

Are Your Training Partners Living Up to Their Promises?

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According to Training Magazine's 2006 Industry Report, 27% of small and 71% of large companies outsource some or all of their custom content development. To establish and maintain successful partnerships, you should select the right outsourcing partner, continually assess established partners, identify measures up-front in the contract, and make a commitment for mutual success.

Selecting the Right Outsourcing Partner

In order to select the right outsourcing partner, clearly define the selection criteria and a process for evaluating vendors. Decision makers should determine and agree on the criteria that every vendor must meet. Selection criteria for a training partner would include some of these big hitters:

- Quality
- Value
- Efficiency
- Process
- Expertise
- Technology

- Years in Business
- Qualified Staff
- Industry Recognition
- Customer Service
- Creativity
- Innovation

Next, develop a definition for each of the criteria that provides everyone with the same understanding. For example, you might define the first three criteria as follows:

Criteria	Definition
Quality	Vendor produces deliverables without errors.
Value	Vendor delivers a superior service at a fair price.
Efficiency	Vendor has well-established processes and procedures in place which meet our schedule requirements.

With agreement on the selection criteria, you can weight them—assigning a higher weight to those items that carry a higher level of importance.

Next, define your process for pre-qualifying vendors, identifying the best project fit, and conducting project closure evaluations. This article covers the process for the following three stages:

- Stage 1: Pre-Qualification
- Stage 2: Project Fit
- Stage 3: Project Closure

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Stage 1: Pre-Qualification

The pre-qualification stage is often led by or requires the involvement of your purchasing department. Pre-qualification allows all decision makers to assess various vendors before project needs arise and helps you expand or narrow your vendor options. You may include the following steps or activities in this stage.

Request for Information (RFI)

A well thought out RFI, customized to the type of service you are seeking, must be consistently used for all vendors being assessed for like services. For example, the information that you would request from a custom content development vendor is different from a Learning Management System (LMS) or an authoring tool vendor. Some vendors have multiple capabilities; you may want to have them respond to more than one RFI if you are seeking multiple services.

Provide vendors with a clear and easy to use template which helps you to receive information in a way that makes it easier to compare vendors—while also limiting the volume of information you receive. Consider including these sections:

- Company History and Financials
- Summary and Breakdown of Staff
- Business Process
- Description of Operations
- Project Management

- Relevant Project History
- Training Evaluations
- Pricing Models
- Samples

Capability Presentations

For capability presentations, limit the topics. The goal is to make the topic areas consistent across all vendors—smoothing and balancing the decision making process.

Giving vendors the topics in advance and having them prepare a customized presentation—based on your requests and needs—helps them to understand you and your business. If a vendor uses a canned capability presentation, it sends a clear message about their responsiveness, commitment, and flexibility.

When scheduling the capability presentations, give vendors a set amount of time for their presentation. Allow time in between each presentation for the decision makers to evaluate the vendors immediately after each presentation.

Using a standard evaluation to rate the vendors, the decision makers provide ratings on the following types of statements:

- The vendor came prepared and did their research.
- The vendor's presentation included all requested topics.

Pre-qualification allows all decision makers to assess various vendors before project needs arise and helps you expand or narrow your vendor options.

Projects are more successful when the vendor fits the project requirements—taking into account both capabilities and available capacity.

- The vendor asked thought-provoking questions.
- The vendor involved the right people from his/her organization in the presentation.
- The vendor was knowledgeable.

Selection of Top Vendors

Using the data collected in the RFI and through the capabilities presentations, you can now narrow your selection to the top vendors. A matrix which includes all the vendors and the weighted selection criteria helps decision makers to narrow their selection.

As a team, work through the list of vendors and assign a rating for each of the selection criteria. During this final selection, the decision making team may need to give more thought and have more discussion on one or two vendors before making any final decisions. The team may recall certain vendors or request additional information.

Once you have the final selections, notify each vendor and explain why they were or were not selected. Give the selected vendors an explanation of the process moving forward and if you foresee any projects on the horizon. To streamline the process down the road, it may also be helpful to initiate general service contracts with the selected vendors.

Stage 2: Project Fit

Now that you have a list of qualified vendors, you can select one of them for your next project. You may follow several steps before deciding on which vendor to use.

Check Current Capacity

Based on the requirements of the project, you may have a vendor in mind. Some buyers contact their qualified vendors to check on their current capacity and ability to handle the project at hand. Now the value of the pre-qualification stage is realized. Projects are more successful when the vendor fits the project requirements—taking into account both capabilities and available capacity.

Request for Proposal

The proposal should be clear and concise. Again, the benefits of the pre-qualification stage are also evident in the RFP process. The RFP and the vendor responses are typically shorter in length and much more straightforward.

Vendor Presentations (if needed)

By holding capability presentations in the first stage, it is unlikely that additional vendor presentations will be necessary. If the intricacies and success of the project dictate further presentations, include them.

Selection

By involving the decision makers in the first stage, the selection of a

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vendor for a specific project is often expedited. In most cases, the vendor’s current capacity and capability or “fit” for the project requirements narrows the choice.

Contract Negotiation

Again, your work in the pre-qualification stage allows for more expeditious negotiations. With general pricing agreements in place, you can quickly move to negotiations—keeping the project start in focus and at the forefront.

