Supplier Performance Management Framework
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Supplier Performance Management

Introduction

WA government agencies' ability to easily and reliably measure the performance of suppliers is vital in the successful delivery of goods or services for any contract. To assist agencies manage supplier performance, the Department of Finance (Finance) has developed the Supplier Performance Management (SPM) Framework to help ensure best practice contract management is followed.

Finance is encouraging agencies to apply SPM across the majority of their contracts so they receive the best supplier performance possible.

What is supplier performance management?

SPM is a business practice to measure, analyse and manage supplier performance to manage risk, monitor costs, identify performance gaps, drive improvement and achieve contract outcomes.

The key tasks associated with effective SPM are:

- Establishing clear, measurable and realistic key performance indicators (KPIs), the service level required, the performance target (KPI target) and the minimum service level (minimum compliance), which are communicated to suppliers in the Request.
- Analysing, measuring and documenting the performance of the supplier regularly based on the agreed KPIs.
- Managing the performance of the supplier including regular feedback relating to their performance to ensure they meet or exceed the agreed KPIs during the contract and close to or at contract completion.

SPM is an essential component of best practice contract management. For an agency to achieve the desired outcomes of any contract, SPM needs to be considered early in the procurement process during procurement planning.

What are the benefits of supplier performance management?

If performed correctly by agencies, SPM can:

- Help agencies receive quality goods and services based on the contract requirements and achieve value for money.
- Reduce the possibility of poor supplier performance and make the supplier accountable for their performance on the contract.
- Identify areas for the supplier to improve their performance.
- Manage the risks associated with the contract.
- Improve the Contract Manager's (and other agency staff) understanding of the risks associated with the contract and their role in managing supplier performance.
• Provide clarity to suppliers on the required standard of performance needed on the contracts they are awarded.

• Establish good working relationships with suppliers, where their performance is discussed openly and honestly.

• Provide documented evidence which can be included as information when evaluating Offers for future procurement processes (i.e. poor performing suppliers are not awarded future contracts).

**Risks if supplier performance management is not completed**

If supplier performance management is not performed correctly or at all by agencies, the risks include:

• Failure of the supplier to fulfil contractual requirements.

• Agencies paying more for goods or services than they should.

• Poor quality goods and services received by the Customer.

• The supplier not willing to improve performance.

• Difficulty in managing the contract.

• Poor working relationships with suppliers.

• Limited recordkeeping of supplier performance.

• Not achieving value for money outcomes.

**Who does supplier performance management?**

Agency staff working on procurement planning and contract formation is responsible for determining the KPIs the successful Respondent(s) need to achieve when supplying goods and services on the contract.

As the key agency contact, the Contract Manager is responsible for:

• Analysing, measuring and documenting the performance of the supplier against the agreed KPIs.

• Managing the supplier’s performance to ensure they meet or exceed agreed KPIs.

• Providing feedback to the supplier on their performance during the contract term and close to or at the contract completion.

Ideally, the person who will be responsible for managing the contract within the agency after award should be identified once the procurement has been approved. The nominated Contract Manager can then participate in the procurement planning and contract formation phases, and have a good understanding of the contract requirements, including the KPIs established, and how they will be analysed, measured and documented.
When does supplier performance management occur?

SPM applies to all three stages of the procurement process - procurement planning, contract formation and contract management. For further information on the tasks associated with SPM, go the Supplier Performance Management Framework section of the document.
Supplier Performance Management Framework

The SPM Framework developed provides agencies with:

- An overarching process to follow, including tasks to perform to help maximize supplier performance.
- A common supplier performance assessment tool applicable across all contracts.

The SPM Framework is relevant to goods and services procurement including agency contracts, Common Use Arrangements (CUAs) and strategic projects.

What is included in the SPM Framework?

The framework provides information on how to:

- Determine the level of SPM needed based on the procurement method and value of the contract.
- Create KPIs to measure supplier performance on the contract.
- Analyse, measure and document supplier performance on agreed KPIs.
- Manage supplier performance including regular feedback relating to their performance.
- Review supplier performance with the SPM Assessment Questionnaire and SPM Assessment Scorecard during the contract and close to or at contract completion.

