

Vendor Reference Check Template

WHAT THIS TOOL IS

The Vendor Reference Check Template is a comprehensive interview guide designed to help procurement professionals, supply chain managers, and business leaders conduct thorough reference checks with a vendor's existing customers. This structured approach ensures consistent evaluation of vendor performance through real-world experiences of current clients, providing critical insights that cannot be obtained from proposals, presentations, or financial data alone.

Important Note: This template provides general reference check questions applicable across most industries and procurement scenarios. However, specific performance criteria and concerns vary by industry, product complexity, and business requirements. Customize the questions to address your specific industry requirements, risk factors, and performance priorities.

WHY REFERENCE CHECKS ARE CRITICAL

1 Validates Vendor Claims:

Proposals and presentations show what vendors say they can do; reference checks reveal what they actually deliver. This reality check prevents costly surprises and helps identify gaps between promises and performance.

2 Reveals Hidden Issues:

References often uncover problems that don't appear in formal documentation - such as communication challenges, hidden costs, cultural conflicts, or service gaps that could impact your business relationship.

3 Provides Performance Benchmarks:

Speaking with similar companies gives you realistic expectations for delivery times, quality levels, and service standards, helping you set appropriate contract terms and performance metrics.

4 Identifies Best Practices:

References can share what works well with the vendor and provide insights on how to structure your relationship for maximum success, potentially saving time and avoiding common pitfalls.

5 Reduces Risk:

Reference checks help identify vendors who may have financial problems, quality issues, or reliability concerns before you commit to a business relationship, protecting your company from supply chain disruptions.

HOW TO CONDUCT EFFECTIVE REFERENCE CHECKS

Before You Call:

- Research the reference company to understand their business and how they might use the vendor's services. Prepare additional questions based on your specific requirements and concerns.

During the Call:

- Start with easier questions to build rapport, then progress to more detailed performance topics. Take detailed notes and ask for specific examples rather than accepting general statements.

Key Interview Techniques:

- Use open-ended questions to get detailed responses beyond yes/no answers
- Ask for specific examples when references mention problems or successes
- Probe for details on any concerning issues or unusually positive feedback
- Listen for what's not said - hesitation or vague answers may indicate problems
- Verify key claims by asking multiple references similar questions

Vendor Being Evaluated: _____ **Date:** _____

Key Interview Techniques:

- Company: _____
- Contact Name: _____ Title: _____
- Phone: _____ Email: _____
- Relationship to Vendor: _____

INTRODUCTION SCRIPT

Why This Matters: A professional introduction builds trust and increases the likelihood of honest, detailed feedback.

"Hello, I'm [Your Name] from [Your Company]. We're currently evaluating [Vendor Name] as a potential supplier for [brief description of products/services]. [Vendor Name] has provided your company as a reference. Do you have a few minutes to share your experience working with them? Your feedback will be kept confidential and used only for our internal evaluation process."

SECTION 1: BASIC RELATIONSHIP INFORMATION

Why This Matters: Understanding the scope and duration of the relationship helps contextualize the feedback and determine relevance to your situation.

1. How long have you been working with this vendor?

Less than 1 year 1-2 years 3-5 years More than 5 years

2. What products/services do they provide to you?

3. What is the approximate annual value of your business with them?

Under \$50K \$50K-\$250K \$250K-\$1M Over \$1M Prefer not to say

4. How did you initially select this vendor?

Competitive bid Referral Existing relationship Emergency need

Other: _____

SECTION 2: PERFORMANCE EVALUATION

Why This Matters: Performance data from actual customers provides the most reliable indicator of what you can expect from the vendor.