Stage 3: Project Closure

Project closure steps should occur within a week after the vendor provides the final deliverable(s) because involved team members are tuned in to the activities and more likely to remember the finer details of the project. Complete the steps below in a timely manner for the most benefit.

Lessons Learned

Lessons Learned can be captured in many ways. Typically, a meeting that encourages feedback from everyone is held with all project team members. Sending out a Lessons Learned form in advance solicits specific input and encourages preparedness. The Lessons Learned should be documented and shared with all project team members. When appropriate, you and/or the vendor can take specific actions to improve processes and procedures for future projects.

Project Team Satisfaction

Commonly, vendors gather data

and report on the satisfaction of project teams; however, some companies take on this responsibility and share the data with their vendors. Document and share success stories—success stories feed enthusiasm and build stronger partnerships.

Measures

If the vendor is responsible for other project success measures, these should be formally documented and reported at this time. Some measures may need to be assessed and tracked over a few months or longer. Specific measures may include:

- Increases in productivity
- Improved product quality
- Positive course evaluations
- Course assessment results

Continually Assess Established Partners

You invested time and effort in choosing the right outsourcing partners. Now that they have worked on several projects, it is equally important to take the time to continually reassess them. Outsourcing partners that are living up to their promises could be described as:

- Dedicated
- Responsive
- Engaged
- Flexible
- Efficient
- Expeditious

The table on the next page describes these characteristics.

Engaged vendors are zeroed in on you, your industry, and your needs. They are consultative with regards to new technology, innovations, trends, and improvements.

Characteristic	Description
Dedicated	You should feel a sense of enthusiasm from the vendors and their staff. They should show a willingness to go "above and beyond" to meet or exceed your expectations. Vendors may devote the same staff to your projects in order to become more efficient and develop a better understanding of your needs, requirements, and expectations.
Responsive	When you ask for help or if you have an issue that needs to be resolved, this vendor delivers quickly. You should expect to receive regular and sufficient contact from your vendors. Mistakes/mishaps should be minimal; when they do happen, this vendor takes them seriously and resolves them quickly and to your satisfaction.
Engaged	Vendors that are zeroed in on you, your industry, and your needs. They are consultative with regards to new technology, innovations, trends, and improvements. Their quality and service consistently meets or exceeds your expectations.
Flexible	While vendors should have their own business process, they also need to maintain a level of flexibility. They should be willing to adopt elements of your business philosophies and processes.
Efficient	Your vendors should be well-organized and proficient. Unnecessary steps in the process add both time and costs. As vendors become familiar with your needs and expectations, their operations should streamline and efficiencies should become evident over time.
Expeditious	While maintaining a focus on quality, vendors should respond with urgency because the speed at which they deliver is important to you and your business results.

Identify Measures Up-Front in the Contract

While some characteristics are difficult to measure, others are easy to quantify. Both vendor and project-based measures should be identified up-front during pre-qualification or when you negotiate the contract for a project. Whatever you determine to measure, keep it fair and within the control of the vendor. Some examples include:

- Response Time
- Project Team Satisfaction
- Learner (End User) Satisfaction
- Timely Project Completion
- Business Results (Employee Satisfaction/Retention, Sales/Revenue, Customer Satisfaction/Loyalty)

Remember, many factors affect the success of a training initiative. When you build what your customers want and need, they are more likely to embrace it. Marketing campaigns and institutionalization of your training

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To get the most out of your investment, develop a commitment for mutual success at all levels.

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programs also influence success. Measures and other indicators of success help identify shortcomings to address and resolve.

Make a Commitment for Mutual Success

To get the most out of your investment, develop a commitment for mutual success at all levels.

Involving the right decision makers in the pre-qualification stage

establishes buy-in of key players. Ensure the development of a partnership with the vendor by providing the following:

- Committed Team Members
- Dedicated Project Leader
- Subject Matter Expertise
- Mutual Trust
- Open Communication
- Mutual Accountability
- Partnership Vision

The table below provides further descriptions.

Committed Team Members	Your internal team members need to be committed to the project and the selected vendor. Depending on the nature of the project and each team member’s involvement, normal workloads may need to be alleviated—ensuring project success and avoiding undue stress and burnout of team members.
Dedicated Project Leader	A project leader keeps the internal team on track and serves as a liaison.
Subject Matter Expertise	Successful projects have access to the right subject matter experts who are instrumental in providing accurate, thorough, and suitable content.
Mutual Trust	Vendors and internal team members must have confidence in each others’ skills, talents, and contributions. Consistently meeting expectations and following through on commitments nurtures and builds mutual trust.
Open Communication	By openly sharing expectations and communicating “dissatisfiers” early on, vendors can adjust and work more effectively on your projects. Immediate and constant feedback throughout the life of a project saves time and money.
Mutual Accountability	Internal team members must be accountable for their project responsibilities and timely completion of tasks.
Partnership Vision	Ultimately, ensuring a long-term engagement with your outsourcing partners allows them to truly contribute to your company’s success.

Establishing and maintaining partnerships with your vendors is worth the investment and includes the following key strategies to ensure success:

- Selecting the right outsourcing partner.
- Continually assessing established partners.
- Identifying measures up-front in the contract.
- Making a commitment for mutual success.

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