The SPM Framework contains:

- Tasks to complete relating to SPM.
- Links to Finance procurement templates, which contain instructions on the inclusion of SPM information.
- Information sheets relating to SPM.
- Tools to complete SPM tasks.

What are some common KPIs?

Below are some common KPIs agencies can include in contracts. The KPIs can be split into either administration or performance KPIs.

Contract administration KPIs

Contract administration KPIs are those established to help Contract Managers manage the contract. Some common contract administration KPIs are:

- Compliance with agreed invoicing requirements (e.g. timeliness of invoicing and the accuracy of invoicing against agreed contract pricing).
- Compliance with agreed reporting requirements (e.g. timeliness of reporting and the accuracy of data against agreed reporting).
• Adherence to agreed meeting schedule.
• Compliance with agreed insurance requirements (e.g. timeliness of updated Certificates of Currency and the coverage of insurance).

Contract performance KPIs
Contract performance KPIs are those established to help Contract Managers determine if the supplier is performing to the required standard. Some common contract performance KPIs are:

• Customer service provided to the agency buyers.
• Compliance with delivery of goods and services against contract requirements. (e.g. timeliness and accuracy).
• Commitment to work with the agency to resolve issues.
• Compliance with quality of goods and/or services received against contract requirements.
• Compliance with transition in and transition out requirements.
• Compliance with any other contract performance KPIs specific to the contract.
• Overall performance of the supplier.

The KPIs above are not an exhaustive list to be included in all contracts. Every contract is different, and the common KPIs listed above can be added to or removed if not applicable.

I have KPIs but what else do I need?
To be useful, KPIs need to have the below elements completed:

• The service level required of the KPI.
• The performance target of the KPI (KPI target).
• The minimum the service level required of the KPI (minimum compliance).
• How the KPI is measured or calculated.
• The data needed to measure the KPI (this may impact on any reporting requirements established with the supplier).
• How frequently the KPI will be measured.

This abovementioned information needs to be included in the Request. KPIs can then be analysed, measured and documented throughout the life of the contract so feedback can be given to suppliers at regular meetings.

How can I assess supplier performance?
To help the Contract Manager provide feedback to a supplier, the SPM Assessment Questionnaire and SPM Assessment Scorecard are available. The SPM Assessment
Questionnaire includes questions relating to the common KPIs listed earlier, asking the Contract Manager to provide a score based on their and/or their agency’s experience with the supplier.

The Contract Manager is expected to complete the SPM Assessment Questionnaire and SPM Assessment Scorecard based on the KPIs measurements and information documented while managing the contract. After completing the SPM Assessment Questionnaire, the Contract Manager needs to meet with the supplier representative to have a SPM Review Meeting, where:

- The results of the SPM Assessment Questionnaire, including the Overall Rating of the supplier is discussed.
- The supplier’s performance against KPIs is reviewed.
- The supplier representative can comment on their performance.

If the supplier’s performance has been analysed, measured and documented by the Contract Manager, and there has been regular communication between the Contract Manager and the supplier representative regarding the supplier’s performance, then the SPM Review Meeting should be a straightforward exercise.

It is recommended that the SPM Assessment Questionnaire and SPM Assessment Scorecard are used as an ongoing SPM tool by the Contract Manager at regular stages throughout the life of the contract. The minimum requirement is for the Contract Manager to complete the SPM Assessment Questionnaire and SPM Assessment Scorecard close to or at the completion of the contract.

How do I use the SPM Framework?

Stage 1 – Review the SPM Planning Matrix
The SPM Planning Matrix in Appendix A is to be used by agency buyers as a starting point to determine the level of supplier performance management they can apply to a contract dependent upon the procurement method and contract value.

Stage 2 – Review the SPM Process Checklist
The SPM Process Checklist in Appendix B is to be used by agency buyers to determine the tasks needing to be completed based on the SPM classification of the procurement. The tasks completed are to ensure the performance of the supplier is managed appropriately. While the SPM Process Checklist is a guide which identifies certain tasks for the three levels of SPM, it is at the discretion of the agency to determine what needs to be completed for each contract.

