**Evaluation Template for Due Diligence on Suppliers for Facilities Management Contracts:**

| **Criteria** | **Best Practice** | **Benefits** |
| --- | --- | --- |
| Information Gathering | Conduct comprehensive background checks, including online searches, reference checks, financial reports, and site visits | Identify potential risks, ensure supplier credibility, and improve decision-making |
| Evaluation Criteria | Use a structured and consistent set of criteria, including experience, certifications, financial stability, and reputation | Ensure suppliers meet quality requirements and reduce potential risks |
| Regulatory Compliance | Establish a process to ensure compliance with relevant regulations and standards, such as health and safety, environmental, and labour laws | Avoid legal issues, improve corporate responsibility, and ensure ethical sourcing practices |
| Supplier Relationship Management | Establish a clear process for managing relationships with suppliers, including regular communication, performance reviews, and addressing any issues that arise | Improve supplier performance, strengthen business relationships, and improve service quality |
| Risk Assessment and Mitigation | Conduct a thorough risk assessment, including operational, financial, and reputational risks, and establish a contingency plan for supplier failure | Mitigate risks, reduce costs associated with supplier failure, and improve overall business resilience |

| **Criteria** | **Best Practice** | **Benefits** |
| --- | --- | --- |
| Facility-Specific Experience | Assess whether the supplier has experience managing similar facilities and processes | Ensure the supplier has the relevant experience and knowledge to effectively manage the facility and improve service quality |
| Technology Capabilities | Assess whether the supplier has the necessary technology capabilities and infrastructure to manage the facility, such as building automation systems, energy management systems, and work order management software | Improve operational efficiency, reduce costs, and enhance service quality |
| Sustainability | Assess whether the supplier has a sustainability strategy and track record of sustainable practices, such as energy-efficient operations, waste reduction, and water conservation | Improve environmental performance, meet regulatory requirements, and enhance the company's reputation |
| Insurance and Liability | Assess whether the supplier has adequate insurance coverage and liability protection, such as general liability, workers' compensation, and professional liability insurance | Mitigate risks, ensure financial stability, and protect the company from potential legal issues |
| Health and Safety | Assess whether the supplier has a strong health and safety record, policies, and procedures in place, such as safety training, risk assessments, and incident reporting | Ensure compliance with regulations and standards, reduce accidents and injuries, and improve employee and customer satisfaction. |

By including these additional criteria in their due diligence process, companies can ensure that they select suppliers who have the necessary experience, capabilities, and policies to manage their facilities effectively and efficiently. This, in turn, can lead to improved service quality, cost control, and enhanced sustainability and safety performance.

**Due Diligence Evaluation Template Notes:**

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