Ministry of Defence

Government Quality Assurance:

A Functional Framework for Acquisition

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December 2017
Quality & CM (Policy)

FOREWORD
BY THE
MOD QUALITY ASSURANCE AUTHORITY

The MOD is acquiring evermore complex systems to provide battle-winning capability to the Armed Forces. Greater complexity can generate substantial technical risks and the greater likelihood of system incoherence. The effective management of Quality throughout the acquisition process can reduce these risks, and will help realise the goal of delivering fit-for-purpose equipment and services, on time and within budget. In this context Quality is a degree of excellence, and it is senior management's responsibility to set the acceptable standard of excellence. Assurance is the collective term for the various means through which 'justified confidence' is provided that the standard is met.

With continual pressure on resources, it is important that acquisitions are right first time, and thus Acquisition Organizations should have a competent grasp of the contribution that Government Quality Assurance (GQA) can make. Joint Service Publication (JSP) 940 sets the Policy for Quality within the MOD and within it, a competence standard for professional practitioners of Quality. These standards apply to anyone undertaking Quality-related activity and I am working closely with our industry partners to ensure we have competent Quality practices across the whole of the Defence Acquisition Community. In moving emphasis away from traditional Quality Control towards more proactive Quality Assurance, the vision is to:

> ***Ensure correct standards are maintained in delivering Military Capability by promoting substantial assurance of acquisition, engineering and logistics support activities through the coherent and effective management of Quality across Defence.***

This Framework underpins JSP 940 and provides people at all levels, in all areas of acquisition with the necessary understanding of GQA, which, when applied effectively, promotes successful acquisition.

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INTRODUCTION

1. Aim of this Document

1.1 The aim of this document is to provide a generic Functional Framework for the assurance of Defence acquisition, highlighting the role of Government Quality Assurance (GQA), in supporting the delivery of capability.

2. Scope

2.1 The Framework is applicable to all MOD staff involved in Defence acquisition, and focuses on the requirements for a single acquisition within the CADMID/T Cycle.

2.2 While an effective technical acquisition will have many functional feeds such as Project Management, Engineering, Safety, Finance and Commercial, this Framework concentrates on the contribution of the GQA function only although consideration must be given to the close links with other functions.

2.3 This Framework identifies a range of GQA activities that support Defence acquisition. Detailed guidance for these activities can be found within the Managing Quality topic.

2.4 While the Framework identifies GQA activities, it does not determine who should specifically undertake any activity or the skills and competences required to do so, although there are policies and mandates in place that govern this on some activities. References to skills and competences and the activities that should be undertaken are provided later in this document.

3. References

3.1 This Framework references information from the following sources:

- International Organization for Standardisation (ISO).
- Allied QA Publications (AQAPs).
- Managing Quality, currently within the MOD Acquisition System Guidance (ASG).
- Commercial Toolkit, currently within the ASG.
- Joint Service Publication (JSP) 940 - MOD Policy for Quality, Part 1 - Directive.

4. Background

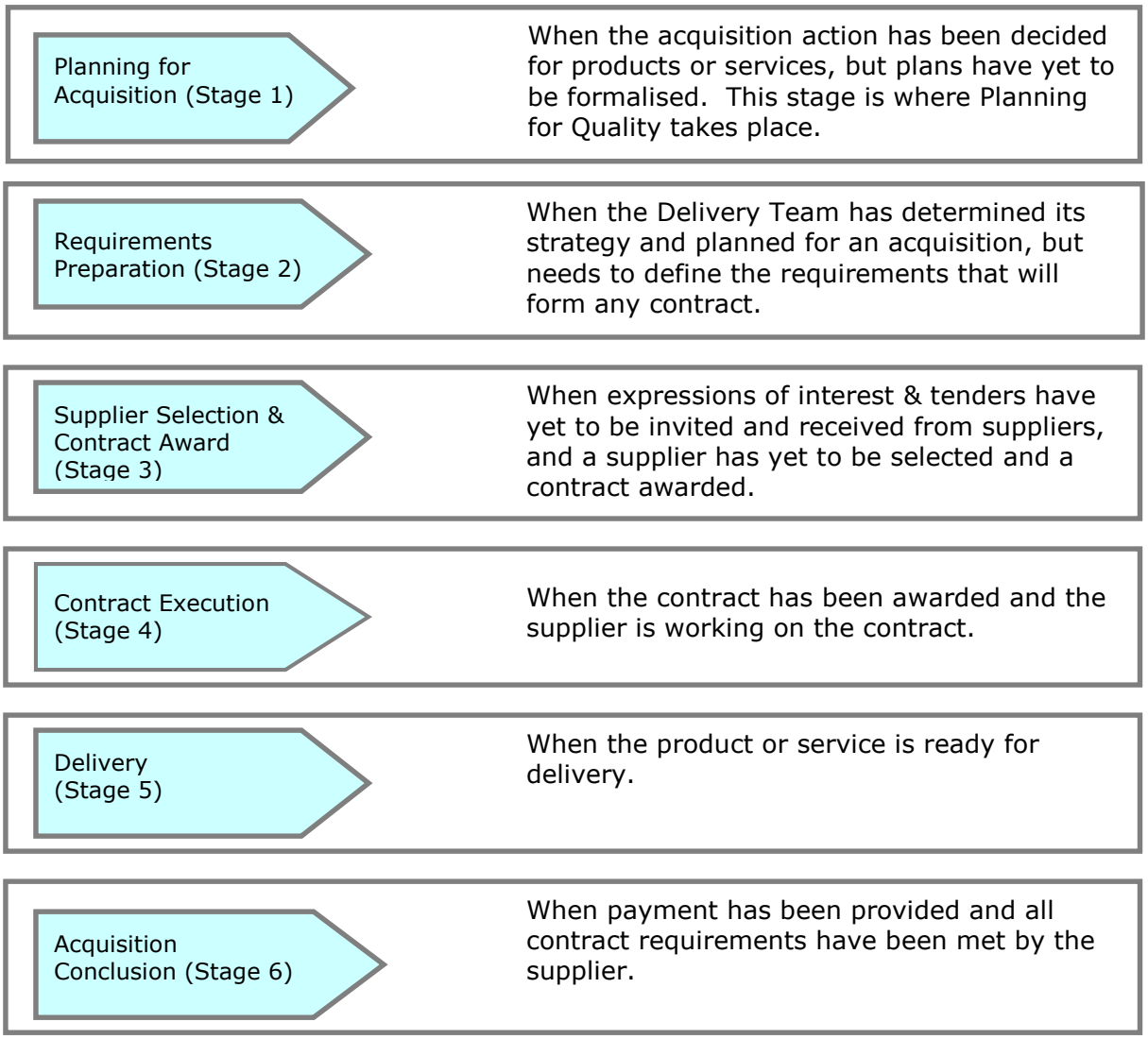
4.1 The Framework forms an important element of JSP 940 As well as looking at business processes and management systems, the Strategy also seeks to ensure that roles and responsibilities for Quality-related activity are aligned to Business need and that staff undertaking those activities are professional and of a competent standard with the right development opportunities. This Framework aims to help deliver this by providing a reference for all acquisition staff including recognised Quality Professionals on how GQA can help define and achieve objectives and goals for acquisition.

5. The Framework Explained

5.1 The Framework adopts the Acquisition Lifecycle principles of ISO standard **ISO/IEC 15288:2008 - Systems and Software Engineering - System Life Cycle Processes**. This International Standard established a common process framework for describing the life cycle of man-made systems. It also provided processes that supported the definition, control and improvement of the life-cycle processes used within an organization or a project.

5.2 This Framework looks at the principles of an acquisition cycle as applied to the MOD, shown at Figure 1 below:

Figure 1 - Stages of the MOD Acquisition Cycle.



5.3 It is fundamental that staff responsible for acquisition related activity have a good knowledge of how Defence Acquisition is undertaken, plus a basic understanding of what Quality is and how it relates to MOD Business. It is therefore recommended that as a minimum pre-requisite prior to reading this Framework, staff should have undertaken the following training or awareness courses:

a. Introduction to Defence Acquisition (IDA).

b. QA Awareness on-line Training (QAAOLT).

5.4 The Framework relates mainly to project-related acquisition through the contracting route. However, the principles involved can also apply to acquisitions made through other means, although some Quality-related activities may need adapting.

5.5 Each of the acquisition stages shown in Figure 1 above is explained in greater detail at each of the separate stages of this Framework; these show:

a. The key questions that need to be answered for the Acquisition Organisation to make informed decisions at that specific phase.

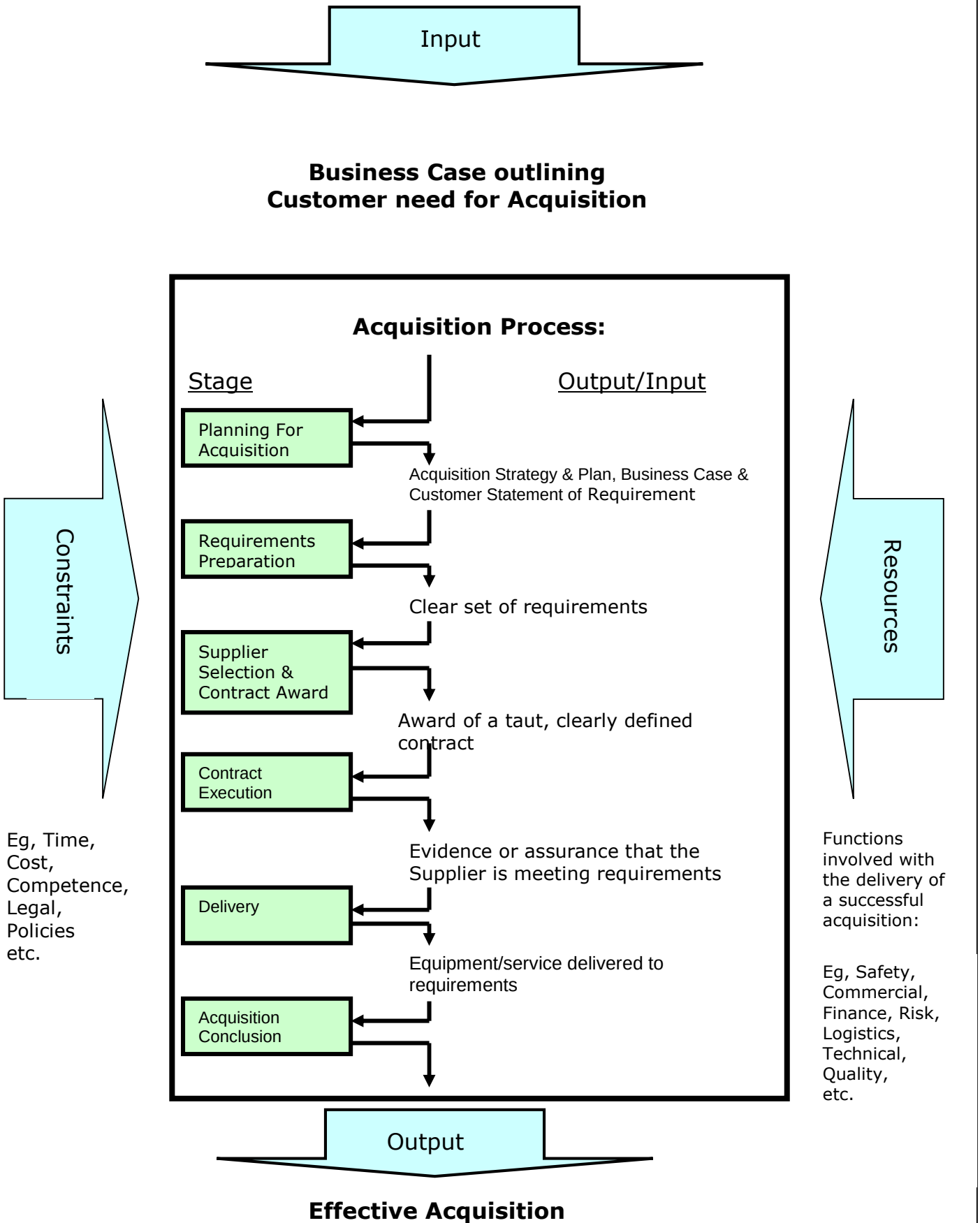
b. The contribution that the GQA function can make in ensuring QA is considered when making those decisions through undertaking specific activities.