Stage 3 – SPM tasks during procurement planning
There are tasks relevant to SPM at all three stages of the procurement process - procurement planning, contract formation and contract management. However, it is critical that tasks
associated with SPM are completed early in the procurement process. Below are some common tasks associated with establishing effective SPM.

**Determine who the Contract Manager will be once the contract starts.**
Ideally the person who will manage the contract will participate in the procurement planning and contract formation phases. This will give them a good understanding of the contract requirements, including the KPIs established and how these will be analysed, measured and documented.

**Research Tenders WA to find similar contracts awarded.**
Tenders WA provides an online record of contracts over $50,000. It is a useful starting point to research similar contracts to find the agencies that advertised them and the suppliers awarded the work. Contact the applicable agencies to hear about their experiences with suppliers that may be potential Respondents.

**Identify the key success and risk factors for the procurement.**
With knowledge of what will make the contract successful, and what poses risks to its success, this can help determine the KPIs the supplier needs to achieve to ensure the agency is satisfied with their performance. Conducting a risk assessment is a good way for identifying contract risks, and developing strategies to mitigate any risk.

**Determine the KPIs.**
Effective SPM has clarity on what is expected of the supplier throughout the life of the contract. KPIs should be identifiable, measurable and achievable. Each contract is different, but at a minimum, the common KPIs listed in the SPM Framework should be considered to be included in the Request.

**Determine reporting requirements and supplier meeting schedule.**
All reporting requirements, especially information or data provided by the supplier which is used to measure KPIs, should be identified at this stage. Agencies should also decide on an appropriate supplier meeting schedule for the contract. The regular supplier meetings are to be used to provide feedback on supplier performance, and their performance against KPIs.

**Applicable templates and supporting documents.**
- [SPM Process Checklist](#) (Appendix B)

The documents below can be located in the following Finance web pages:

- **Goods and Services Templates and Guides** (Contract Planning)
  - Risk Workbook template
  - Procurement Plan template

- **I Manage a Contract - Resources**
  - Contract Manager Check list
  - Planning for Contract Management – Information sheet
  - Key Performance Indicators – Information sheet
• Monitoring Performance – Information sheet

Stage 4 – SPM tasks during contract formation

With the planning around SPM having occurred in the procurement planning phase, the next step is to include this information in the Request.

**Include the KPIs in the Request.**

For a supplier to be held accountable for their performance on the contract, the KPIs established should be included in the Request. This is to ensure the supplier is aware of and understands that their performance will be measured against the agreed KPIs.

**Include qualitative requirements asking Respondent’s to demonstrate their experience / capacity / methodology / quality in meeting KPIs in the Request.**

The Request should include qualitative requirements that seek Respondents input to illustrate their ability to meet the KPIs.

**Include reporting requirements to enable the Contract Manager to analyse and measure KPIs in the Request.**

If there is information or data the agency does not or cannot collect to measure or calculate KPIs, and the supplier can provide this information to the agency, this should be included in the reporting requirements in the Request.

**Include the supplier meeting schedule to enable the Contract Manager to provide feedback on supplier performance.**

The Request should include the meeting schedule for the agency and supplier to use as the forum to discuss supplier performance.

**Assess the Respondent’s ability to perform the KPIs during the tender evaluation.**

With the Request including qualitative requirements that seek Respondents input to illustrate their ability to meet the KPIs, this can be evaluated as part of the value for money assessment. This can assist the evaluation panel determine the Respondent’s suitability as a supplier, and give the panel confidence the Respondent can deliver the contract to the required standard.

**Research Tenders WA to contact agencies for referee reports on preferred/recommended Respondents awarded similar contracts.**

With Finance encouraging agencies to focus on SPM, the aim is for the agencies to document the supplier performance of numerous Contractors to WA Government. Use Tenders WA to seek information from other agencies on recommended or preferred Respondents who have provided similar to goods and services to WA Government as part of the due diligence process.

