



NIGP FORUM
Connecting Procurement Communities
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Transforming Reference Checks
Saves time, resources and eliminates bias

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VP Product
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eVendorCheck

Provider of web-based supplier assessment tools, that use direct customer feedback to measure a supplier's current performance and risk levels



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Why Do References?

- **Better selection decisions**
One of the BEST sources of information about suppliers' capabilities are their CUSTOMERS



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Why Do References?



- **Avoid risky suppliers**
 - Failure to deliver
 - Budget overruns
 - Wasted \$\$\$
 - Your reputation



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Why Do References?

To Determine Bidder Responsibility



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Current practice – supplier references

- No consistencyAcross public entities
- Most common
 - formal competitive bids
- Discretionary below bid limit




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Question:

At what step of the solicitation process do you check references?

1. RFI
2. RFP Responders
3. Final 2-3 Candidates
4. Final Candidate
5. Don't typically do references




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Answer:

At what step of the solicitation process do you check references?


1. RFI 4%
2. RFP Responders 9%
3. Final 2-3 Candidates 60%
4. Final Candidate 19%
5. Don't typically do references 6%



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Step in the process

RFI	• Pre-qualification
RFP	• Narrow the field
Final 2-3	• Finalist decision
Final	• Validation of decision



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Who






Procurement Professionals

Administrative Staff

Evaluation Committee



References

- 3-5 references – SOP ?????
- Not all successfully contacted
 - Lack of time
 - Resources
 - Telephone tag
- Rewards



What to Ask

- Standard questions - general
- Project specific questions
- Unstructured
- Combination



Question

How many minutes does it typically take you to complete a reference check? (include reaching reference, interview, transcribing notes)

1. Under 30
2. 30 – 45
3. 45 – 60
4. Over 60



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Answer

How many minutes does it typically take you to complete a reference check? (include reaching reference, interview, transcribing notes)

1. Under 30 21%
2. 30 – 45 48%
3. 45 – 60 12%
4. Over 60 18%



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Challenges

- Time-consuming
- Limited data points (3)
- Lack of full disclosure
- Missing important information
- Interviewer skill
- Bias at every step
- Documentation and process transparency
- Hard to compare suppliers




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Customers provide valuable data

- Need to improve data collection and reporting
- Take advantage of internet capabilities

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Improved Process
Less time – Better information



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eVendorCheck




"Everything is difficult before it becomes EASY"
Unknown



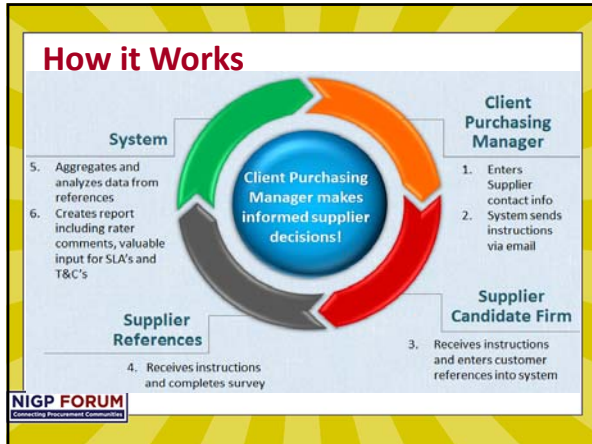
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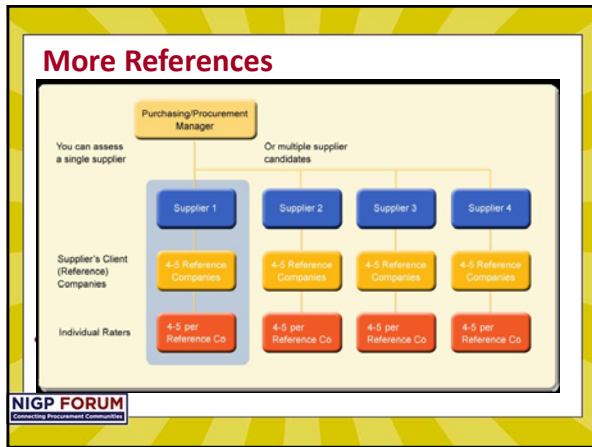
eVendorSelect – References made easy

