

DO YOUR HOMEWORK – CONTACT REFERENCES

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Have you ever been in a position to purchase a product or service that you have little or no experience with? Does the uncertainty cloud your judgment or selection? The age-old question of “should I” or “shouldn’t I” seems to be at the tip of your tongue throughout the entire selection process. This is a simple example of how the fear of the unknown can cause you to make poor decisions. A way to minimize the unknown is to contact various references that pertain to the product or service you are considering to purchase. This is somewhat easier when dealing with products, but is more complex when dealing with services because of that all-important human element. For purposes of this article, we will discuss the selection of services, but the same principles can be applied to products you are considering.

You may need to purchase services that will either supplement or enhance your current capabilities. That usually means another company with its own set of personnel, values, and goals becomes intimately involved with your organization. This can be daunting to say the least. Typically there will be multiple suitors that are interested in providing the service you need. It becomes very difficult to discern between a few different firms that are all stating they are the firm that is the best fit for your organization. They all have glossy brochures, sleek presentations, and impressive resumes of past projects. How is it possible to select the firm that will be the best fit for your needs? It is your responsibility to check out these firms that are interested in providing a service for you. One of the best ways to separate the good from the bad is to check the references of the firms. There is no better way than to go to the “horse’s mouth” of their past projects and find out how they performed under fire.

Companies will not typically list references with which they had a bad experience, but this can still be a benefit to you. You need to know the type of questions to

ask of these listed references. Consider what is important to make the relationship you are about to enter into successful. What was their relationship with the day-to-day contacts? What was their relationship with the firm's office or executives? How was the firm's response time to problems/issues? All relationships have problems at some point. How these problems were identified, discussed, and resolved provides good insight into how the firm you are considering will produce for you.

Organizations are typically worried about the total cost of the service. While this is important, how the firm provides the service can mean the difference between a relationship being beneficial to all the parties and a relationship in which someone feels as though they were taken advantage. Checking references allow you to get a handle on the unknowns or intangibles of a firm you are considering. The firm with the lowest price may (or may not) be laying in wait with the philosophy of getting additional money as they provide the service. The more information you have to evaluate a firm, the better.

Some references may be hesitant to give you the "real" story on the firm you are inquiring about. It is imperative that you explain why you are calling and how important it is that you understand the performance of the firm you are calling about. Just reading from a checklist gives the impression that you are not truly interested in how they performed. It will seem as though you are more interested in what type of score the firm can get rather than how they actually performed. People tend to be more forthcoming when they fully understand your situation and feel that you are interested how the firm performed for them.

Some typical items that are asked in a reference check are:

- Were you satisfied with the quality of their performed service(s)?
- Were you satisfied with the quality of their outsourced service(s)?
- Was the work completed in the agreed upon timeframe? If not, why?
- Was the cost of the services adjusted? Why?
- How well did the firm's personnel work with your personnel?

- Did the firm's upper management sell the services and middle management conduct the services? If so, were there any changes in the services you purchased compared to those you actually received?
- Did the firm actively work to resolve issues in a timely manner?
- Were you satisfied with the firm's delivery of the service provided?
- Who were the firm's personnel that worked directly with your organization?
- Would you work with this firm again? If so, in what capacity?
- What are the firm's strengths and weaknesses?
- Did the firm provide adequate closure to the services provided, or did completion of the services take longer than desired?
- Are you aware of any work this firm has performed with other organizations?

It is imperative that you develop your own set of questions that can specifically identify issues relevant to your needs. It may be important to keep records of your reference checks. You may need this for internal use (i.e. prove to the boss that you did your due diligence in checking references) or if you represent a public entity, it may be required should you be challenged on your final selection. A standard process of checking references would allow you to fulfill these two requirements. Having documentation of the reference checks will also allow you to compare competing firms.

Calling multiple references is also important. This is needed to get not only an overall understanding of the performance of a firm, but also of the personnel proposed to provide the service for you. It may be impressive to be involved with a well-known firm – i.e. a “Big Name.” However, you need to remember that the performance of any one firm is directly related to the professionalism and caliber of the personnel that firm is proposing to work with you. A reference check doesn't provide much insight if you cannot check references for the personnel that is proposed for your project. Hearing that someone was great to work with isn't exciting unless that person is proposed to provide you the service you need.

A helpful hint is to call the references listed by the firm, but then to ask them if they know if the firm you are calling on has done work with other organizations. This will obtain a second layer of references that will provide you with more information on the firm of which you are interested.

It is very difficult to evaluate a company to ensure they can provide the service they say they can. It takes a lot of homework to get the “warm fuzzy” feeling you may desire prior to selecting a firm with which to work. Keep in mind this is just the first step in completing a process you need accomplished. Checking references and confirming that a firm can deliver a specific service does not guarantee that the entire relationship will be a success. What it does do however, is provide a foundation to have a successful relationship for the duration of the services rendered.