c. The activities that should be undertaken and the information or confidence they can provide.

d. The benefits of applying GQA at each stage and the risks of not doing so.

5.6 Figure 2 shows the complete Acquisition Cycle set against a simplistic process diagram. Each separate stage of the Acquisition Cycle will have a process diagram similar to this, specific to its requirements and activities. The **Constraints and Resources** are likely to have very little variation throughout each stage of the Acquisition Cycle. The **output** from the previous stage becomes the **input** for the next to form a consistent flow of activity, finally ending with the main acquisition output, i.e. provision of effective capability and a successful acquisition.

Figure 2


Input
Business Case outlining
Customer need for Acquisition
Acquisition Process:
Stage
Output/Input
Planning For Acquisition
Acquisition Strategy & Plan, Business Case & Customer Statement of Requirement
Requirements Preparation
Clear set of requirements
Supplier Selection & Contract Award
Award of a taut, clearly defined contract
Contract Execution
Evidence or assurance that the Supplier is meeting requirements
Delivery
Equipment/service delivered to requirements
Acquisition Conclusion
Constraints
Eg, Time, Cost, Competence, Legal, Policies etc.
Resources
Functions involved with the delivery of a successful acquisition:
Eg, Safety, Commercial, Finance, Risk, Logistics, Technical, Quality, etc.
Output
Effective Acquisition

6. Through-Life Contracts

6.1 In many cases projects involve several acquisitions or contracts throughout their life cycle from Concept to Disposal/Termination (CADMID/T Cycle). This Framework, however, focuses on the requirements for a single acquisition irrespective of where it sits in the CADMID/T Cycle and the principles can apply at any time.

6.2 Many contracts are now placed for equipment or services that are through-life from design through to disposal / termination and include manufacture and in-service support / maintenance by a supplier. This can result in contracts covering a significant period of time. However, irrespective of the length of the contract, GQA remains part of the initial acquisition that was planned and executed. The principles and GQA activities outlined in the Contract Execution and Delivery phases of this Framework will still apply until the supplier has completed all the requirements of the contract or the contract is terminated.

7. Contract Amendments

7.1 Often on lengthy contracts, requirements change, possibly as a result of quantity, outside influences such as operational requirements or through price changes brought by legislation, e.g. changes to VAT rates. This could result in contract amendments that require additional GQA activity. Again, the principles that are applied to an initial acquisition can be applied to the decision making processes for the required changes although the outcome is likely to be an agreed amendment to an existing contract rather than a new contract award.

7.2 Greater detail about contract amendments can be found within the Contract Amendments topic as part of the Commercial Toolkit on the ASG.

8. Risk

8.1 Risk identification, and consequently the use of GQA is not a one-off activity carried out at one stage of an acquisition cycle. It is an ongoing process that needs review to reflect the changes to requirements or circumstances.

9. Skills, Competences & Training

9.1 Any staff undertaking any of the GQA activities mentioned in each of the acquisition stages will need certain recognised skills and attributes (competences): they will need to be Suitably Qualified and Experienced People (SQEP).

9.2 GQA competence is formally assessed through the MOD Quality Practitioner Licensing Scheme. All staff undertaking GQA activity should aim to attain a GQA Licence. Further details on gaining formal recognition of competences and the training required to become a recognised competent GQA practitioner are contained in 'Skills Footprint' documents, which can be found on the QCM-Policy Licensing Website through the Defence Intranet. Alternatively, advice can be obtained from the QCM-Pol Skills Team.

9.3 Current licensing requires demonstration of competence in the majority of activities detailed in all the stages of the Framework. Practitioner training is available through a suite of development opportunities provided by Defence Academy and other external providers. However, a comprehensive review of training will be conducted in the near future to align with this Framework. Licensing will also be reviewed with the intention of introducing Certificates of Competence for each phase of the Acquisition Cycle and aligning with the MOD Managing Quality Competence Framework. Further related documents will be published in due course containing this information.

9.4 In addition, it is strongly recommended that all Acquisition staff, even if they do not necessarily need to undertake GQA activities, attain a certain level of knowledge of GQA in order to process or understand the information that can and may be provided to them by GQA Practitioners. While this Framework goes some way to providing this knowledge, Defence Academy offer a suite of development opportunities that can further provide awareness and knowledge required.

10. Continual Review & Improvement

10.1 This Framework will be subject to regular reviews and will update and evolve around the changing needs of the Business and MOD policy.

10.2 Any changes to fundamental principles within the Framework will be considered for consultation and, where necessary, issued through the appropriate channels by QCM-Pol. Subsequent amendments will be published through the appropriate means.

11. Further Guidance

11.1 For further information or guidance in relation to this document please contact QCM-Policy:

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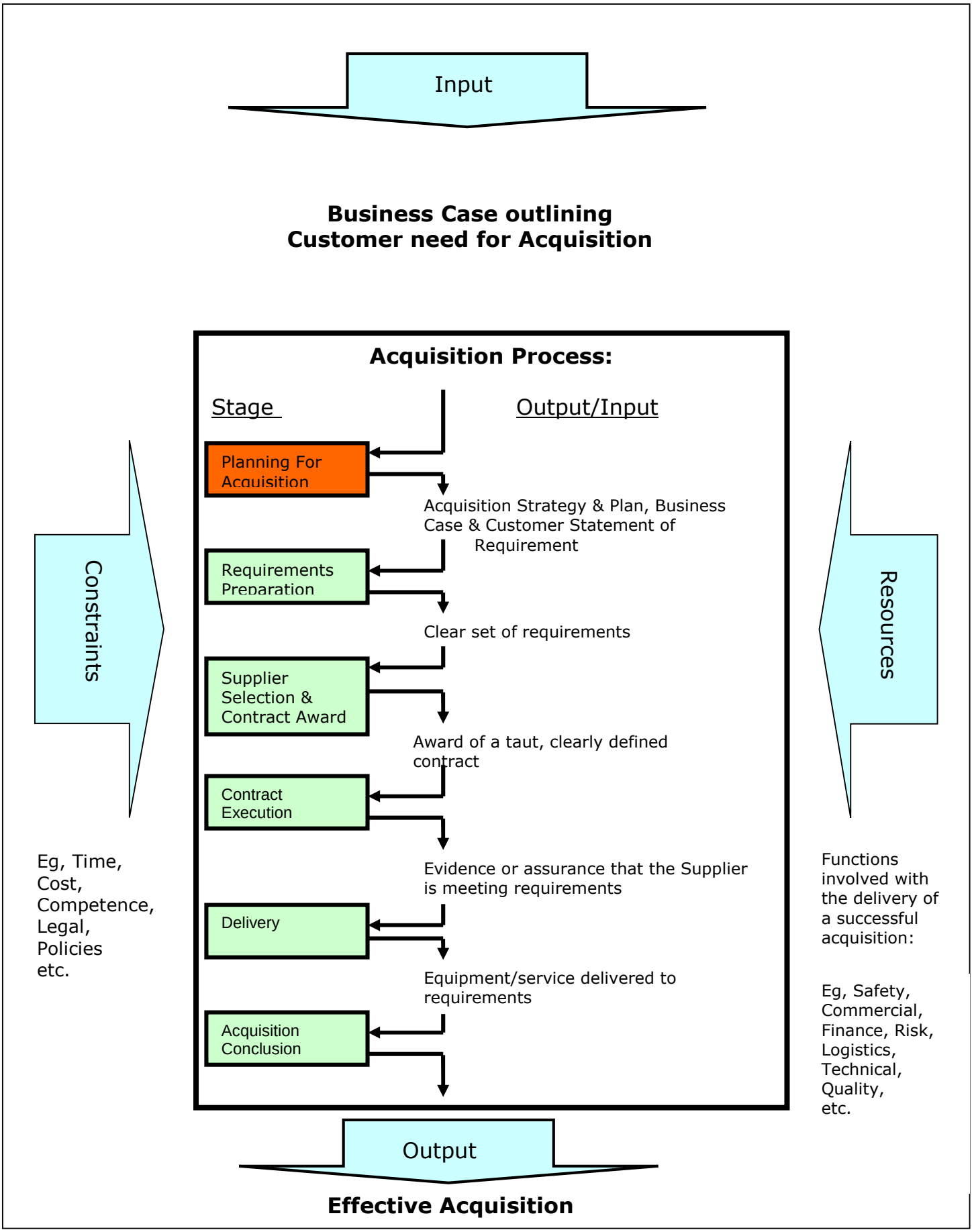
STAGE 1
Planning For Acquisition

PLANNING FOR ACQUISITION



1. Introduction

1.1 The purpose of planning for acquisition is to establish what needs to be carried out and how this is achieved by establishing and communicating effective and workable strategies and plans for the acquisition community. This determines the scope of the activities, outputs and deliverables. Systems Engineering Standard process and life cycle stages (ISO/IEC: 15288) identifies that planning for quality is essential and detailed guidance on quality planning can be found in the Managing Quality Topic.

1.2 The aim of this acquisition stage is to influence the outcome of acquisition planning to ensure an effective balance between risk and assurance. This is an enabler to achieve customer's requirements and additional cost avoidance across an acquisition.