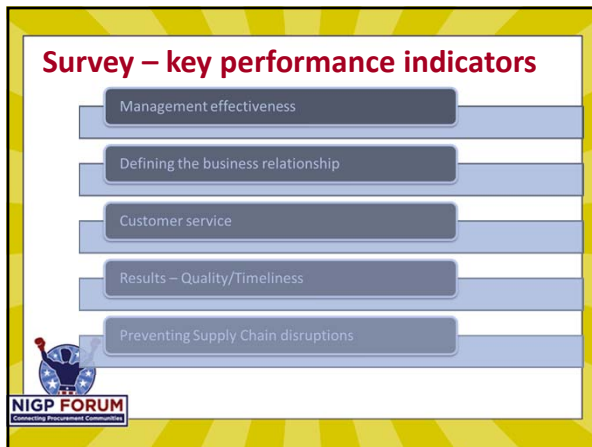
Saves Time < 5 min	More Data 16 – 25 refs	Third Party Neutral
Survey 30 items	Strengths & Areas to Improve	Truthful



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Management effectiveness

- Operate in an open, **honest and ethical** manner at all times with your organization
- **Minimize** the need for your **staff to oversee** quality, technical and delivery requirements
- Appear to maintain a **stable workforce** with little indication of high turnover or layoffs
- Consistently **maintain contract** conditions, including payment terms
- Proactively initiate activities to **improve quality**, generate **cost reductions** and/or lead times



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Defining the business relationship

- Establish a clear understanding of **how to work together** effectively: roles, responsibilities
- Explain in advance the **pricing and other terms** and conditions of the contract
- Work with you to establish **measurements** for their results
- Make you aware of any plans to **outsource or subcontract**



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Customer support



- Assign a highly **effective team leader**: knowledgeable, responsive, supportive
- **Respond to your needs** for info or decisions
- Make a **quick recovery** from any errors
- Demonstrate a **sense of urgency** to help
- Demonstrate **flexibility** by accommodating requested changes with **min cost/disruption**



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Results – quality/timeliness

- Meet requirements for **quality and usefulness**
- Meet requirements for **on time delivery** and **order accuracy**
 - How would you have rated that **6 months ago**
- **Invoice** you completely, **correctly** and timely
- **Stand by work** by guaranteeing performance
- Perform in a way that you are **confident in using them in the future**

Preventing supply chain disruptions

- Successfully prevent material shortages, labor/workforce issues, sub supplier failures, workplace accidents and financial problems
- Successfully prevent legal/regulatory and environmental issues







Process transparency

- Separate dashboards for client and suppliers
- Client monitors supplier's number of references added and the response rate
- Suppliers monitor specifically who responded and can add more raters throughout process
- System sends reminders to references


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Higher response rates (avg. 72%)

Written comments - Strengths


- The management staff is prompt, consistent, knowledgeable and has excellent follow-up.
- Response time and action to requests are handled professionally and timely.
- When we needed additional help, they sent staff from home office to be sure it was completed.
- Quality and timeliness is on point.
- Was able to assist after natural weather events that caused damage/issues to site.



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Written comments – Areas to improve

- Communication ref scheduling could improve.
- Need faster price quotes for jobs.
- Response time needs to improve.
- Have extended management to cover all sites.
- Cust service must do a better job of identifying which projects are life safety vs. regular orders.
- Training new employees about do's and don'ts.
- Reporting results of inspections to the client.
- Vacations/sick leave subs have been a challenge.



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Reference Information

Rater Name	Title	Reference Type	Email	Rater Company Name	Location/Division	Survey Completed
John Doe	Associate Vice Chancellor - Facilities	Buyer/User	xxxxx@alamo.edu	Alamo Colleges	Education	March 2013
Robert Lefty	Facilities Planning and Construction Officer	Buyer/User	xxxxx@beaufort.k12.sc.us	Beaufort County Schools SC	Education	March 2013
Phyllis Red	Chief Operational Services Officer	Buyer/User	xxxxx@beaufort.k12.sc.us	Beaufort County Schools SC	Education	March 2013
Dr. Swift	College President	Buyer/User	xxxxx@benedict.edu	Benedict College	Education	March 2013
John Smith	Asst. V.P. Phy. Plant	Buyer/User	xxxxx@benedict.edu	Benedict College	Education	March 2013
	VP of Facilities	Buyer/User	xxxxx@opsc.edu		Education	



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User Experience



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eVendorSelect

- Better Decisions, Less Risk, Eliminates Bias
- Time Saving
- Cost effective - \$99 per supplier evaluated
- Supplier paid option available
- Complimentary project for NIGP members



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