**Include the KPIs in the award letter.**

The KPIs established from the Request should be included in the contract award letter. This confirms that both parties are clear and agree on the criteria to be used to measure and manage supplier performance. Suppliers need to know that they are going to be assessed and the criteria against which they will be assessed. This information from the Request should not change, unless subject to negotiation.
Ensure contract details are entered on Tenders WA.
By entering the contract details on Tenders WA, this will enable other agencies to seek information on supplier performance from the agency which has awarded the contract. However, this can only occur if KPIs are detailed in Request, and analysed, measured and documented during the term of the contract.

Applicable templates and supporting documents
- SPM Process Checklist (Appendix B)

The documents below can be located in the following Finance web pages:

Goods and Services Templates and Guides (Contract Formation)
- The Written Quotes Template Suite
- Request for Quote (Cleaning)
- Request
- Request for Tender (Cleaning)
- Request for Tender (ICT, CUA, Group Buy and Panel)
- Award Letter

Stage 5 – SPM tasks during contract management
Contract Manager includes in the Contract Management Plan the KPIs and how the supplier’s performance will be managed.

The agency Contract Management Plan, in whatever form it takes, should include:
- The KPIs established.
- How the KPIs will be analysed and measured by the Contract Manager.
- The supplier meeting schedule to review supplier performance.

Contract Manager analyses, measures and documents the performance of the supplier regularly to determine if they meet or exceed the agreed KPIs.
Use the Contract Management Workbook or contract file to record the measurement against the agreed KPIs, and provide a link to the data source to verify the accuracy of the measurement. All KPIs measurements should be documented, along with the data that verifies the accuracy of the measurement. These records will assist the Contract Manager to complete the SPM Assessment Questionnaire and SPM Assessment Scorecard during the contract, and/or at the completion of the contract.

If information or data has been provided by the supplier so the KPI can be measured, it is always advisable for the Contract Manager to verify the accuracy of this.

Contract Manager provides regular feedback to the supplier on their performance against KPIs and other supplier performance areas at regular meetings.
The Contract Manager should meet with the supplier regularly to provide feedback on their performance on the contract. This is a good opportunity to raise and resolve any issues, and
pass on information to the supplier if they are underperforming or exceeding the required standard. Supplier meetings should be minuted to ensure that a documented record is kept of supplier performance and any issues raised by either party.

**Contract Manager organises a SPM Review Meeting to discuss the SPM Assessment Questionnaire and Overall Rating.**

Before the SPM Assessment Questionnaire is completed, the Contract Manager should organise an SPM Review Meeting with the supplier. The purpose of the SPM Review Meeting is to discuss the results of the SPM Assessment Questionnaire and Overall Rating for the applicable contract.

**Contract Manager completes and saves the SPM Assessment Questionnaire and Overall Rating.**

The records of meetings, any issues during the contract, and the supplier performance compared to KPIs are to be used when completing the SPM assessment questionnaire. This is why it is vital for Contract Manager’s to maintain records on supplier performance, as having a documented trail of supplier performance and issues will assist the agency when completing the SPM Assessment Questionnaire and discussing supplier performance with the supplier.

In situations where the Contract Manager is not in the best position to comment on supplier performance, especially for satisfaction ratings, the Contract Manager needs to get feedback from end users on their experiences with the supplier. This can be completed by one-on-one interviews and/or surveys seeking Customer feedback against a defined set of questions.

The Overall Rating given to the supplier from the SPM Assessment Questionnaire is the average score of the answers in the questionnaire excluding any not applicable.

**Contract Manager conducts the SPM Review Meeting and completes the SPM Assessment Scorecard.**

SPM Review Meeting is the designated meeting for the Contact Manager to discuss the SPM Assessment Questionnaire result, the Overall Rating given to the supplier based on the questionnaire answers, and the supplier’s performance measured against the KPIs. At the SPM Review Meeting, the supplier should have the opportunity to provide comment on their performance. The Contract Manager should ensure that the SPM Review Meeting is minuted and retained on file as supporting documentation for the SPM Assessment Scorecard.

**Contract Manager saves and files the SPM Assessment Scorecard.**

Each agency should maintain its SPM Assessment Scorecard for each supplier for each contract they have completed. The SPM Assessment Scorecard should be retained on the file with the contract records. By regularly analysing, measuring and documenting supplier performance, agencies will have access to supplier performance history. Past or current supplier performance can be taken into account when evaluating Offers for future procurements from the same supplier, as long as it has been properly documented.

