
- Evaluation of prior performance on similar work
- Evaluation of management capabilities
- Capability evaluations
- Evaluation of staff available to perform the work
- Evaluation of available facilities and resources
- Evaluation of the project's ability to work with the proposed supplier
- Evaluation of the impact of candidate COTS products on the project's plan and commitments

When COTS products are being evaluated consider the following:

- Cost of the COTS products
- Cost and effort to incorporate the COTS products into the project
- Security requirements
- Benefits and impacts that may result from future product releases

Future releases of the COTS product may provide additional features that support planned or anticipated enhancements for the project, but may result in the supplier discontinuing support of its current release.

6. Select the supplier.

SP 1.3 Establish Supplier Agreements

Establish and maintain formal agreements with the supplier.

IPPD Addition

When integrated teams are formed, team membership should be negotiated with suppliers and incorporated into the agreement. The agreement should identify any integrated decision making, reporting requirements (business and technical), and trade studies requiring supplier involvement. The supplier efforts should be orchestrated to support the IPPD efforts undertaken by the acquirer.

A formal agreement is any legal agreement between the organization (representing the project) and the supplier. This agreement may be a contract, license, service level agreement, or memorandum of agreement.

The content of the agreement should specify the reviews, monitoring, evaluations, and acceptance tests to be performed, if such activities are appropriate to the acquisition or product being acquired.

Typical Work Products

1. Statements of work
2. Contracts
3. Memoranda of agreement
4. Licensing agreement

Subpractices

1. Revise the requirements (e.g., product requirements and service level requirements) to be fulfilled by the supplier to reflect negotiations with the supplier when necessary.

Refer to the Requirements Development process area for more information about revising requirements.

Refer to the Requirements Management process area for more information about managing changes to requirements.

2. Document what the project will provide to the supplier.

Include the following:

Project-furnished facilities
Documentation

Services

3. Document the supplier agreement.

The supplier agreement should include a statement of work, a specification, terms and conditions, a list of deliverables, a schedule, a budget, and a defined acceptance process.

This subpractice typically includes the following:

- Establishing the statement of work, specification, terms and conditions, list of deliverables, schedule, budget, and acceptance process

- Identifying who from the project and supplier are responsible and authorized to make changes to the supplier agreement

- Identifying how requirements changes and changes to the supplier agreement are to be determined, communicated, and addressed

- Identifying standards and procedures that will be followed

- Identifying critical dependencies between the project and the supplier

- Identifying the type and depth of project oversight of the supplier, procedures, and evaluation criteria to be used in monitoring supplier performance including selection of processes to be monitored and work products to be evaluated

- Identifying the types of reviews that will be conducted with the supplier

- Identifying the supplier's responsibilities for ongoing maintenance and support of the acquired products

- Identifying warranty, ownership, and usage rights for the acquired products

- Identifying acceptance criteria

In some cases, selection of COTS products may require a supplier agreement in addition to the agreements in the product's license.

Examples of what could be covered in an agreement with a COTS supplier include the following:

- Discounts for large quantity purchases

- Coverage of relevant stakeholders under the licensing agreement, including project suppliers, team members, and the project's customer

- Plans for future enhancements

- On-site support, such as responses to queries and problem reports

- Additional capabilities that are not in the product

- Maintenance support, including support after the product is withdrawn from general availability

4. Periodically review the supplier agreement to ensure it accurately reflects the project's relationship with the supplier and current risks and market conditions.
5. Ensure that all parties to the agreement understand and agree to all requirements before implementing the agreement or any changes.

6. Revise the supplier agreement as necessary to reflect changes to the supplier's processes or work products.
7. Revise the project's plans and commitments, including changes to the project's processes or work products, as necessary to reflect the supplier agreement.

Refer to the Project Monitoring and Control process area for more information about revising the project plan.

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Refer to the Project Monitoring and Control process area for more information about conducting reviews.

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Evaluate Selected Supplier Work Products

Select and evaluate work products from the supplier of custom-made products.

The scope of this specific practice is limited to suppliers providing the project with custom-made products, particularly those that present some risk to the program due to complexity or criticality. The intent of this specific practice is to evaluate selected work products produced by the supplier to help detect issues as early as possible that may affect the supplier's ability to satisfy the requirements of the agreement. The work products selected for evaluation should include critical products, product components, and work products that provide insight into quality issues as early as possible.

Typical Work Products

1. List of work products selected for monitoring or rationale for non-selection
2. Activity reports
3. Discrepancy reports

Subpractices

1. Identify those work products that are critical to the success of the project and that should be evaluated to help detect issues early.

Examples of work products that may be critical to the success of the project include the following:

- Requirements
- Analyses
- Architecture
- Documentation

2. Evaluate the selected work products.

Work products are evaluated to ensure the following:

- Derived requirements are traceable to higher level requirements
- The architecture is feasible and will satisfy future product growth and reuse needs.
- Documentation that will be used to operate and to support the product is adequate.
- Work products are consistent with one another.
- Products and product components (e.g., custom-made, off-the-shelf, and customer-supplied products) can be integrated.

3. Determine and document actions needed to address deficiencies identified in the evaluations.

Refer to the Project Monitoring and Control process area for more information about taking corrective action.

SP 2.4

Acceptance reviews and tests and configuration audits should be completed before accepting the product as defined in the supplier agreement.

