

Past Performance

A vendor's past performance record is arguably the key indicator for predicting future performance on projects. Currently, State IT procurements qualify vendors via irrelevant and arbitrary data points that include the vendor's annual revenue, the size of previous contracts the vendor has acquired, and whether a vendor can provide a positive reference. To be clear, most vendors can identify someone associated with the project who will speak positively about it, rendering the highly used 'reference method' rather arbitrary. Further, relying on these types of data often leave the State with a very small pool of Vendors to choose from, reducing competition in the marketplace, often leading to increased costs. While conclusions can be made from collecting this type of data, it falls short of providing key evaluation criteria that actually matter for successful IT projects. Specifically, it fails to address the ability of vendors to meet or exceed quality, timeliness and cost control requirements. Hence, the collection, evaluation and use of past performance information offers significant benefit to the State of California.

Over the past several years, the State of California has experienced a high number of IT failures, resulting in billions of wasted taxpayer dollars. Many of these failures involved vendors with previous large-scale IT failures on record. Shockingly, State agencies that contracted with these vendors never considered that vendor's previous failures, because State IT procurements currently provide no method of analyzing a Vendor's past performance in any meaningful way. Vendors with repeated failures are continually hired for project work, perpetuating this costly cycle.

Providing a means to collect real time data on a vendor's performance during an IT project offers significant benefits to the State by offering a relevant way to assess quality of work, gauging actual customer satisfaction, and creating a powerful incentive for vendor's to maximize their performance on current contracts.

The federal government relies heavily on past performance of vendors as an evaluation criteria and implemented a system known as the Contractor Performance Assessment Reporting System (CPARS). CPARS is a web-based application that collects and manages vendor performance assessment reports known as (CPARs). Real-time data is collected through the use of a simple report card that evaluates vendor performance in key areas that speak directly to quality of work, project schedule, cost control, project management, communication, and compliance, completed by the contract officer and supported by a signed affidavit. Positive or Negative, this information is available for Agencies to evaluate as part of the past performance consideration and provides an accurate representation of a vendor's track record of performance.

Having this type of data available to California State Agencies for evaluating IT procurements would provide significant value by eliminating repeat offenders, increasing competition in the marketplace and reducing the costs of failures that plague our State.