1.3 The Defence Authority for Quality & Configuration Management (DA4Q&CM) mandates a number of requirements for Quality. Effective planning will ensure that these mandates are considered at an early stage. Details of the requirements can be found in the Managing Quality topic.

1.4 Acceptance of acquisition risks (threats) is permissible, provided it is managed correctly.

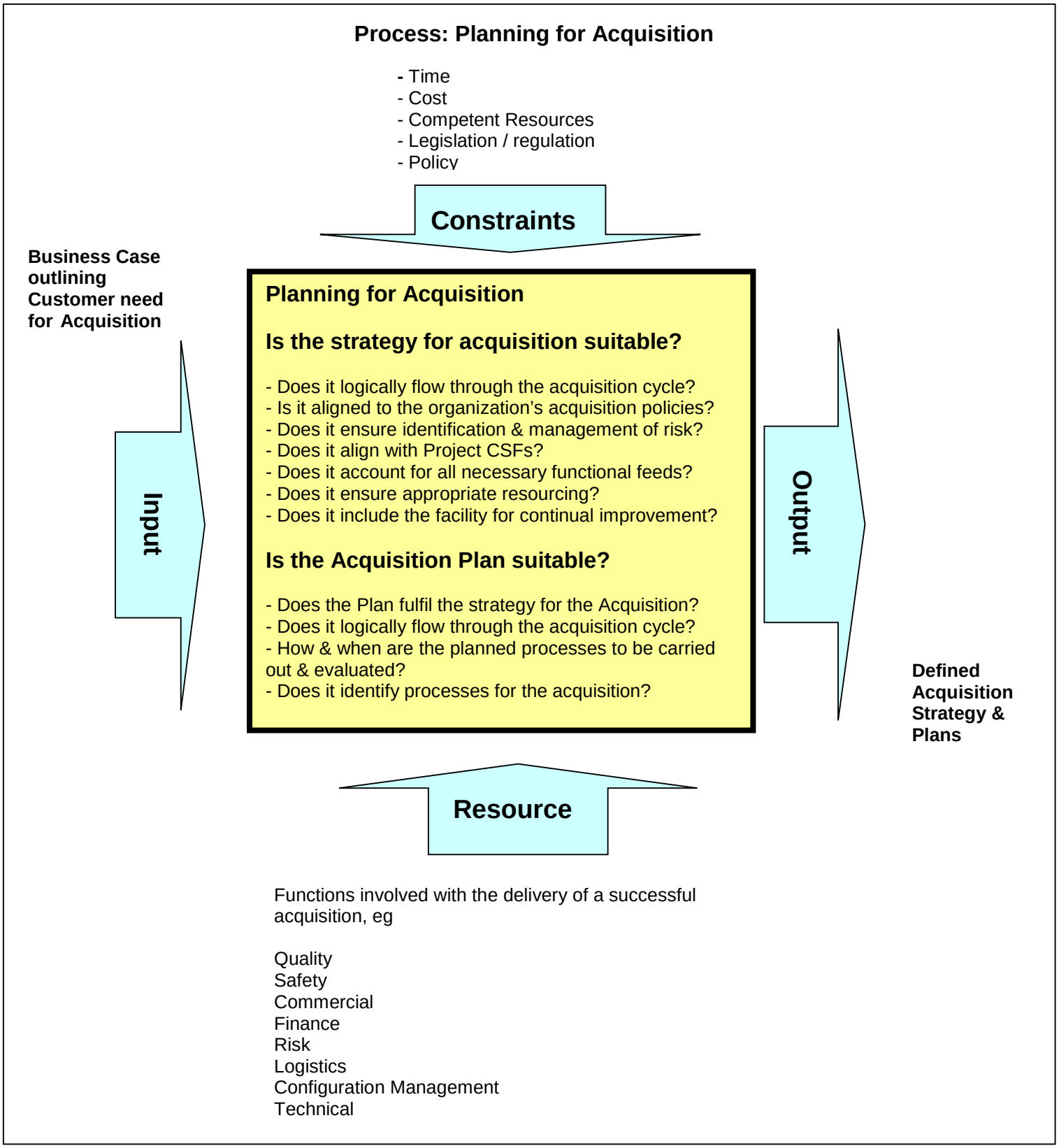
2. The Benefits of GQA Activity in Planning For Acquisition

2.1 Effective GQA involvement in planning for acquisition will:

- Provide key Quality input for the production of effective strategies and plans for the Project so that everyone will know what they will be doing and when.
- Provide confidence in the Strategy for Acquisition and in the Acquisition Quality Plan.

2.2 When carried out by a competent GQA Practitioner, the benefits can include:

- Equipping the acquisition with processes capable of exploiting the cost advantages of early issue resolution.
- Moving the emphasis away from Quality Control towards Quality Assurance by ensuring that processes are in place to ensure Supplier capability to deliver equipment / services and mitigate any risk.
- Assurance that processes will be sufficiently robust to respond to emerging risks and issues through the duration of the acquisition.
- Provision of relevant information and advice on Quality-related issues and supplier knowledge to enable the planning of these processes.


Process: Planning for Acquisition
- Time
- Cost
- Competent Resources
- Legislation / regulation
- Policy
Constraints
Business Case outlining Customer need for Acquisition
Input
Planning for Acquisition
Is the strategy for acquisition suitable?
- Does it logically flow through the acquisition cycle?
- Is it aligned to the organization's acquisition policies?
- Does it ensure identification & management of risk?
- Does it align with Project CSFs?
- Does it account for all necessary functional feeds?
- Does it ensure appropriate resourcing?
- Does it include the facility for continual improvement?
Is the Acquisition Plan suitable?
- Does the Plan fulfil the strategy for the Acquisition?
- Does it logically flow through the acquisition cycle?
- How & when are the planned processes to be carried out & evaluated?
- Does it identify processes for the acquisition?
Output
Defined Acquisition Strategy & Plans
Resource
Functions involved with the delivery of a successful acquisition, eg
Quality
Safety
Commercial
Finance
Risk
Logistics
Configuration Management
Technical

3. Information provided through GQA Activity

3.1 The information that can be provided by a competent GQA Practitioner as part of the Resource input will, based on the complexity and risks to achieve the requirements of the delivered equipment or service, be as follows:

- Quality Strategy and objectives that aligns with the overall Acquisition Strategy.
- Project Quality Management Plan (PQMP) that aligns with the overall Acquisition Plan.
- Processes, process specifications or standards relevant to the risk.
- Quality input to the risk management process.
- Details of lessons learnt from previous projects or acquisitions.
- Suitable metrics or measures to provide early warning of changes to risks.
- Suitable assessment methods and resources needed.

4. Key GQA Activities Required to Aid Decisions

4.1 To support the provision of the necessary information to aid the decision-making capability, thus contributing to the acquisition management, the following activities should be considered by a competent GQA practitioner in conjunction with functional specialists:

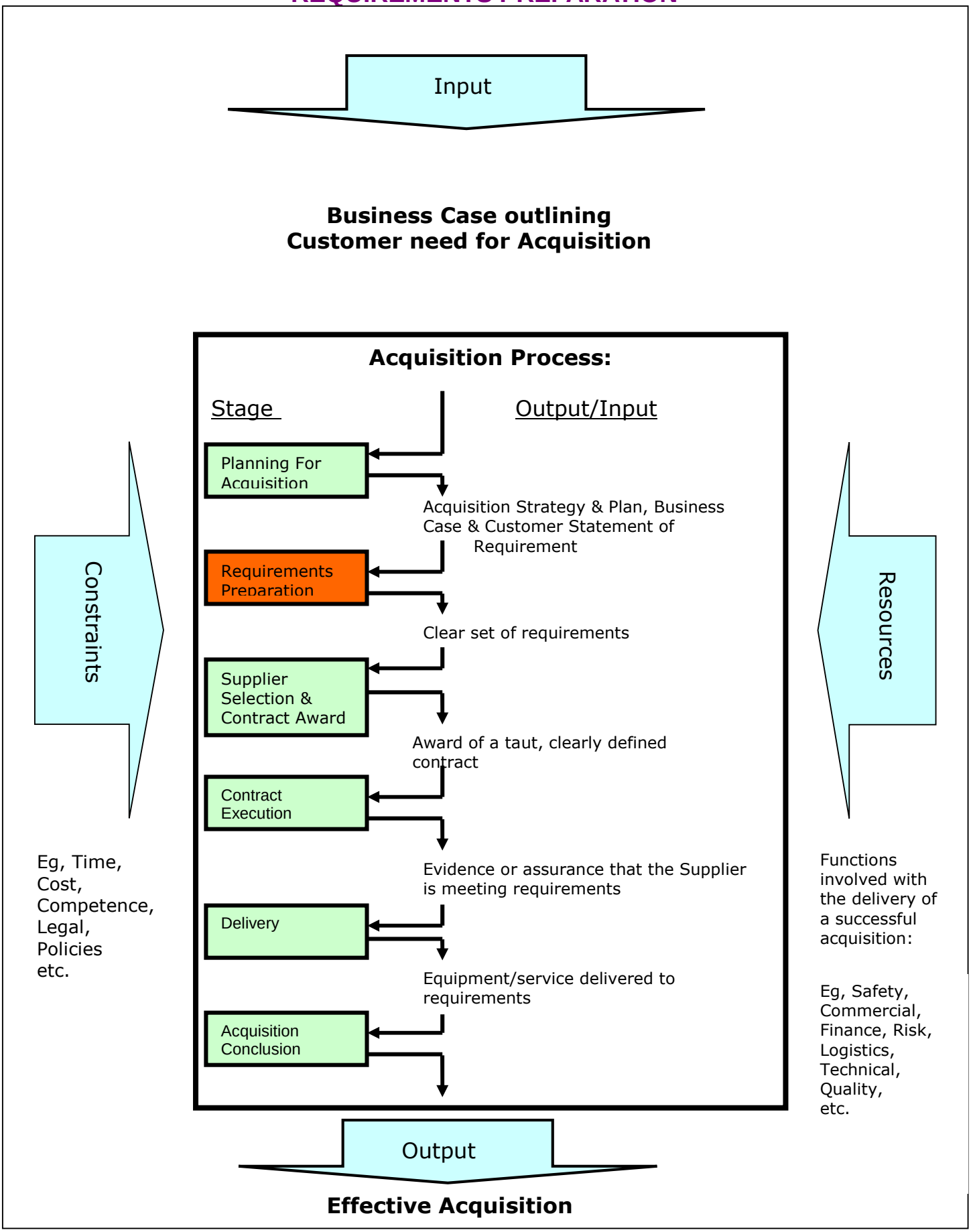
- Input Learning from Experience (LFE) information inclusive of relevant industry practice from previous projects and lessons learnt.
- Develop a Project Quality Strategy inclusive of Quality Policy, objectives and Quality Measurement activities, aligned with acquisition life cycle and policies and relevant Industry practice.
- Prepare and manage the PQMP inclusive of any resourcing and documentation/records.
- Input to project acquisition risk management.
- Plan for Project Quality Success Factors (eg, Quality performance indicators (QPIs), internal measurements, Internal/External audits, Project Reviews, etc) to align with Project Critical Success Factors (CSFs).
- Facilitate Continual Improvement of the Planning process.
- Develop Planning activities as an iterative process throughout the acquisition lifecycle.