Typical Work Products

1. Acceptance test procedures
2. Acceptance test results
3. Discrepancy reports or corrective action plans

Subpractices

1. Define the acceptance procedures.
2. Review and obtain agreement with relevant stakeholders on the acceptance procedures before the acceptance review or test.
3. Verify

Refer to the Verification process area for more information about verifying products.

4. Confirm that the nontechnical commitments associated with the acquired work

Generic Practices by Goal

Continuous Only

GG 1 Achieve Specific Goals

The process supports and enables achievement of the specific goals of the process area by transforming identifiable input work products to produce identifiable output work products.

GP 1.1 Perform Specific Practices

Perform the specific practices of the supplier agreement management process to develop work products and provide services to achieve the specific goals of the process area.

GG

The process is institutionalized as a managed process.

GP 2.1 Establish an Organizational Policy

Establish and maintain an organizational policy for planning and performing the supplier agreement management process.

Elaboration:

This policy establishes organizational expectations for establishing, maintaining, and satisfying supplier agreements.

GP 2.2 Plan the Process

Establish and maintain the plan for performing the supplier agreement management process.

Elaboration:

Portions of this plan for performing the supplier agreement management process can be part of (or referenced by) the project plan as described in the Project Planning process area. Often, however, some portions of the plan reside outside of the project with an independent group, such as contract management.

GP 2.3 Provide Resources

Provide adequate resources for performing the supplier agreement management process, developing the work products, and providing the services of the process.

Elaboration:

Examples of resources provided include the following tools:

- Preferred supplier lists
- Requirements tracking programs
- Project management and scheduling programs

GP 2.4 Assign Responsibility

Assign responsibility and authority for performing the process, developing the work products, and providing the services of the supplier agreement management process.

GP 2.5 Train People

Train the people performing or supporting the supplier agreement management process as needed.

Elaboration:

Examples of training topics include the following:

- Regulations and business practices related to negotiating and working with suppliers
- Acquisition planning and preparation
- COTS products acquisition
- Supplier evaluation and selection
- Negotiation and conflict resolution
- Supplier management
- Testing and transitioning of acquired products
- Receiving, storing, using, and maintaining acquired products

GP 2.6 Manage Configurations

Place designated work products of the supplier agreement management process under appropriate levels of control.

Elaboration:

Examples of work products placed under control include the following:

- Statements of work
- Supplier agreements
- Memoranda of agreement
- Subcontracts
- Preferred supplier lists

GP 2.7 Identify and Involve Relevant Stakeholders

Identify and involve the relevant stakeholders of the supplier agreement management process as planned.

Elaboration:

Examples of activities for stakeholder involvement include the following:

- Establishing criteria for evaluation of potential suppliers
- Reviewing potential suppliers
- Establishing supplier agreements
- Resolving issues with suppliers
- Reviewing supplier performance

GP 2.8 Monitor and Control the Process

Monitor and control the supplier agreement management process against the plan for performing the process and take appropriate corrective action.

Elaboration:

Examples of measures and work products used in monitoring and controlling include the following:

- Number of changes made to the requirements for the supplier
- Cost and schedule variance per supplier agreement
- Number of supplier work product evaluations completed (planned versus actuals)
- Number of supplier process evaluations completed (planned versus actuals)
- Schedule for selecting a supplier and establishing an agreement

GP 2.9 Objectively Evaluate Adherence

Objectively evaluate adherence of the supplier agreement management process against its process description, standards, and procedures, and address noncompliance.

Elaboration:

Examples of activities reviewed include the following:

Establishing and maintaining supplier agreements

Satisfying supplier agreements

Examples of work products reviewed include the following:

Plan for Supplier Agreement Management

Supplier agreements

GP 2.10 Review Status with Higher Level Management

Review the activities, status, and results of the supplier agreement management process with higher level management and resolve issues.

Staged Only

GG3 and its practices do not apply for a maturity level 2 rating, but do apply for a maturity level 3 rating and above.

Continuous/Maturity Levels 3 - 5 Only

GG 3 Institutionalize a Defined Process

The process is institutionalized as a defined process.

GP 3.1 Establish a Defined Process

Establish and maintain the description of a defined supplier agreement management process.

GP 3.2 Collect Improvement Information

Collect work products, measures, measurement results, and improvement information derived from planning and performing the supplier agreement management process to support the future use and improvement of the organization's processes and process assets.

Elaboration:

Examples of work products, measures, measurement results, and improvement information include the following:

Results of supplier reviews

Continuous/Maturity Levels 3 - 5 Only

Trade studies used to select suppliers
Revision history of supplier agreements
Supplier performance reports
Results of supplier work product and process evaluations

Continuous Only

GG 4 Institutionalize a Quantitatively Managed Process

The process is institutionalized as a quantitatively managed process.

GP 4.1 Establish Quantitative Objectives for the Process

Establish and maintain quantitative objectives for the supplier agreement management process, which address quality and process performance, based on customer needs and business objectives.

GP 4.2 Stabilize Subprocess Performance

Stabilize the performance of one or more subprocesses to determine the ability of the supplier agreement management process to achieve the established quantitative quality and process-performance objectives.

GG 5 Institutionalize an Optimizing Process

The process is institutionalized as an optimizing process.

GP 5.1 Ensure Continuous Process Improvement

Ensure continuous improvement of the supplier agreement management process in fulfilling the relevant business objectives of the organization.

GP 5.2 Correct Root Causes of Problems

Identify and correct the root causes of defects and other problems in the supplier agreement management process.