

VENDOR PERFORMANCE REVIEWS

The model for Performance Reviews is based on the Defence Material Organisation's "No Surprises" approach, in which both the Buyer and Vendor collaborate in conducting the performance review and agree on its final form. Vendors should continuously work with their customers to ensure that their project stays on track, so that they do not attract negative Performance Reviews.

The process for reviewing the performance of Vendors will consist of independent self-assessments by:

- ▶ the Vendor;
- ▶ the Agency (Buyer).

Once assessments have been completed, all assessing parties meet to review and discuss the Performance Review Assessments and agree on a final assessment.

The performance of Vendors will be measured using the assessment criteria and scale as shown in *Table 1 – Assessment table for Vendor Performance Reviews*.

Table 1 – Assessment table for Vendor Performance Reviews

	Material Breach/ material failure	Failed to meet expectations/ requirements	Met expectations/ requirements	Exceeded expectations/ requirements	Provided added value
Project Planning					
Project Monitoring and Control					
Supplier (sub-contractor) Agreement Management					
Integrated Project Management					
Risk Management					
Integrated Teaming					
Integrated Supplier (sub-contractor) Management					
Quantitative Project Management					
Supporting Comments:					

The scale used in *Table 1 – Assessment table for Vendor Performance Reviews* is defined in *Table 2 – Assessment table for Vendor Performance Reviews*.

The descriptions for the performance assessment criteria used in *Table 1 – Assessment table for Vendor Performance Reviews* is provided in *Table 3 – Performance Assessment Criteria Descriptions*.

Table 2 – Assessment table for Vendor Performance Reviews

Scale	Performance review
Provides Added Value	If the Vendor has provided additional value, this will be recorded in the performance review, and a very brief paragraph will be used to describe same.
Exceeds Expectations / Requirements	As above
Meets Expectations / Requirements	As above, plus the performance review will provide very brief paragraphs describing the deliverables, the acceptance requirements, the outcomes of the project and any key lessons learned.
Fails to Meet Expectations / Requirements	As above, plus a brief paragraph describing the nature/scope of the failure.
Material Breach / Material Failure	As immediately above

Table 3 – Performance Assessment Criteria Descriptions

Performance Assessment Criteria	Description
Project Planning	The purpose of Project Planning is to establish and maintain plans that define project activities.
Project Monitoring and Control	The purpose of Project Monitoring and Control is to provide an understanding of the project's progress so that appropriate corrective actions can be taken when the project's performance deviates significantly from the plan.
Supplier (sub-contractor) Agreement Management	The purpose of Supplier Agreement Management is to manage the acquisition of products from suppliers.
Integrated Project Management	The purpose of Integrated Project Management is to establish and manage the project and the involvement of the relevant stakeholders according to an integrated and defined process that is tailored from the organisation's set of standard processes.
Risk Management	The purpose of Risk Management is to identify potential problems before they occur so that risk-handling activities can be planned and invoked as needed across the life of the product or project to mitigate adverse impacts on achieving objectives.
Integrated Teaming	The purpose of Integrated Teaming is to form and sustain an integrated team for the development of work products.
Integrated Supplier (sub-contractor) Management	The purpose of Integrated Supplier Management is to proactively identify sources of products that may be used to satisfy the project's requirements and to manage selected suppliers while maintaining a cooperative project-supplier relationship.
Quantitative Project Management	The purpose of Quantitative Project Management is to quantitatively manage the project's defined process to achieve the project's established quality and process-performance objectives.