5. Risks

5.1 The primary risk of not planning for Acquisition or from bad planning is that the Project is likely to suffer from having to put remedial action in place later in the Acquisition process. Failure to carry out robust planning may result in additional resource and project slip to rectify omissions or problems during contract execution.

STAGE 2
Requirements Preparation

REQUIREMENTS PREPARATION



1. Introduction

1.1 The purpose of requirements preparation (sometimes known as contract preparation or request preparation) is to establish clear requirements for equipments or services. A clear requirement communicates consistently what a supplier is to provide and what an acquirer will receive. This is a key success factor in obtaining a robust supplier response from requests for expressions of interest and Invitations to Tender (ITT).

1.2 Effective GQA activity provides a positive contribution towards achieving contract quality requirements. This requires an appropriate definition of the required equipment or service, its required capability, business practices to be employed and response evaluation criteria. A successful request will attract capable Suppliers and enable them to prepare competitive and compliant responses. It will also ensure that the Acquirer can put the necessary plans in place to assess Supplier responses during the Supplier Selection process and to measure Supplier and Acquirer performance later in the Acquisition Cycle.

2. The Benefits of GQA Activity in Requirements Preparation

2.1 Effective GQA involvement in requirements preparation will:

a. Articulate the Quality aspects of a Statement of Requirement (SOR) that will form a draft contract and appropriate advertisement for supplier selection that is understood by all stakeholders.

b. Confidence that the details of what is required will be fully understood by the Acquirer and potential Supplier to allow for the selection of an appropriate supplier and issue of a contract that manages potential risks.

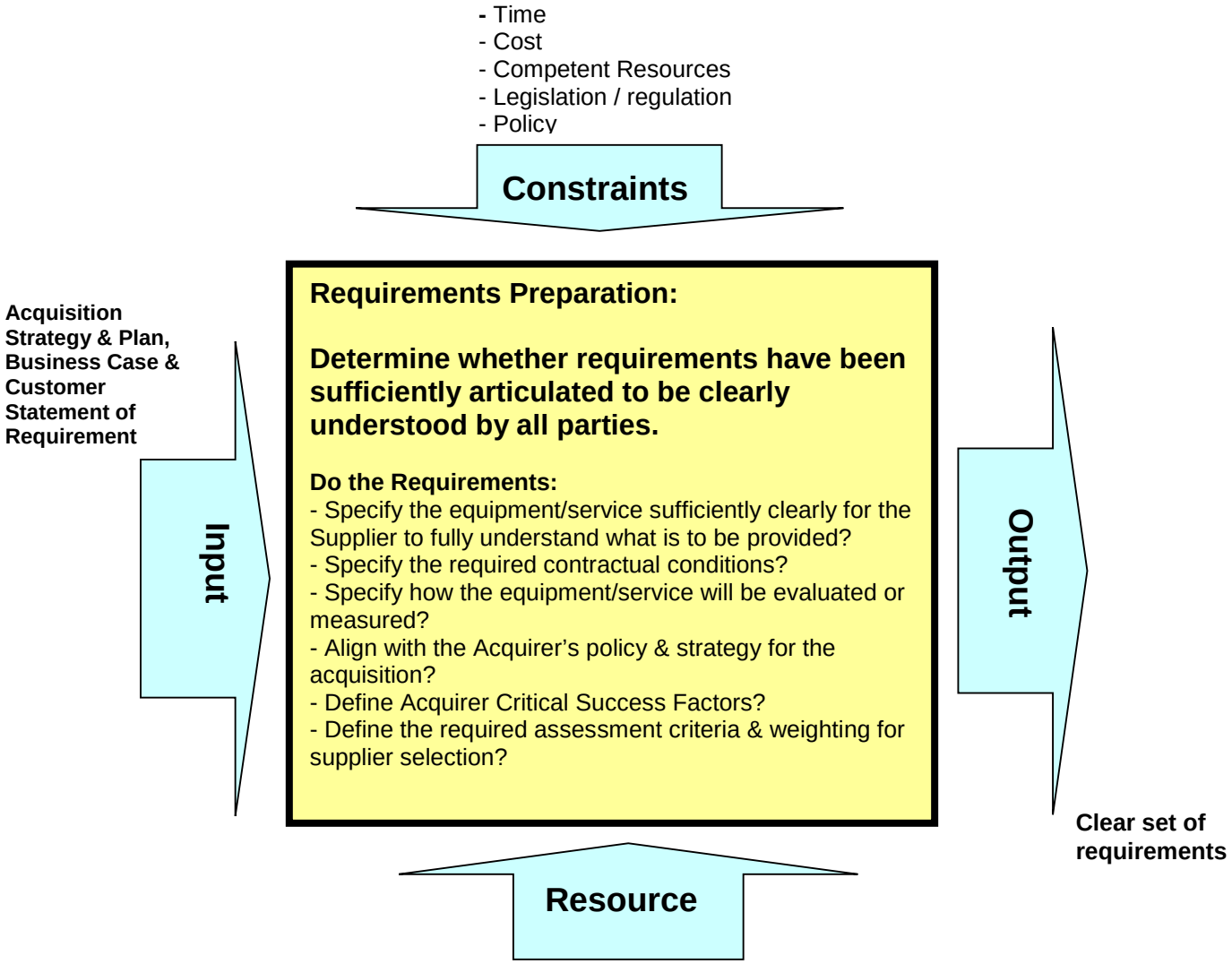
2.2 GQA activity can:

a. Provide assurance of clarity, completeness and viability.

b. Provide a sanity check for the Project Team to ensure understanding of the requirements from an Acquirer perspective.

c. Provide a basis for performance measurement and equipment/service acceptance.

Process: Requirements Preparation.



Functions involved with the delivery of a successful acquisition, eg

Quality
Safety
Commercial
Finance
Risk
Logistics
Configuration Management
Technical

3. Information provided through GQA Activity

3.1 The information that can be provided by a competent GQA Practitioner as part of the Resource input will include:

- Intelligence on past performance of potential suppliers and their relationships with MOD to inform supplier related risk identification.
- Advice & assessment of project success factors and how to assess achievement.
- Authoritative confirmation of the QA Contract requirements through endorsement of the Quality section of a Request for Contract Action (RCA).
- Relevant Questions for the Pre-Qualification Questionnaire (PQQ).
- Questions that can be included on the advert that invites expressions of interest and the PQQ.
- Advice on the assessment criteria for quality aspects and the weighting to the Tender Assessment Panel.

4. Key GQA Activities Required to Aid Decisions

4.1 To support the provision of the necessary information to aid the decision-making capability thus contributing to the acquisition management, the following activities should be considered by a competent GQA practitioner in conjunction with functional specialists:

- Review Quality Strategy & PQMP and update where necessary
- Ensure that the requirements preparation is in line with the Project Quality Strategy & plans and wider organization Strategy & plans.
- Plan for Equipment Quality Success Factors (eg QPIs, internal measurements, Internal/External audits, Project Reviews, etc) to align with Project CSFs.
- Ensure that appropriate QA Requirements are included in the RCA and Contract.
- Ensure that the request considers domain specific quality requirements.
- Provide input to the preparation of the advert for expressions of interest and ensure that appropriate QA requirements are included.
- Determine how Quality requirements in respect of Expressions of Interest and ITT responses are to be assessed.
- Provide input to the preparation of the PQQ.
- Input to the project risk identification and assessment process.
- Input to the process for risk identification and assessment in respect of potential Suppliers.
- Facilitate Continual Improvement of the Requirements Preparation process.
- Provide internal assurance that requirements for the equipment and/or service can be traced back to Customer needs and are defined adequately.
- Provide input to equipment acceptance criteria and delivery plans to ensure that the equipment or service will conform to requirements when delivered.

5. Risks Related to Requirements Preparation

5.1 The primary risk in not undertaking effective requirements preparation from the quality perspective is that clearly defined requirements are not established, are not understood by the Acquirer and communicated to potential suppliers. For example, if the contract document that defines requirements for the ITT is not clearly understood by Supplier or Acquirer:

- It will affect the interest or tender responses making it more difficult to select an appropriate supplier.
- Identified risks may not be managed appropriately.
- The end equipment/service may not meet the Acquirer's expectations.
- The Supplier may need to perform rework during production or worse, it could impact on a Supplier's capability to produce and deliver the equipment or service.

5.2 These risks are detrimental to the reputation of the supplier and to the project as a whole. They could result in:

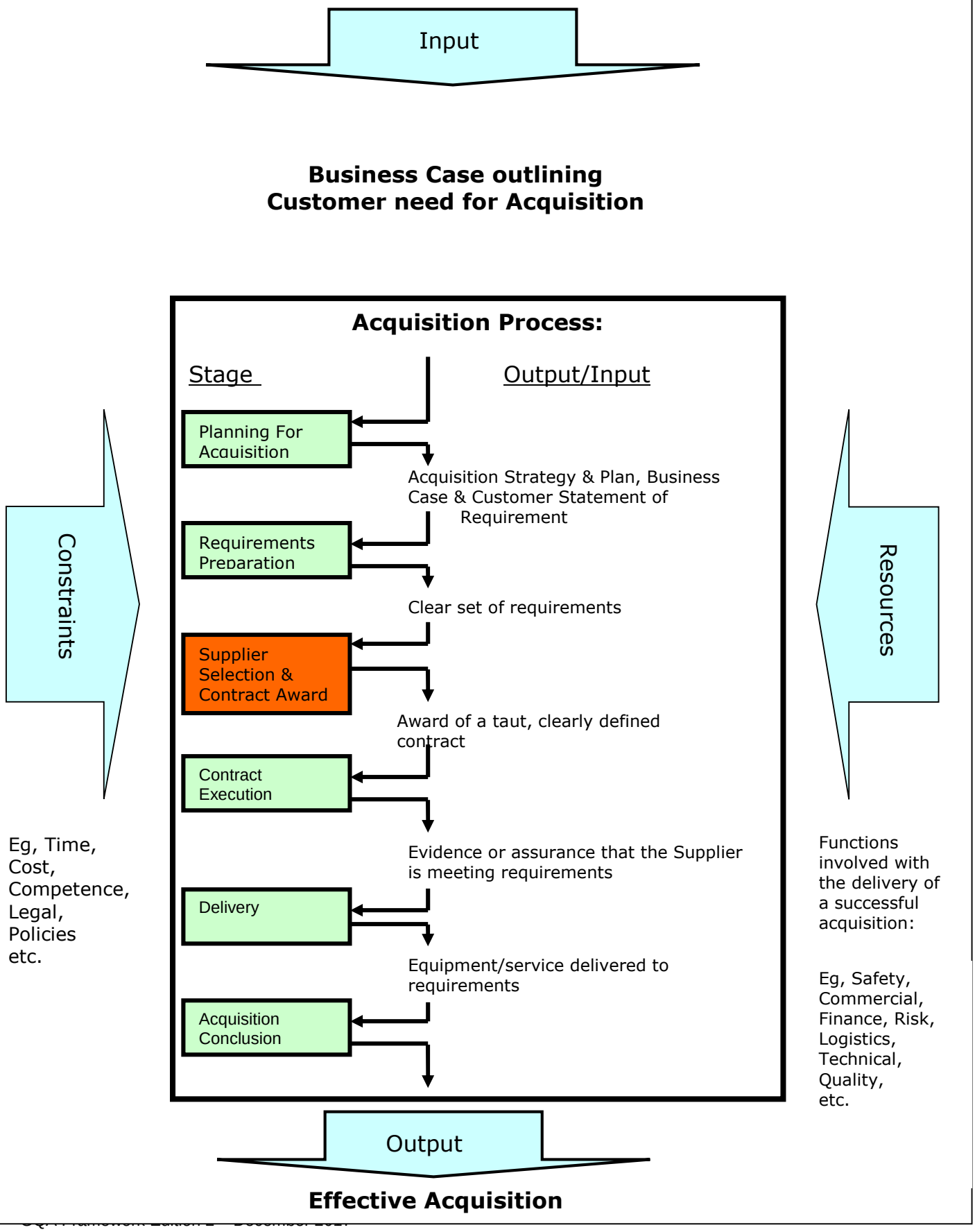
- Increased cost to the Supplier, which invariably will be passed to the Acquirer
- Schedule slippage
- Possible performance limitations.

