End to End Customer Support  
Performance Based Agreement  
PBA Development Steps

<table>
<thead>
<tr>
<th>Stage 1: Evaluate Current Conditions</th>
<th>Tools</th>
</tr>
</thead>
</table>
| 1 Plan and Prepare for Performance Based Agreement (PBA)  
   Review materials on PBA purpose and structure. Conduct necessary education and training. Establish goals and objectives. | DUSD(L&MR) End to End Customer Support Memo  
Example PBA's  
Case Studies |
| 2 Identify and Prioritize Customers  
   Identify and target specific customers and commodities and/or weapons system/sub-system for PBA discussions. | Prioritization Methodology |
| 3 Develop Rough Order of Magnitude (ROM) Business Case (Optional)  
   Create high level description of costs & benefits; Quantify high level costs and benefits; Build preliminary financial justification for project | BCA Template |

<table>
<thead>
<tr>
<th>Stage 2: Gain Commitment to Proceed</th>
<th></th>
</tr>
</thead>
</table>
| 4 Develop PBA Proposal Letter  
   Develop and send letter outlining proposed PBA opportunity to selected partners. Establish points of contact and timeline. | Proposal Letter Template |
| 5 Conduct Initial Discussions/Meetings  
   Determine and agree to high-level terms and goals of PBA. | |
| 6 Develop Memorandum of Agreement  
   Document the high-level goals, roles, metrics and timeline for developing PBA and baselining metrics. This includes sign-off by all responsible parties to commit resources to complete the process. | Memorandum Template |

<table>
<thead>
<tr>
<th>Stage 3: Define Scope and Objectives and Finalize Agreement</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>7 Prepare for Kickoff Meeting</td>
<td>Meeting Preparation Template</td>
</tr>
</tbody>
</table>
| 8 Conduct Kickoff Meeting  
   Conduct comprehensive meeting to discuss and agree to all elements of the PBA. Roles and Responsibilities, Metrics, Benefits, Resources, Timelines and Management Procedures must all be addressed. | 1. Meeting Agenda Template |
## End to End Customer Support
Performance Based Agreement
PBA Development Steps

<table>
<thead>
<tr>
<th>Step</th>
<th>Tools</th>
</tr>
</thead>
</table>
| 9. **Follow-up Discussions/Meetings (as needed)** | 2. Meeting Materials  
Continue discussions on followup actions until complete. |
| 10. **Establish Metrics Baseline** | 3. Meeting Documentation Template  
For selected metrics, determine the current performance baseline. |
| 11. **Finalize Business Case (Optional)** | TDD Tools  
Create description of costs & benefits; Quantify costs and benefits; Build financial justification for project |
| 12. **Finalize and Sign PBA Agreement** | BCA Template  
Document the agreed upon elements of the PBA. Sign-off by all responsible parties to execute the agreement as documented. |

### Stage 4: Execute Agreement/Assess Results
- Launch Meeting
- Process
- Technology
- Training
- Measure Results
- Report Results

### Stage 5: Identify Improvements
- Agreement Review with Customer
- Process Review
- Technology Review
- Determine Next Steps
Evaluate Current Conditions

**Input**
None

**Why is this important?**
Establishing clear understanding of current situation, capabilities and goals is essential. Careful selection of customer, fulfillment agent and preliminary scope of agreement are critical to success.

**Who?**
Source of Supply

**When?**

**Output**
Vision;
Business Case;
Selected Customer Prospects

Return
Gain Commitment to Proceed

Input
PBA Vision
Targetted Customers

Why is this important?
Establishing joint high-level agreement to develop PBA; directs specific actions with clear responsibilities; commits resources to complete the project.

Who?
Source of Supply
Customer

When?
After current conditions are understood and prospective customers are selected.

Output
Memorandum of Agreement (High level Roles, Metrics, Resources, and Timelines)

Return
Define Scope and Objectives and Finalize Agreement

**Input**
Memorandum of Agreement

**Why is this important?**
This is the actual development of PBA with specific roles and responsibilities, metrics with baselines, resources and timelines and management procedures

**Who?**
Source of Supply
Customer

**When?**
After Commitment Stage

**Output**
Performance Based Agreement

Return
End to End Customer Support
Performance Based Agreement
Stage 4 Summary

Execute Agreement/Assess Results

**Input**
Performance Based Agreement

**Why is this important?**
This step involves changes to the business process, as necessary, to meet/exceed performance agreed to in the PBA. Monitoring execution is key to ensuring performance and/or to proactively make adjustments as required to improve performance to required levels.

**Who?**
Source of Supply
Customer

**When?**
After PBA is signed, although preparation for this stage begins earlier.

**Output**
Actual performance against agreed upon performance IAW PBA

Return
Identify Improvements

**Input**
PBA Process

**Why is this important?**
With each agreement, lessons are learned for improving the process in the future.

**Who?**
Source of Supply
Customer

**When?**
At each stage

**Output**
Improvements that are rolled back into the PBA process.