Delivery Performance

5. How would you rate their on-time delivery performance?

Excellent (95-100%) Good (85-94%) Average (75-84%) Poor (<75%)

6. When delivery problems occur, how effectively do they communicate and resolve issues?

Excellent Good Average Poor Haven't experienced problems

Specific examples: _____

Quality Performance

7. How would you rate the quality of their products/services?

Excellent Good Average Poor

8. Have you experienced quality issues? If so, how were they resolved?

No issues Minor issues, resolved quickly
 Moderate issues, resolution adequate Significant issues, difficult to resolve

Details: _____

Communication & Responsiveness

9. How responsive are they to your inquiries and requests?

Very responsive (same day) Good (within 24 hours) Average (2-3 days) Slow (>3 days)

10. How would you rate the quality of their communication?

Excellent - proactive and clear Good - responsive when contacted
 Average - adequate when needed Poor - difficult to reach or unclear

SECTION 4: FINANCIAL & BUSINESS STABILITY

Why This Matters: Financial problems at vendor companies often lead to service disruptions, quality issues, or business failures that can impact your operations.

15. Have you ever experienced concerns about their financial stability?

No concerns Minor concerns Moderate concerns Significant concerns

Details: _____

16. Have they ever requested changes to payment terms or had payment-related issues?

No Requested extended terms Had cash flow discussions Payment problems

17. Do they appear to be investing in their business (equipment, facilities, people)?

Yes, significantly Moderate investment Limited investment
 No apparent investment

SECTION 5: OVERALL ASSESSMENT

Why This Matters: This synthesis helps identify patterns and provides actionable insights for your vendor selection decision.

18. What are their greatest strengths as a supplier?

19. What areas could they improve?

20. Have you ever considered replacing them? If so, why?

- No, satisfied with relationship Considered but stayed due to switching costs
 Actively looking for alternatives Planning to change

Reasons: _____

21. Would you recommend this vendor to another company?

- Highly recommend Recommend with reservations
 Neutral Would not recommend

22. On a scale of 1-10, how would you rate your overall satisfaction?

Rating: ____/10

23. Is there anything else we should know about working with this vendor?

SECTION 5: SPECIFIC PROJECT REFERENCE (IF APPLICABLE)

Why This Matters: Project-specific references provide concrete examples of the vendor's performance under defined scope, timeline, and budget constraints.

If they provided a specific project as reference:

24. Project description and scope:

25. Project performance:

- **On time:** Yes No - How late: _____
- **On budget:** Yes No - Over by: _____
- **Met specifications:** Yes No - Issues: _____

26. Overall project satisfaction:

Exceeded expectations Met expectations Below expectations Poor

REFERENCE CHECK SUMMARY

Strengths Identified:

1. _____
2. _____
3. _____

Areas of Concern:

1. _____
2. _____
3. _____

Overall Reference Rating:

- Highly Positive** - Strong endorsement with no significant concerns
- Positive** - Generally good with minor areas for improvement
- Mixed** - Some positives but notable concerns
- Negative** - Significant issues or poor performance

Follow-up Actions:

- Verify specific concerns with vendor
- Check additional references
- Request performance data/metrics
- Proceed with confidence
- Other: _____

Reference checked by: _____

Date: _____ **Call duration:** _____

Reference willingness to participate: _____

BEST PRACTICES FOR REFERENCE CHECKS

Preparation Tips

- **Request 5-7 references** to get a comprehensive view, especially for critical suppliers
- **Ask for references similar to your company** in size, industry, or application
- **Mix reference types** - include both current customers and recent project completions
- **Research reference companies** beforehand to better understand their perspective

During the Interview

- **Build rapport first** with casual conversation before diving into detailed questions
- **Take detailed notes** or consider recording (with permission) for accuracy
- **Ask follow-up questions** when responses are vague or concerning
- **Probe for specifics** - "Can you give me an example of that?"
- **Watch for red flags** - reluctance to provide references, outdated references, or consistently negative feedback

Red Flags to Watch For

- **Hesitation or reluctance** to discuss the vendor
- **Vague or evasive answers** to specific performance questions
- **Consistent complaints** across multiple references about the same issues
- **Recent relationship terminations** without clear explanations
- **References that seem coached** or provide unrealistically positive feedback

Documentation and Follow-up

- **Document all feedback** thoroughly for audit trails and decision justification
- **Share concerning findings** with the vendor for clarification before final decisions
- **Verify critical information** through additional references or documentation
- **Use insights to negotiate** better contract terms and performance metrics