There may also be safety, environmental and regulatory risks through incorrect specifications or wastage through scrap.

5.3 The parties of the agreement enter into it for their benefit. At the point when the benefit is no longer apparent to either party, the acquisition risks will increase significantly.

STAGE 3
Supplier Selection & Contract Award

SUPPLIER SELECTION & CONTRACT AWARD



1. Introduction

1.1 The purpose of Supplier Selection & Contract Award is to establish an agreement between the Acquirer and an appropriate supplier. The decision to commit to an acquisition depends on matching the equipment or service being acquired to a supplier.

1.2 The aim of this stage of the Acquisition Cycle is to support the application of a factual-based approach (ISO 9000) to supplier selection. This is based on a correlation between the risks related to the equipment or service and the level of assurance provided by potential suppliers and the methods used for their selection. This section focuses on:

- Publishing the advert for the equipment or service.
- Establishing and assessing expressions of interest.
- Inviting tenders.
- Assessing bids.
- Selecting an appropriate supplier.
- Awarding the contract.

1.3 Provided the correct planning and preparation activity has taken place as detailed in Stages 1&2, it is assumed that by this stage, the majority of known risks related to the equipment or service are understood and the acceptable risk tolerance is established although risks can emerge at any point and will vary with the Supplier. Definitive guidance on the supplier selection, tendering and contracting processes can be found in the MOD Commercial Toolkit.

2. The Benefits of GQA Activity in Supplier Selection & Contract Award

2.1 GQA activity can:

- Aid the primary drivers for supplier selection by providing a perspective on supplier effectiveness and ability to meet requirements.
- Differentiate between suppliers based on how well they control their processes and therefore, how much risk there is likely to be as to whether the selected Supplier can deliver to requirements.
- Provide Quality-related information that will assist in the assessment of expressions of interest, bid(s) and the award of a contract based on objective evidence of Supplier capability.
- Provide confidence to contract with a supplier with the capability to deliver to requirements.

Process: Supplier Selection & Contract Award

- Time
- Cost
- Competent Resources
- Legislation / regulation
- Policy

Constraints

Clearly defined Requirements

Input

Supplier Selection & Contract Award

Are the advertising, tendering and supplier selection processes robust enough to award a contract?

- Are communications between Acquirer & Supplier established?
- Does Acquirer have appropriate processes & resources in place as planned to respond to emerging issues & risks?
- Can the Acquirer ensure a factual based decision on Supplier selection?
- Does the advert articulate all the requirements?
- Can expressions of interest be sufficiently assessed?
- Do Supplier responses meet requirements that can be corroborated by objective evidence?
- Do Supplier responses align with the Acquirer Critical Success Factors and policies?
- Can planned Supplier monitoring & measurement activities be confirmed?
- Does Supplier show evidence of ability to address known risks, issues & process measurement?

Output

Award of a taut contract

Resource

Functions involved with the delivery of a successful acquisition, eg

Quality
Safety / Technical
Commercial
Finance
Risk
Logistics
Configuration Management, etc.

3. Information provided through GQA Activity

3.1 The information that can be provided by a competent GQA Practitioner as part of the Resource input will include:

- An authoritative assessment and verification of the Suppliers' Quality Management System (QMS) or draft PQMP.
- A completed initial risk information and assessment form for each response.
- Supplier capability metrics.
- Supplier performance measures & metrics.
- Supplier delivery metrics (vendor rating).
- Independent assessment of Suppliers' Critical Success Factors (CSFs).
- Assessment of Supply Chain controls.
- An independent assessment of the Tender Invitation against the requested equipment, service & industry norms.
- Independent assessment of the Tender Invitation against the requested business practices, strategy for the acquisition & organization policy.

4. Key GQA Activities Required to Aid Decisions

4.1 To support the provision of the necessary information to aid the decision-making capability thus contributing to the acquisition management, the following activities should be considered by a competent GQA practitioner in conjunction with functional specialists:

- Review the Quality Strategy and Project Quality Management Plan (PQMP), and update where necessary.
- Provide advice and a Quality perspective on assessment of potential supplier responses such as expressions of interest from advertisement, Pre-Qualification Questionnaires (PQQs) and any subsequent clarification questions and analysis of tenders through the Tender Assessment Panel.
- Determine the need for and coordinate / lead Pre-Contract Award Evaluation (PCAE).
- Provide assurance that proposed suppliers' management system certification meets MOD Appropriate Certification Policy detailed in the Managing Quality topic.
- Consider the requirement for, QA Groups (QAGs).
- Advise on suppliers' ability to meet contractual Quality requirements i.e review of Supplier's PQMP inclusive of appropriate process monitoring and measurement activity. Identify Risks and issues and input into the Risk Register.
- Provide Quality-related advice on Integrated Test, Evaluation & Acceptance (ITEA) planning to ensure Quality measurements relate to Specific, Measurable Achievable, Relevant and Time (SMART) factors.
- Provide advice on whether Suppliers' Quality CSFs and Key Performance Indicators (KPIs) align with Acquirer's Quality CSFs & KPIs.
- Ensure Quality requirements are appropriate and called up in the final contract documents.
- Provide advice and support to Commercial Team during any negotiations with Supplier on Quality conditions within the contract.
- Facilitate Continual Improvement of the Supplier Selection and Contract Award process.

5. Risks Related to Supplier Selection & Contract Award

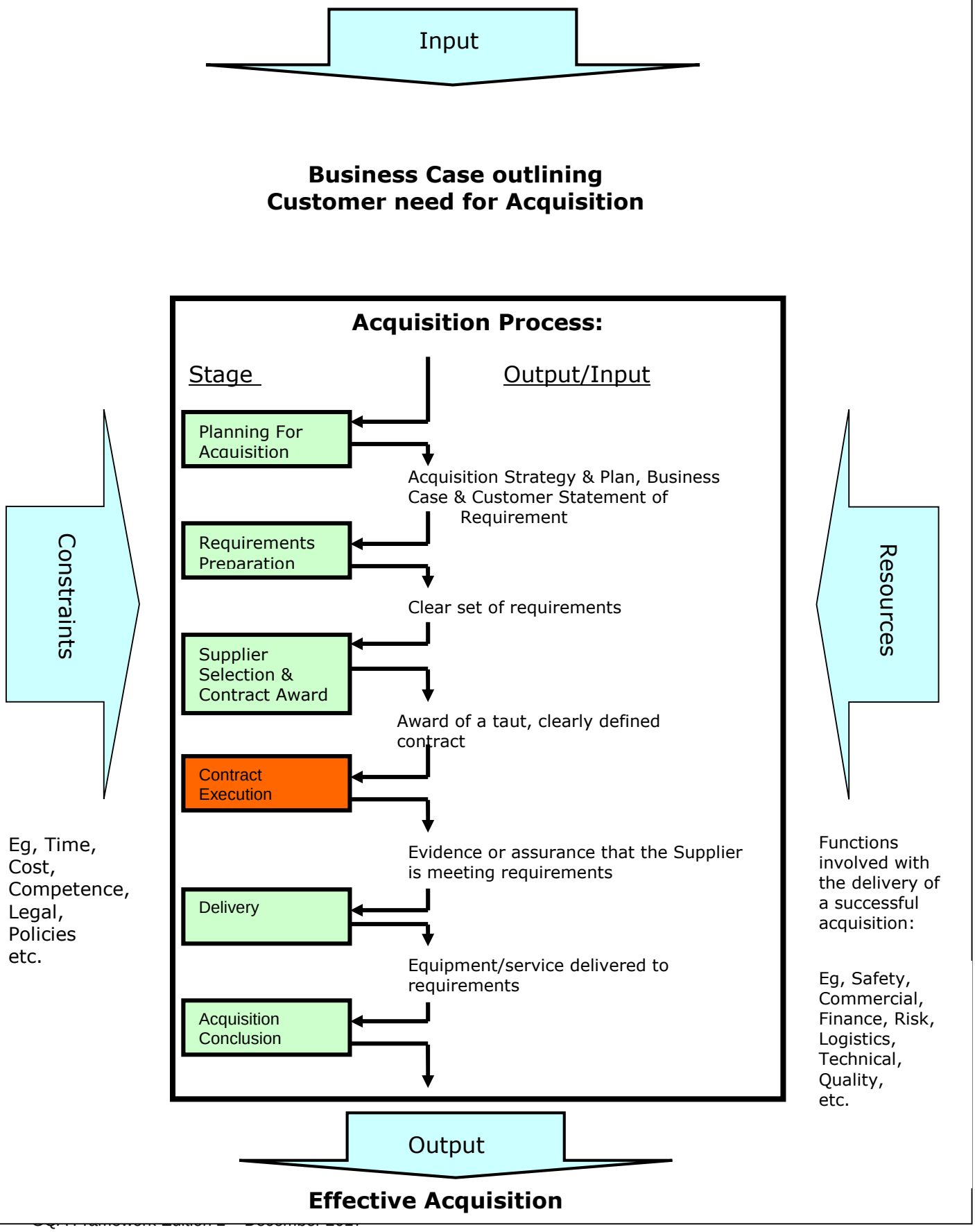
5.1 The outcome of this stage is a decision to commit to an acquisition by awarding a contract. This then extends through contract execution to delivery and payment. The scale of the commitment relates to the impact of the risks to the acquiring organization. In principle, the commitment can be measured in duration of the agreement, cost or the Acquirer's dependence on the acquired equipment or service.

