



Award-Fee Incentive Model

UNITED GOVERNMENT SERVICES,
LLC

Award-Fee Incentive Model

- What is a balanced scorecard?
 - Framework for implementing and managing strategy at all levels of an organization by linking objectives, initiatives and measures
 - Integrates financial measures with other key performance indicators
 - Customer perspectives
 - Organizational growth
 - Innovation

Award-Fee Incentive Model

- UGS' experience with the balanced scorecard model
 - Contains 11 core requirements
 - Covers many functional areas of Program Management
 - Key performance standards from each area that must be achieved
 - Used in determining award fee

Award-Fee Incentive Model

- UGS' experience with the balanced scorecard model (cont.)
 - Balanced scorecard metrics
 - Eleven metrics covering four objectives - customer service, innovation and technology, operational excellence and financial management
 - Each objective had an assigned weighting and allotted points
 - Focused on customer, CMS and organizational issues and initiatives

Award-Fee Incentive Model

- UGS' experience with the balanced scorecard model (cont..)
 - Award Fee Plan
 - Based on core requirements and balanced scorecard metrics
 - Self-evaluation and reviews
 - Annual review to determine potential payment

Award-Fee Incentive Model

- One model for all contractors
 - Reduces the resources for both CMS and contractor
 - Eliminates the need for lengthy contract negotiations
 - Allows everyone to focus on important issues while keeping core requirements on track
 - Balanced scorecard approach