**Applicable templates and supporting documents**

- [SPM Process Checklist](#) (Appendix B)
• **SPM Assessment Questionnaire** (Appendix D)
• **SPM Assessment Scorecard** (Appendix E)

The documents below can be located in the following Finance web page:

**Goods and Services Templates and Guides** (Contract Management)

• Contract Management Plan template

The documents below can be located in the following Finance web page:

**I Manage a Contract - Resources**

• Contract Manager Top Tips
• Contract Manager Check list
• Managing Contract Problems – Information sheet
• Planning for Contract Management – Information sheet
• Key Performance Indicators – Information sheet
• Monitoring Performance – Information sheet
• Contract Management Workbook – Agency Period Contract
• Contract Management Workbook – Agency One Off Contracts
• Contract Performance Review Meeting Agenda template

**Contacts**

For further assistance regarding the application of the SPM Framework please email the **Assistant Director Agency Procurement Services**.
Appendix A – SPM Planning Matrix

For information about how to use this Matrix go to [Stage 1 – Review the SPM Planning Matrix](#) of this document.

<table>
<thead>
<tr>
<th>Contract Value (1)</th>
<th>Direct Purchase or Verbal Quote</th>
<th>Written Quote</th>
<th>Tender</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $250,000</td>
<td>Minimum</td>
<td>Mid</td>
<td></td>
</tr>
<tr>
<td>$250,000 - $1 million</td>
<td></td>
<td></td>
<td>Mid</td>
</tr>
<tr>
<td>$1 million – $5 million</td>
<td></td>
<td></td>
<td>Full</td>
</tr>
<tr>
<td>$5 million or more</td>
<td></td>
<td></td>
<td>Full</td>
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</table>
## Appendix B – SPM Process Checklist

For information about how to use this Checklist go to Stage 2 – Review the SPM Planning Checklist of this document.

### Procurement planning checklist

Note: The table has been prepared for use. Under the columns ‘Min’, ‘Mid’ and ‘Full’, Y indicates yes, it is applicable.

<table>
<thead>
<tr>
<th>Procurement planning</th>
<th>Responsibility</th>
<th>Min</th>
<th>Mid</th>
<th>Full</th>
<th>Required</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Determine Contract Manager</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Review previous supplier performance (Quote/ Tender)</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Review previous contract performance</td>
<td>Agency</td>
<td></td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research Tenders WA for similar contracts and contact agencies</td>
<td>Agency</td>
<td></td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct risk assessment</td>
<td>Agency</td>
<td></td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Develop risk register</td>
<td>Agency</td>
<td></td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determine specification/outcomes</td>
<td>Agency</td>
<td></td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determine qualitative requirements</td>
<td>Agency</td>
<td></td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determine KPIs, service levels and performance targets</td>
<td>Agency</td>
<td></td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determine reporting requirements</td>
<td>Agency</td>
<td></td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determine meeting requirement</td>
<td>Agency</td>
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<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
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<tr>
<td>Determine SLA</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determine performance guarantee</td>
<td>Agency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Determine dispute/issue resolution and termination processes (if standard RC &amp; GCOC insufficient)</td>
<td>Agency</td>
<td></td>
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</table>
## Contract Formation checklist