5.2 The primary risk from the quality perspective is that Stages 1&2 have not been completed correctly and that a commitment to a supplier which is unsuited to the agreement is made. This risk is linked to the establishment of a clearly defined statement of requirements that is understood by the potential supplier and the provision of a response to the ITT that will meet those requirements. A supplier's QMS provides the framework, policy, processes and work instructions which control how the Supplier operates. Inconsistency between the Supplier's QMS and the risks related to the equipment or service and its application, is likely to result in failure to meet the Acquirers requirements.

5.3 The resultant issues would likely result in increased cost, schedule slippage and requirements not met.

STAGE 4
Contract Execution

CONTRACT EXECUTION



1. Introduction

1.1 The Contract Execution stage is when the Supplier works towards realising the equipment or service to the requirements specified in the contract thus validating the Acquirer's strategy for the acquisition.

1.2 This stage will provide an outline of how QA services can assist in gathering evidence that the Supplier has met and continues to meet their commitments; that identified risks are managed and that emerging risks or issues are responded to appropriately; exemplifying a factual-based approach to decision making (ISO 9000).

1.3 Further guidance on the activity that is undertaken to assure Quality can be found in the Managing Quality topic.

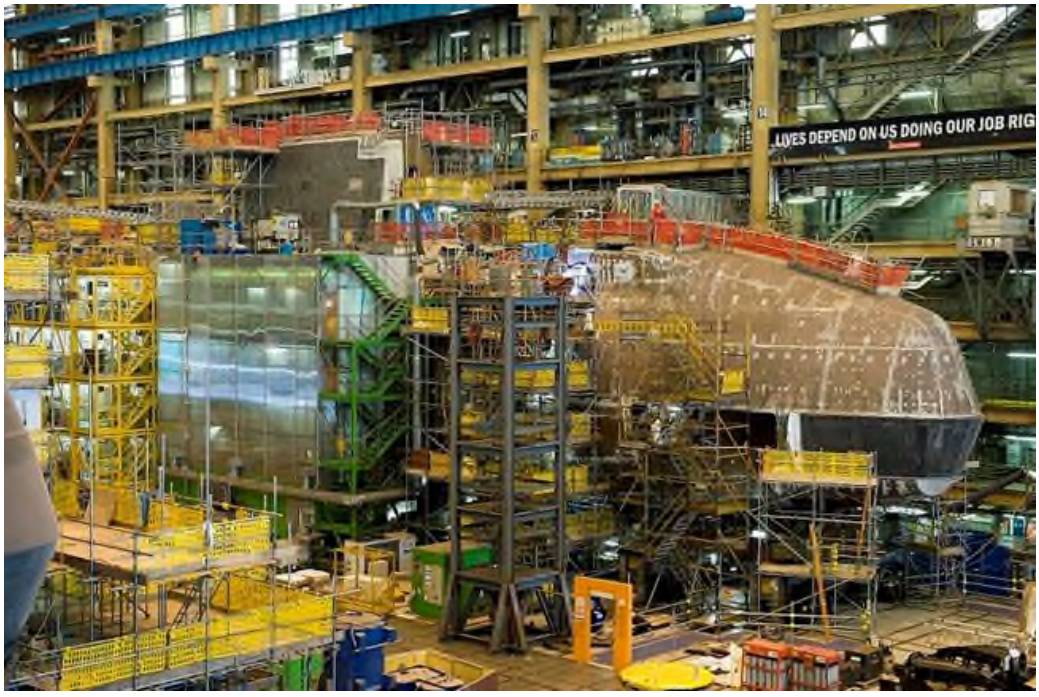
2. The Benefits of GQA Activity in Contract Execution

2.1 Effective GQA involvement in Contract Execution will:

a. Provide assurance that the Supplier will meet its commitments and deliver to the requirements of the contract through surveillance against identified risks

b. Provide early warning of emerging risks and issues. Early intervention through QA activities during the project execution can reduce cost and project slippage.

c. Build up valuable information on the Supplier for future acquisitions that can also be used for measurement and acquisition review purposes during the Acquisition Conclusion phase.



Process: Contract Execution

- Time
- Cost
- Competent Resources
- Legislation / regulation
- Policy

Constraints

Clearly defined contract

Input

Contract Execution

Is there a requirement for involvement by the Acquirer?

- Is there sufficient objective evidence that the Supplier is fulfilling contract requirements?
- Is the contract progressing as expected against milestones & Success Factors?
- Does the Acquirer have processes that respond to emerging risks/issues?
- Is the Supplier's QMS responding to emerging risks/issues?
- Are risks being managed within tolerable limits?
- Does the Acquirer have appropriate assurance activity?
- Are non-conformities being managed?
- Are communications between the Supplier & Acquirer effective?

Output

Evidence that the Supplier is meeting requirements

Resource

Functions involved with the delivery of a successful acquisition, eg

Quality
Safety
Commercial
Finance
Risk
Logistics
Configuration Management
Technical

3. Information provided through GQA Activity

3.1 The information that can be provided by a competent GQA Practitioner as part of the Resource input will include:

- Evidence of Supplier performance through duration of the contract.
- Evidence of Supplier fulfilment of CSFs.
- Continual information on risk mitigation activity.
- Reports on emerging risks/issues.
- Quality Deficiency Reports.
- Evidence of re-planning in response to changes in risk.
- Feedback on Acquirer/Supplier communications.
- Non-conformity reports.
- Evidence that the Supplier is implementing its PQMP.

4. Key GQA Activities Required to Aid Decisions

4.1 To support the provision of the necessary information to aid the decision-making capability thus contributing to the acquisition management, the following activities should be considered by a competent GQA practitioner and could be conjunction with other functional specialists:

- Review PQMP and update where necessary.
- Provide Quality Subject Matter Expert (SME) support to the Project Manager in assessing concession applications (Defence Standard 05-61 Part 1).
- Set up and manage QAG if required, providing Quality input to Review Meetings.
- Review risks.
- Set up GQA Risk-based surveillance activities as required through tasking of a Registered Government QA Representative (GQAR) or overseas GQAR for foreign contractors, eg
    - Agreement of Surveillance Plans.
    - Undertaking risk-based surveillance audits.
    - Produce interim and final surveillance reports including Quality Deficiency Reports that make recommendations, summarize, and communicate the findings of surveillance activity undertaken.
    - Identification of emerging risks & communication to Project Team.
    - Sub-delegate surveillance activities to other GQAR organizations as necessary.
    - Support In-Depth Audits.
- Where resolution of quality related contractual issues cannot be agreed, consider escalation action in accordance with the 'Partnering Approach for Improving Quality' (PAIQ).
- Provide Quality-related advice during acceptance testing or conducting tests where necessary, eg Factory Acceptance or Site Acceptance.
- Provide assurance that the Supplier is conducting tests and measurements in accordance with Integrated Test, Evaluation & Acceptance plan.
- Facilitate Continual Improvement of the Contract Execution process

Note: Surveillance activities should only be undertaken by a registered GQAR. Details on GQAR Registration can be found in the Managing Quality topic.

5. Risks Related to Contract Execution

5.1 At this stage the planned arrangements for Quality will be in place. An analysis of these arrangements is required to assess the risk that they are:

- Not suitable.
- Not implemented appropriately.
- Not monitored or not reviewed in a timely manner.
- That the requirements change through life and require contract amendments.

5.2 By not defining the contract requirements correctly (see Sections 2&3), risks that the Supplier has misunderstood exactly what is needed can arise, which could lead to time-consuming and costly intervention activity. There are also risks with overseas suppliers that can be managed by GQA Surveillance through formal tasking of overseas governments that are covered in more depth within AQAP2070 (NATO Mutual Government QA). Guidance on overseas tasking can also be found in the Managing Quality topic.

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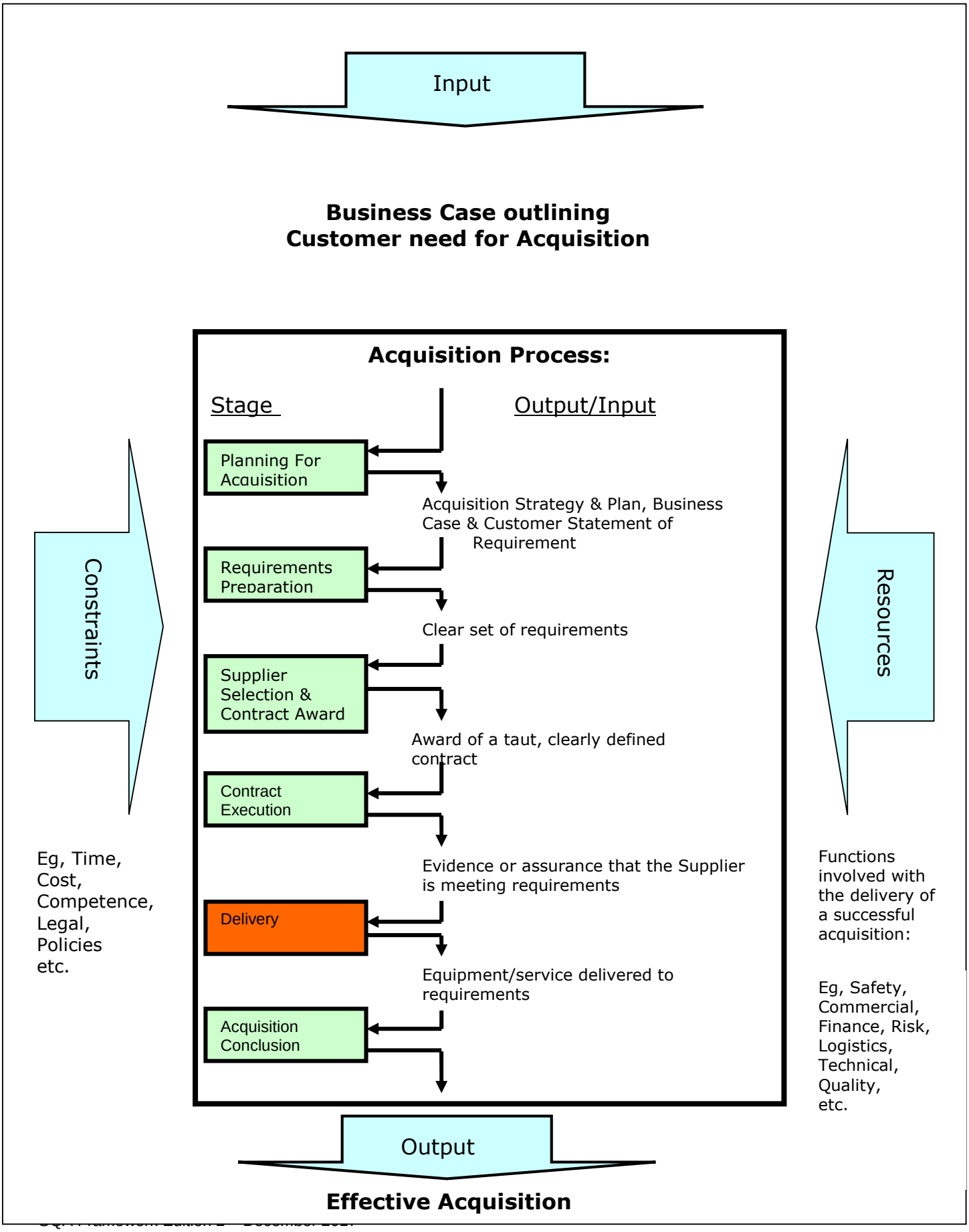
STAGE 5
Delivery

