



The 10 Things You Need for a Successful Vendor Evaluation

It's Vendor Evaluation Time!

Have you been asked by your management team to find other options for key vendor relationships that impact your members today? Whether its an Online, Mobile, Credit and Debit, Core Processor, or any other vendor evaluation, it can seem overwhelming. Where do you start? Google?? Good luck, it can be like finding needles in a haystack of paid advertising!

We spend our days [guiding credit unions through these evaluations](#) but for those that have the time and resources to do it themselves, we wanted to make sure you were thinking of all the components to ensure your success!

The overall goal is to make sure that you are making well-informed vendor decisions as efficiently as possible so you don't misuse your most valuable resource (time)!

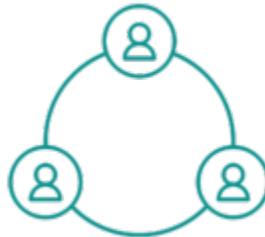


Vendor Evaluation Worksheet



1. Create a high-level comparison list of the vendors in the marketplace

- "In business since..." – Sometimes startups have the most to gain by working with you and can move quickly, but make sure to consider and balance the risks in your vendor evaluation.
- Decide if you want to work with a private or publicly held company. Do some research on the company's major investors if you decide to go public.
- Analyze the services offered and compare them to the services you need.



2. Set up cross-functional credit union team to analyze the vendors

- Make sure all key stakeholders managing the operations and technology have a say in the selection – that way they can't complain when a decision is made!



3. Get preliminary views of their services

- Create user journeys or member experiences that fit the needs of your credit unions, then ask the vendors to SHOW you how their products answer those needs – PowerPoint won't do it! Make sure you get the opportunity to see the solutions/systems you will be using. This allows you to eliminate those vendors who can't address your basic needs early on.



4. Narrow to your top 3 vendors for deep dive analysis

- More than 3 vendors can become tedious work, so concentrate your focus on those that have the best match to the high-level services you need during your vendor evaluation.



5. Create an RFP (request for proposal) to send to each vendor

- Format the questions as user journeys so the vendors understand what experience you want for your users (members and staff) and can respond appropriately with how their tools and staff can make those journeys work.
- Include table stake checklists so you can ensure that you aren't focusing just on what you "**want** to have" but also on what you "**need** to have" – too often credit unions are easily distracted and forget some of the basic blocking and tackling.



6. Schedule each vendor to come onsite so they can showcase the systems they have available, how they are used, and the game plan for future development.

- Don't just ask for a roadmap, ask how each vendor has delivered on its dates from their roadmap the previous year.



7. Conduct calls and/or visits with peers currently utilize the vendors

- Try to narrow vendors in order of preference before setting up calls. If you know you like one vendor the most, set up those calls first this way you only need to set up references for the next in line if you hear something alarming or that makes you think twice about them.
- Ask the tough questions
 - o Vendors will only give you credit unions that are currently happy – look to other Listservs or contacts that might be able to give you the “real story.”



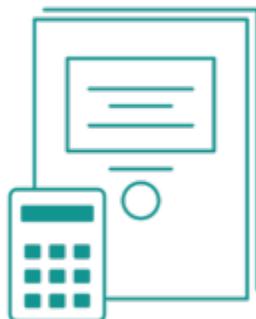
8. Meet with your team to ensure everyone is aligned with the preferred vendor

- Don't let vendors know they have not been selected until you have signed a contract. If contract negotiations fall through, you may want to use the next vendor in line if they will have a comparable performance and usability.



9. Include your internal and external legal counsels to assist with the negotiation process

- While the legal context of the contract can delay the signing process, it's important to make sure the contract is set up to protect the credit union and its members throughout your vendor evaluation.



10. Pull in any available financial resources to review the pricing offers from the vendors

- You will need someone who understands the current pricing to help compare your new offers. Don't be afraid to ask vendors what certain line items are for – you want to make sure you understand what you will be paying for.
- Keep a lookout for billing elements that are tied to your member growth. Make sure you negotiate the best rate or tiers while also considering future growth.
- Remember there is ALWAYS room for negotiation! Don't be afraid to ask for what you want!

Remember, vendor evaluations don't have to be overwhelming. Just stick to these ten steps – and if you get stuck or have some questions, please call us. We're here for you whether you become a client or not.