<table>
<thead>
<tr>
<th>Quote/Tender</th>
<th>Responsibility</th>
<th>Min</th>
<th>Mid</th>
<th>Full</th>
<th>Required</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detail specification/outcomes</td>
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<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Detail key dates</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Detail qualitative requirements</td>
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<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Detail KPIs, service levels and performance targets</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Detail reporting requirements</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Detail meeting requirements</td>
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<td>Y</td>
<td>Y</td>
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<td>Y</td>
<td></td>
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<td>Detail SLA</td>
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<tr>
<td>Detail performance guarantee</td>
<td>Agency</td>
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<td>Detail dispute/issue resolution and termination processes (If standard RC &amp; GCOC insufficient)</td>
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<td></td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct pre-tender briefings/site visits</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
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<table>
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<th>Required</th>
<th>Completed</th>
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<tbody>
<tr>
<td>Evaluate Quote/Tender for agreement to SPM requirements</td>
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<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
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<tr>
<td>Conduct referee checks including SPM Assessment Scorecard</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
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<tr>
<td>Conduct financial checks</td>
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<td>Y</td>
<td>Y</td>
<td>Y</td>
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<td>Conduct business checks</td>
<td>Agency</td>
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<td>Y</td>
<td>Y</td>
<td>Y</td>
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<tr>
<td>Award</td>
<td>Responsibility</td>
<td>Min</td>
<td>Mid</td>
<td>Full</td>
<td>Required</td>
<td>Completed</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
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<td>-----</td>
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</tr>
<tr>
<td>Agree specification/outcomes</td>
<td>Agency/Supplier</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
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<td>Agree key dates</td>
<td>Agency/Supplier</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agree KPIs, service levels and performance targets</td>
<td>Agency/Supplier</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agree reporting requirements</td>
<td>Agency/Supplier</td>
<td>Y</td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agree meeting requirements</td>
<td>Agency/Supplier</td>
<td>Y</td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agree SLA</td>
<td>Agency/Supplier</td>
<td></td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agree performance guarantee</td>
<td>Agency/Supplier</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agree dispute/issue resolution and termination processes</td>
<td>Agency/Supplier</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enter contract details on Tenders WA</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintain Risk Register</td>
<td>Agency</td>
<td></td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Contract Management checklist**

<table>
<thead>
<tr>
<th>Award</th>
<th>Responsibility</th>
<th>Min</th>
<th>Mid</th>
<th>Full</th>
<th>Required</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finalise contract management plan or equivalent document</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitor delivery of specification/outcomes</td>
<td>Agency/Supplier</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitor key dates</td>
<td>Agency/Supplier</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analyse reporting to measure performance  (inc SLAs, KPIs)</td>
<td>Agency/Supplier</td>
<td>Y</td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct and document meetings</td>
<td>Agency/Supplier</td>
<td></td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receive and provide feedback to supplier</td>
<td>Agency/Supplier</td>
<td></td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conduct performance/contract reviews or audits</td>
<td>Agency/Supplier</td>
<td></td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Review financial and business checks</td>
<td>Agency</td>
<td></td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Document dispute and issue resolution</td>
<td>Agency/Supplier</td>
<td></td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
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<tr>
<td>Task</td>
<td>Category</td>
<td>Yes</td>
<td>No</td>
<td></td>
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<tr>
<td>----------------------------------------------------------------------</td>
<td>------------------</td>
<td>-----</td>
<td>----</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintain risk register</td>
<td>Agency</td>
<td></td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organise SPM review meeting</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete and save the SPM assessment questionnaire</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Conduct SPM review meeting</td>
<td>Agency/Supplier</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete and save the SPM assessment scorecard</td>
<td>Agency</td>
<td>Y</td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix C – Principles for completing the SPM Assessment Questionnaire and Scorecard

- If the supplier performance requirements are not included in your Request document you will not be able to enforce the requirements unless agreement is negotiated with the supplier post award.

- Agencies must document in the Contract Management Plan the SPM requirements for the contract and advise suppliers of the requirements including how and when the reviews will be undertaken throughout the contract.

- Suppliers are to be provided with opportunity to review and respond to Overall Rating from the Questionnaire.

- The Overall Rating will be based on the supplier’s performance, and not individual resources providing the goods or services.

- The Overall Rating can only be applied against contracts awarded after this initiative is implemented.

- The answers to the SPM Assessment Questionnaire must relate to service requirements/deliverables on the contract, together with overall satisfaction.

- Agencies must provide the details of the Contract Manager responsible for the management of the supplier performance when completing the SPM Assessment Questionnaire and Scorecard.
Appendix D – SPM Assessment Questionnaire

Public Authority Name:
Assessment competed by:
Date assessment completed:

Summary of Procurement

Contract Details

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Contract Title</th>
<th>Contractor</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Period</th>
<th>Contract Value</th>
<th>UNSPSC Code</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Manager</th>
<th>Meeting Type</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Either mid-contract review or final review.</td>
</tr>
</tbody>
</table>

Before completing the assessment questionnaire, can the Contract Manager confirm that:

- The performance measures covered in the assessment questionnaire were detailed in the Request, and a performance standard for this contract was agreed by the Contractor?
  Yes or No?