DELIVERY


Input
Business Case outlining
Customer need for Acquisition
Acquisition Process:
Stage
Output/Input
Planning For Acquisition
Acquisition Strategy & Plan, Business Case & Customer Statement of Requirement
Requirements Preparation
Clear set of requirements
Supplier Selection & Contract Award
Award of a taut, clearly defined contract
Contract Execution
Evidence or assurance that the Supplier is meeting requirements
Delivery
Equipment/service delivered to requirements
Acquisition Conclusion
Constraints
Eg, Time, Cost, Competence, Legal, Policies etc.
Resources
Functions involved with the delivery of a successful acquisition:
Eg, Safety, Commercial, Finance, Risk, Logistics, Technical, Quality, etc.
Output
Effective Acquisition

1. Introduction

1.1 The Delivery stage is where the Supplier presents conforming equipment or service to contractual requirements; this allows for the Acquirer to make agreed payment to the Supplier.

1.2 Delivery is not when the evidence of conformance is gathered, rather when it is collated & confirmed and meets the requirements of the contract. Details regarding different payment arrangements can be found on the MOD Commercial Toolkit but GQA activity detailed within this stage can be applied as many times as necessary until all the requirements of the contract are fulfilled.

2. The Benefits of GQA Activity in Delivery

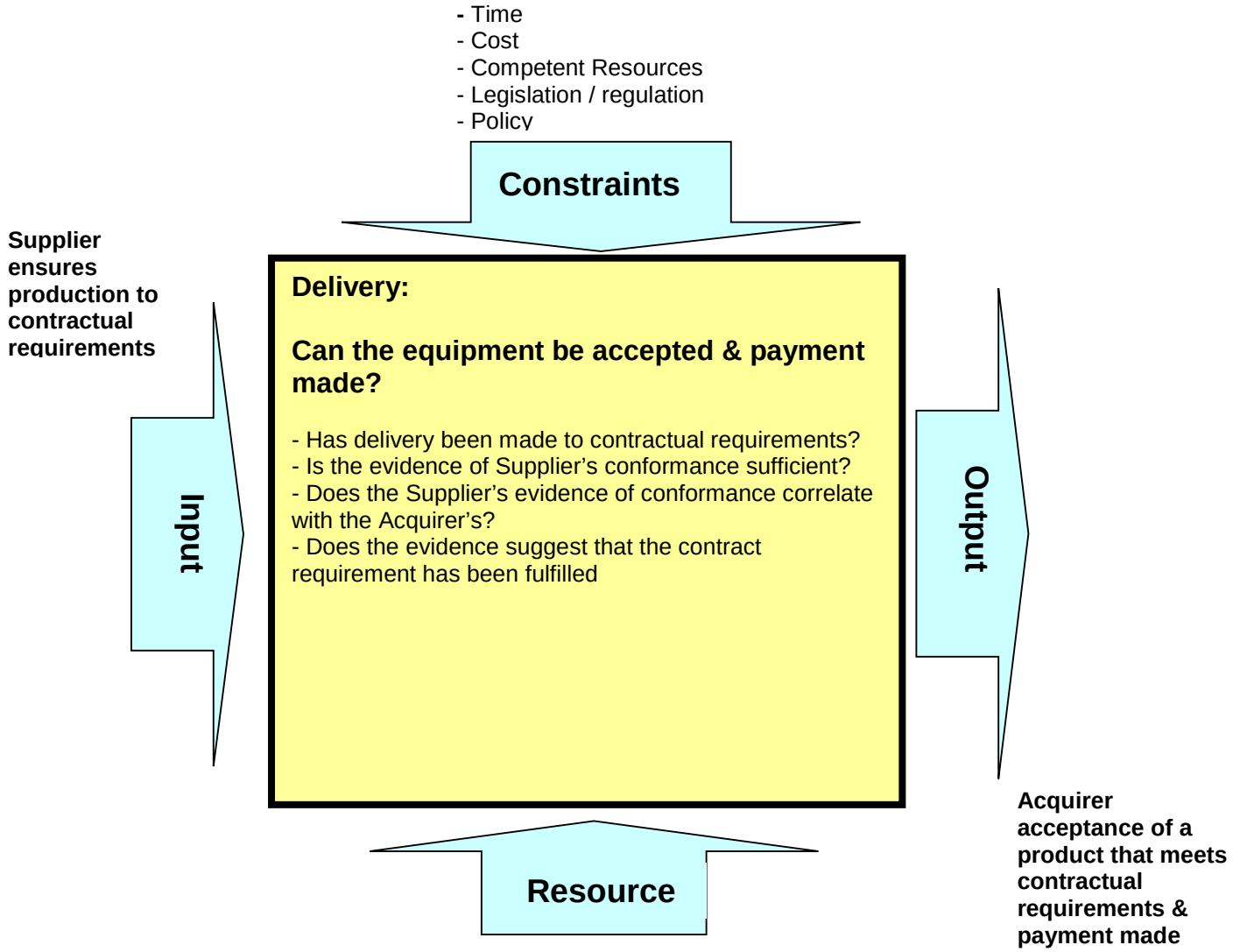
2.1 Effective GQA involvement in Delivery will:

a. Provide confirmation of the Supplier's evidence of equipment or service and contract conformance.

b. Ensure the delivery by the Supplier of equipment or service that meets contractual requirements.

2.2 GQA involvement in achieving these will enable the Acquirer to make the appropriate payment in accordance with the contract.

Process: Delivery



Functions involved with the delivery of a successful acquisition, eg

Quality
Safety
Commercial
Finance
Risk
Logistics
Configuration Management
Technical

3. Information provided through GQA Activity

3.1 The information that can be provided by a competent GQA Practitioner as part of the Resource input will include:

- Evidence of Supplier conformance.
- Assessment of evidence collected by Acquirer of conformance.
- Validation that Supplier performance continues to meet Acquirer requirements.

4. Key GQA Activities Required to Aid Decisions

4.1 To support the provision of the necessary information to aid the decision-making capability thus contributing to the acquisition management, the following activities should be considered by a competent GQA practitioner and could be conjunction with other functional specialists:

- Review the PQMP and update where necessary
- Collate and assess Quality-related evidence (Supplier conformance reports & Acquirer quality reporting) relating to Supplier performance against contractual requirements to support acceptance of the equipment or service.
- Assess Suppliers Verification and Validation results and certification, eg (Design conformance and functional test reports) to support the acceptance of the equipment or service.
- Provide Quality support to the Project Manager in assessing concessions
- Review & where necessary, continue QAG activities
- Review risks and update the tasking of GQA Risk-based surveillance activities as required.
- Facilitate Continual Improvement of the Delivery process.

5. Risks Related to Delivery

5.1 The primary risk to delivery and subsequent payment from the quality perspective is that there is insufficient evidence that the equipment or service meets Acquirer expectations; so preventing acceptance, delivery and payment.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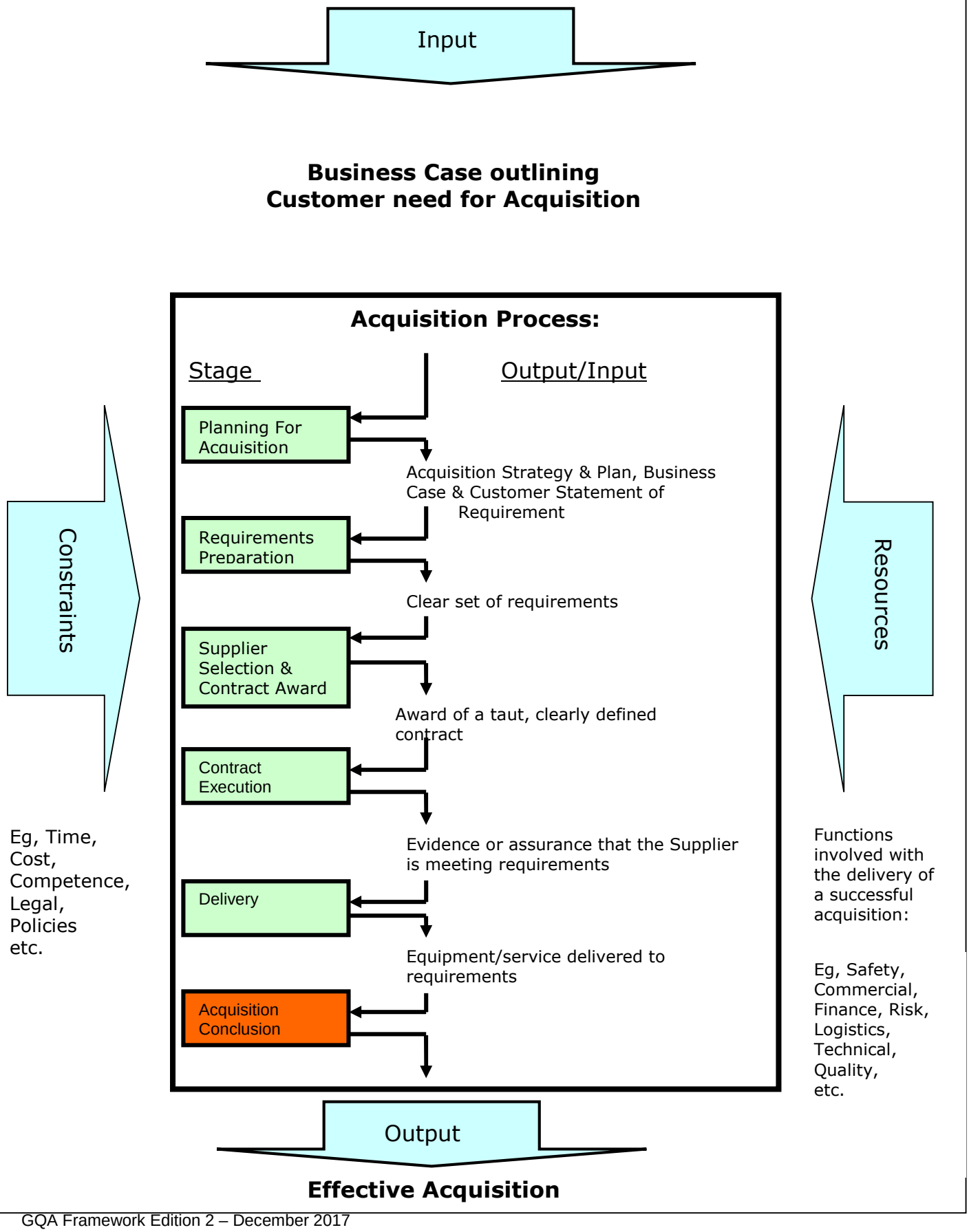
STAGE 6
Acquisition Conclusion

ACQUISITION CONCLUSION



1. Introduction

1.1 The Acquisition Conclusion stage is where all contract requirements have been met by the Supplier and the Acquirer has provided all payments for conforming the equipment or service. Although this is the end of the Acquisition action, it is not quite the end of the Acquisition Cycle.

