

HOW TO COMPLETE A STATEMENT OF WORK (SOW) TO PROCURE EXACTLY WHAT YOU WANT

The SOW gives both the vendor and the customer, a clear picture on the complete project requirements so that both parties are on the same page. It is the first step to building a mutually beneficial collaboration between a vendor and his customer.

Components

- Objectives /Purpose Statement
- Scope of Work
- Schedule
- Price
- Key Assumptions
- Acceptance

Scope of Work Example

We have talked about the elements, challenges and guidelines to writing a good scope of work. Now, let's look at an example and try to further understand the various components of a SOW. Say, you have to enter into an agreement with your client to deliver a mobile application within a certain time frame and budget. This is how you will proceed with the Scope of Work document:

1. **Purpose Statement / Objective** – Company ABC will provide end-to-end mobile application development services to Client XYZ in a collaborative environment to meet the business objectives of Client XYZ. The application should be interactive, easy to use and meet the marketing requirements of Client XYZ.
2. **Scope of Work** – Company ABC will gather the requirements, analyse, design, develop, implement, test and integrate the application according to the guidelines and schedules stated in the SOW. Provide a detailed list of deliverables, processes involved, end products, review and approval process etc.
3. **Schedule** – Company ABC will deliver the project to Client XYZ by so and so date, providing weekly status reports and project updates. Define the task / project start and finish dates, timelines for different phases of the project and the various milestones.
4. **Price** – It should clearly define the project cost for developing the application, resource expenses, overheads, pricing assumptions based on fixed-fee or time and materials project, payment terms and schedule etc. You may want to take this course to get a basic understanding of financial terms.
5. **Key Assumptions** – This must define the conditions on which the project depends. For example, in this case, one assumption could be 'Delays in UX design approval from client XYZ will lead to project kick-off delays' etc.
6. **Acceptance** – This must clearly outline the inspection requirements, testing and validation processes, approval process, client sign-offs and acceptance.

Statement of Work Outline

According to project management experts and entities, most SOWs share some basic components, regardless of industry. We'll discuss what needs to be included in each section in more detail below. Common elements of an SOW include:

- Project objectives
- Project scope

- Major deliverables
- Tasks that support the deliverables, and which party will complete them
- Timeline for completion of work
- Location of work and resources, equipment, and facilities needed
- Payment costs, terms, and deadlines
- Internal and external standards and guidelines
- Criteria used to determine whether deliverables are acceptable and how they will be accepted
- Signatures of both parties

Very simply stated, a Statement of Work (SOW) is required when you wish to get vendors to give you a proposal or bid for a product or service that you want to purchase. While you are completing this SOW, think to yourself, “If I were a Vendor, what would I need to know about the requirement in order to give a valid response with the right product at the right price?” Your Procurement and Contracting office will assist you in completing the SOW.

Who is the contact for this SOW? Name and contact information, please.

What is the title of your SOW? For instance, “Consultant Services for Art Work”

When do you need the product? State an actual date, or “No Later Than” time.

If this is a *service*, what will be the required time to deliver the finished product? In this case, you would either fill in a final date for the delivery, or a period of time (such as 7/1/2021 – 6/30/2022).

What are the technical requirements? What are the goals that you need the product/service to fulfill – what are the deliverables for the finished product/service? *HOW MANY* of these do you want? THIS part is the single most important part of the SOW - What is *exactly* needed in the finished product to be able to be used for your needs? For instance, a PC will need a tower, a monitor, and a keyboard. Feel free to expound – the more details you provide, the better response you will get from the vendors. You may want to give them a performance requirement, such as “The PC must be able to network with the District’s infrastructure and must be internet-ready”. The vendors must understand *clearly* what you are looking for if you want the most comprehensive offering from them. Would it help for the vendor to know what you are using currently, or what may need to be improved or replaced in-district for this to work?

If this is a *service*, what are the performance requirements you need? For instance, if there is to be a mural painted on the wall, what is the final deliverable product to look like – butterflies on a flower? No, you should be more detailed – monarch butterflies on a zinnia field with blue sky background – or you could provide a sample of your expectations. You may even say that you want to approve a draft before the mural is begun so that everyone has a clear understanding of the expectations.

Does the Vendor have to be local? Normally, when there are service requirements, you will want a local vendor so that charges for travel do not increase your costs.

Do you need resumes and references of the vendors? Sometimes it is prudent to have a quick look at how strong the company employees are, to make a choice.

Do you need installation, or maintenance, or warranties?

Will you need to test the product/service before purchasing?

HELPFUL Tips

Get assistance from others who may be using the product/service. Sometimes another fresh objective look at your SOW may help you “tweak” it.

Do not lead the Vendor to provide a specific item. You cannot tell the Vendor to provide a monitor that has the Dell Logo on it! However, you can say something like, “Finished product must be able to perform substantially the same as an Apple iPod, with capability to upload documents and programs and fit in the palm of your hand”.

If this is for a *service*, you cannot tell them how to do the job – normally, you will give them a strong indicator or the results or the performance that is expected.

Do you want a single product, or several products/services rolled into one offer? Are you willing to have a single product “wrapped” into one total price, or provided with a team of vendors? For instance, in the case of the computer, is it okay to have a Dell monitor with a Hewlett Packard tower?

What are the “MUST Haves”, vs. the “Nice to Haves”? Consider noting “Value Adds” in your SOW. Do you know if there are specific items/services that are normally offered in the product deliverables? An example would be for the Vendor to provide additional workbooks at no cost for a textbook purchase; another would be for the Vendor to provide free training for a program. If you know of anything on that line, be sure to let your Contracting Officer know about it. We will ask for Value Adds in the RFP and may be able to negotiate what you are looking for into the final price of the item/service.

REMEMBER: YOU ARE THE EXPERT ON WHAT YOU ARE LOOKING FOR!

INTERNAL NOTES

How much money are you expecting to spend for this item/service, and what is the account string? This information is to be used *internally* only and will expedite the posting of your requirements to vendors.

Do you have samples or a specific vendor in mind that already performs your requirements? If so, please state this for the Procurement and Contracting office so that we can do a quick search for compatible products/services for you. This will serve to either increase, or limit, the vendor database that we select to solicit.

How will you determine the best product, when several are presented? This is usually determined by evaluating which vendor meets your needs the best, but pricing, timing and vendor reputation/references can also play a part in the decision. What is most important to you in making the choice?

Consider who your evaluation team will be (if needed) and let the Contracting Officer know before the RFP is posted!