- The performance standard has been analysed, measured and documented by the Contract Manager?
  Yes or No?

- Has the Contract Manager scheduled a SPM Review Meeting with the Contractor, where the outcome of the questionnaire and overall rating will be discussed?
  Yes or No?

If the answer to any of the above questions is ‘No’, this supplier performance management assessment questionnaire cannot be completed without the agreement of the supplier. If the answer to all the above questions is ‘Yes’ please commence the assessment questionnaire below:

Contract administration KPIs
How satisfied are you with the supplier’s:
A. Compliance with agreed invoicing requirements (e.g. timeliness of invoicing and the accuracy of invoicing against agreed contract pricing).

1. Very dissatisfied
2. Dissatisfied
3. Neither dissatisfied nor satisfied
4. Satisfied
5. Very satisfied
6. Not applicable

Comment:

B. Compliance with agreed reporting requirements (e.g. timeliness of reporting and the accuracy of data against agreed reporting).

1. Very dissatisfied
2. Dissatisfied
3. Neither dissatisfied nor satisfied
4. Satisfied
5. Very satisfied
6. Not applicable

Comment:

C. Adherence to agreed meeting schedule.

1. Very dissatisfied
2. Dissatisfied
3. Neither dissatisfied nor satisfied
4. Satisfied
5. Very satisfied
6. Not applicable

Comment:

D. Compliance with agreed insurance requirements (e.g. timeliness of updated Certificates of Currency and the coverage of insurance).

1. Very dissatisfied
2. Dissatisfied
3. Neither dissatisfied nor satisfied
4. Satisfied
5. Very satisfied
6. Not applicable

Comment:
Contract performance KPIs

How satisfied are you with the supplier's:

A. **Customer service provided to the agency buyers.**
   1. Very dissatisfied
   2. Dissatisfied
   3. Neither dissatisfied nor satisfied
   4. Satisfied
   5. Very satisfied
   6. Not applicable

Comment:

B. **Compliance with delivery of goods and services against contract requirements.** (e.g. timeliness and accuracy).
   1. Very dissatisfied
   2. Dissatisfied
   3. Neither dissatisfied nor satisfied
   4. Satisfied
   5. Very satisfied
   6. Not applicable

Comment:

C. **Commitment to work with the agency to resolve issues.**
   1. Very dissatisfied
   2. Dissatisfied
   3. Neither dissatisfied nor satisfied
   4. Satisfied
   5. Very satisfied
   6. Not applicable

Comment:

D. **Compliance with quality of goods and/or services received against contract requirements.**
   1. Very dissatisfied
   2. Dissatisfied
   3. Neither dissatisfied nor satisfied
   4. Satisfied
   5. Very satisfied
6. Not applicable

Comment:

E. Compliance with transition in and transition out requirements.

1. Very dissatisfied
2. Dissatisfied
3. Neither dissatisfied nor satisfied
4. Satisfied
5. Very satisfied
6. Not applicable

Comment:

F. Compliance with any other contract performance KPIs specific to the contract.

1. Very dissatisfied
2. Dissatisfied
3. Neither dissatisfied nor satisfied
4. Satisfied
5. Very satisfied
6. Not applicable

Comment:

G. Overall performance of the supplier.

1. Very dissatisfied
2. Dissatisfied
3. Neither dissatisfied nor satisfied
4. Satisfied
5. Very satisfied
6. Not applicable

Comment:
Appendix E – SPM Assessment Scorecard

Public Authority Name:
Assessment competed by:
Date assessment completed:

Summary of Procurement

Contract Details (For completion)