1.2 In accordance with the Deming Cycle method of promoting continual improvement: (*Planning* what is needed; *Doing* it; *Checking* it works; and *Acting* to correct problems or improve performance), it is recommended that a review is conducted at the end of each stage to capture any lessons learnt and allow that learning to be implemented as appropriate in the next stage.

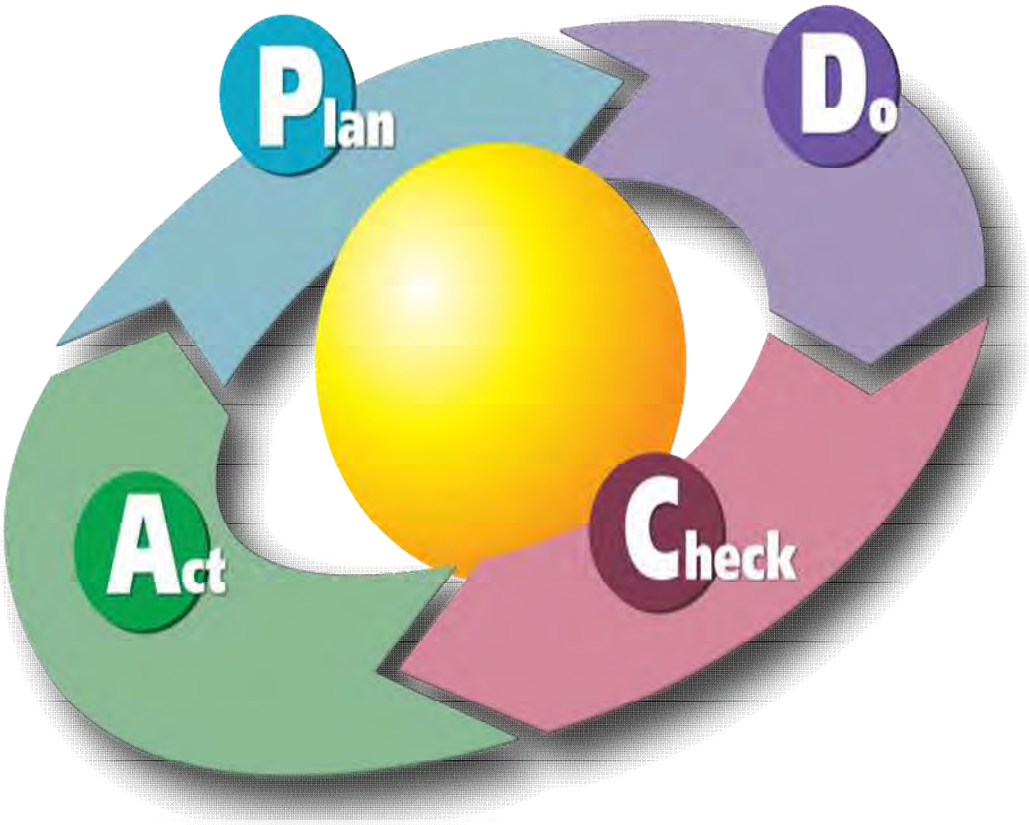


Diagram by Karn G. Bulsuk

It is also recommended that a similar review is undertaken following the complete conclusion of contract or acquisition action. Effective quality management of internal processes should include continual improvement activity. While GQA can provide valuable information, it is normally the Quality or Business Management function that carries out the activity for Acquirer review.

1.3 The review should focus on the objectives as detailed in the Acquisition Strategy and determine whether they were met and whether they were right for

the acquisition. The aim should be to establish, at the project, programme or organizational levels, what improvement can be made. For more information refer to ISO 9004:2009, Section 9 (subject to updates).

2. The Benefits of GQA Activity in Contract Conclusion

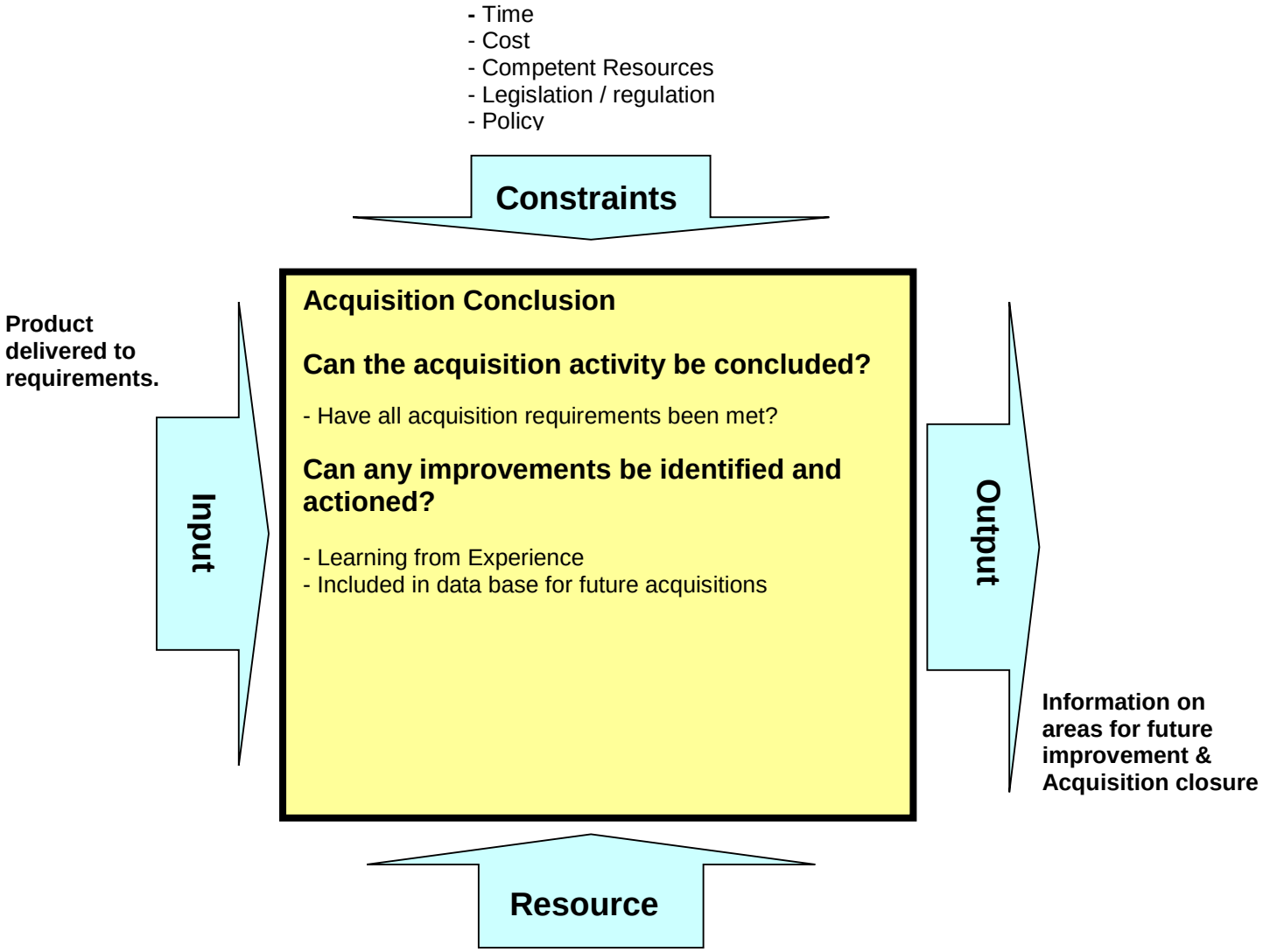
2.1 GQA Practitioners can provide valuable information on Supplier and Acquirer performance and this can be applied to future acquisitions of a similar nature to promote best practice and improve efficiency.

2.2 Effective GQA activity in Acquisition Conclusion will provide:

a. Relevant Quality-related information to enable the capture of areas for process improvements and to close the acquisition activity.

b. Advice on the relevant tools and techniques that can be used for continual business improvement through lessons learnt providing increased efficiency and lowering delivery times and costs.

Process: Acquisition Conclusion



Functions involved with the delivery of a successful acquisition, eg

Quality
Safety
Commercial
Finance
Risk
Logistics
Configuration Management
Technical

3. Information provided through GQA Activity

3.1 The information that can be provided by a competent GQA Practitioner as part of the Resource input will include:

- Contract Completion Reports.
- Information on Supplier performance.
- Evidence to support the Certificates of Conformity.
- Analysis of processes.
- Information on Continual Improvement tools & techniques.
- Information on Acquirer performance.

4. Key GQA Activities Required to Aid Decisions

4.1 To support the provision of the necessary information to aid the decision-making capability thus contributing to the acquisition management, the following activities should be considered by a competent GQA practitioner in conjunction with functional specialists:

- Collate and act on all Quality-related evidence (Supplier & Acquirer) relating to performance against contractual requirements.
- Provide Quality input to any Contract Completion Reports and review and update Risk Register and close requirements for surveillance tasking as appropriate.
- Facilitate LFE in order to identify areas for improvement of the Acquisition process. Plus provide any LFE to follow-on contracts and provide feedback to QCM-Policy to allow for policy improvement reviews.

5. Risks Related to Contract Conclusion

5.1 As the requirements of the contract have been met and payment has been made, there are no risks associated with the acquisition. However, a lack of information on how the acquisition process as a whole has performed can lead to the same problems or mistakes in similar or associated acquisitions, potentially proving costly in terms of time and money.