<table>
<thead>
<tr>
<th>Contract Number</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Title</td>
<td></td>
</tr>
<tr>
<td>Contractor</td>
<td></td>
</tr>
<tr>
<td>Contract Period</td>
<td></td>
</tr>
<tr>
<td>Contract Value</td>
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</tr>
<tr>
<td>UNSPSC Code</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Manager</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Meeting Type</td>
<td>Either Mid contract review or Final review.</td>
</tr>
<tr>
<td>Overall Rating 1-5</td>
<td>Note: the overall rating is the average score of the answers in the questionnaire excluding any not applicable.</td>
</tr>
</tbody>
</table>

Agency Comments

<table>
<thead>
<tr>
<th>SPM Review Meeting date</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier Representative</td>
<td></td>
</tr>
<tr>
<td>contact details</td>
<td></td>
</tr>
</tbody>
</table>

Supplier comments
## Appendix F – SPM Overview

### Procurement Planning

<table>
<thead>
<tr>
<th>PLANNING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Determine who the Contract Manager will be once the contract starts.</td>
</tr>
<tr>
<td>Research Tenders WA to find similar contracts awarded.</td>
</tr>
<tr>
<td>Identify the key success and risk factors for the procurement outcome.</td>
</tr>
<tr>
<td>Determine the KPIs and complete the below elements:</td>
</tr>
<tr>
<td>• the service level required of the KPI;</td>
</tr>
<tr>
<td>• the performance target of the KPI (target KPI);</td>
</tr>
<tr>
<td>• the minimum service level required of the KPI (minimum compliance);</td>
</tr>
<tr>
<td>• how the KPI is measured or calculated;</td>
</tr>
<tr>
<td>• the data needed to measure the KPI; and</td>
</tr>
<tr>
<td>• how frequently the KPI will be measured.</td>
</tr>
<tr>
<td>Determine reporting requirements and supplier meeting schedule.</td>
</tr>
</tbody>
</table>

### Contract Formation

<table>
<thead>
<tr>
<th>REQUEST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Include the KPIs and other KPI related details in the Request.</td>
</tr>
<tr>
<td>Include qualitative requirements asking Respondents to demonstrate their experience / capacity / methodology / quality in meeting KPIs in the Request.</td>
</tr>
<tr>
<td>Include reporting requirements to enable the Contract Manager to analyse and measure KPIs in the Request.</td>
</tr>
<tr>
<td>Include the supplier meeting schedule to enable the Contract Manager to provide feedback on supplier performance.</td>
</tr>
</tbody>
</table>

### Award

<table>
<thead>
<tr>
<th>AWARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assess the Respondent’s ability to perform the KPIs during the evaluation.</td>
</tr>
<tr>
<td>Research Tenders WA to contact agencies for referee reports on preferred/recommended Respondents awarded similar contracts.</td>
</tr>
<tr>
<td>Include the KPIs and other KPI related details in the award letter.</td>
</tr>
<tr>
<td>Ensure Contract details are entered on Tenders WA.</td>
</tr>
</tbody>
</table>

### Contract Management

<table>
<thead>
<tr>
<th>MANAGEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Manager includes in the Contract Management Plan the KPIs and how the supplier’s performance will be managed.</td>
</tr>
<tr>
<td>Contract Manager analyses, measures and documents the performance of the supplier regularly to determine if they meet or exceed the agreed KPIs.</td>
</tr>
<tr>
<td>Contract Manager provides regular feedback to the supplier on their performance against KPIs and other supplier performance areas at regular meetings.</td>
</tr>
<tr>
<td>Contract Manager organises a SPM Review Meeting to discuss the SPM Assessment Questionnaire and Overall Rating.</td>
</tr>
</tbody>
</table>

### Closure

<table>
<thead>
<tr>
<th>CLOSURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Manager organises the Final SPM Review Meeting with supplier.</td>
</tr>
<tr>
<td>Contract Manager completes the Final SPM Assessment Questionnaire and Overall Rating for the supplier.</td>
</tr>
<tr>
<td>Contract Manager conducts the Final SPM Review Meeting with supplier.</td>
</tr>
<tr>
<td>Contract Manager completes the Final SPM Assessment Scorecard.</td>
</tr>
<tr>
<td>Contract Manager saves and files the Final SPM Assessment Scorecard in the contract file.</td>
</tr>
</tbody>
</table>