

HOW TO SELECT AN OUTPLACEMENT FIRM

**Smart Guide to Purchasing
Outplacement Services**



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INTRODUCTION

Today's Outplacement Choices

There are more options than ever when it comes to buying outplacement services today.

The industry consists of solo entrepreneurs, local boutiques, regional firms, national, and international outplacement providers. Some providers are established 'brick and mortar' players, others offer online career transition services, and many can do both.

Our goal is to help you become an informed decision-maker, ensuring you select a provider that is a fit for your organization and its culture, as well as to preserve your employer brand and reputation.

Becoming an Educated Buyer

Before you talk to any service providers, we recommend that you are clear about your options and your needs.

This guide will walk you through the most important buying criteria to consider and prioritize. It is organized into seven factors with insights into what you need to know and questions to ask. A companion scorecard is available to use when assessing providers.

Using this Guide: 7 Selection Criteria

To get started, consider the seven criteria shown in the infographic and the relative importance of each. Think about what you're trying to accomplish both short-term as well as in the long run. Use the checklist on pages 4-7 to determine your goals, needs, and priorities.



1. GEOGRAPHY

Assess your location needs

Where and how will you need support? Does the provider need to match your footprint. If so, how well?

2. VOLUME, FREQUENCY AND TIMING

Consider how often & how many people will need services

Are your needs 'one-off' or ongoing? Is this a small to large-scale event? Are you anticipating future needs, ongoing needs or looking for services now?



3. SINGLE VS MULTIPLE PROVIDERS

Explore the pros and cons of one or two providers

Evaluate your needs for one or more outplacement providers based on your employee profiles.

4. SERVICE CAPABILITIES

Evaluate custom design options and personalized delivery

Assess custom design capabilities to meet non-standard needs. Ask about program support, including coaching, technology, and learning resources.



5. ACCOUNT MANAGEMENT

Ask what account management you can expect to receive

Review the speed and ease of initiating services. When and how will you be billed and receive reports. Is there a single point of contact?

6. QUALITY

Determine how success is measured

What metrics are used to measure results? What is the firm's reputation, Coach credentials? Participant feedback?



7. BUDGET/COST

Assess affordability and cost effectiveness

What will the service cost?

EVALUATION CRITERIA CHECKLIST

Instructions: Define and rate each factor using a 5-point importance scale where 1 is very low; 2 is low, 3 is moderate, 4 is very important, and 5 is extremely important. Use 0 for not applicable or unimportant. Enter your importance rating to the column in the table below, or directly to the spreadsheet scorecard that accompanies this checklist.



Criteria	Questions	What to Know & Ask	Importance (1-5)
Geographic Reach	<ul style="list-style-type: none"> ■ How important is a physical footprint match? Are your location needs local, regional, national, international, or global? Can remote services work for your populations? ■ Will you need onsite support? Will services need to be delivered locally/onsite? ■ Centralized/decentralized If your organization has a global presence, will the selection decision be centralized or decentralized? 	<ul style="list-style-type: none"> ■ Physical footprint options. Two ‘big’ outplacement providers offer a ‘brick and mortar’ global reach. Other ‘networked’ firms may be able to match a physical footprint through affiliations with local country providers. Ask for specifics on how a provider will match your footprint and how any location gaps will be managed. ■ “Big Two” outplacement firm alternatives. Consider your anticipated volume and frequency for international or global services. A domestic provider may be able to be meet most of your local country needs and offer account management for your out of country occasional needs. ■ Consider online/remote delivery but be aware of the benefit of knowledgeable career coaches who understand the local labor market and employment laws. 	<p>Note each need and its importance rating.</p> <p><i>(E.g., Specific city/town, HQ Location, and/or country match, etc.)</i></p>
Volume, Frequency, and Timing	<ul style="list-style-type: none"> ■ Service needs. Are your needs small or are you anticipating a larger downsizing event? If small, are they sporadic or steady and ongoing? ■ Are you looking to put an agreement in place for when you need services? 	<ul style="list-style-type: none"> ■ Scaling. As a general rule, small ongoing needs may be best suited to solo entrepreneurs and local boutiques, while very large-scale downsizing may be best managed by larger firms. Ask what constitutes a large or large recent project when evaluating providers. ■ Anticipating needs. However small your requirements, consider having a provider in place before you need services. Consider your needs today and tomorrow. 	<p>Note each need and its importance rating.</p> <p><i>(E.g., Large project capability and rating.)</i></p>

Criteria	Questions	What to Know & Ask	Importance (1-5)
Single Versus Multiple Providers	<ul style="list-style-type: none"> ■ How many providers? How important is it to select a single outplacement provider? ■ Why consider multiple providers? Consider if there are benefits to multiple providers to serve your different employee populations and geographies? 	<ul style="list-style-type: none"> ■ Does one provider meet all your needs? Single provider agreements are often put in place to simplify the management of outplacement benefits and to achieve volume discounts or overall lower fees. Consider whether one provider will meet all your needs, including the ability to offer services based on employee needs. Can a single provider deliver overall quality? ■ Employee choice. Some organizations provide senior executives with a different outplacement firm to ensure privacy. Others provide a shortlist of approved outplacement providers and allow senior executives to make their own choice (i.e., to 'shop' for a provider). ■ Specialties. 'Online' outplacement providers are likely to offer remote services only and to excel at this. Be sure to consider your population and the technology infrastructure and skills of displaced employees, as well as any other needs (E.g., onsite availability). 	<p>Note each need and its importance rating.</p> <p><i>(E.g. Single provider, Separate Executive Services, etc.)</i></p>
Service Capabilities	<ul style="list-style-type: none"> ■ Customization. How easily can services be configured to meet your organization's needs? Can services be configured for those serving extended notice periods? Can the provider handle internal redeployment? ■ Personalization. How will services be tailored to each population and person's needs? 	<ul style="list-style-type: none"> ■ Partnership type. Do you need a partner with whom you can collaborate to design and deliver affordable, non-standard services as needed? Ask for examples of creative service design if your needs are non-standard. ■ Service delivery options. These are numerous, including in-office, remote, online, and onsite. There are also different program options from individual services, group workshops (typically two-days) and webinars, and a hybrid of these. ■ Employee demographics. What employee levels are impacted? (Exempt/non-exempt; professional; executive). Are employees long-serving? Are their skills marketable or in short supply or a mix? 	<p>Note each need and its importance rating.</p> <p><i>(E.g., Custom design, personalized, high-touch coaching, technology until landing, etc.)</i></p>

Criteria	Questions	What to Know & Ask	Importance (1-5)
Service Capabilities Continued	<ul style="list-style-type: none"> ■ Where/how are services delivered? What are your options? ■ What are the service delivery components? (Coaching, technology, learning tools, and resources) 	<ul style="list-style-type: none"> ■ Office needs. While most participants will opt to conduct their job search from home, an employee will occasionally need an office. Ask about options for in-person or in-office delivery and support in the case of individual service needs. ■ Delivery methodology and resources. Ask about the career coaching approach, methodology, and deliverables by program level. Ask to see the technology. What other learning events and resources are there, and how are they delivered? 	Note each need and its importance rating.
Account Management	<ul style="list-style-type: none"> ■ Is account management centralized? How easy is it to do business, including requesting services, reporting, and billing? What are the provider's reporting capabilities? 	<ul style="list-style-type: none"> ■ Single point of contact. Is there a single point of contact to initiate services, for billing questions and reporting? Be sure to meet the designated account manager and ask about best practices for working together. Ask questions to gauge speed and responsiveness when services are needed. Seek references and ask about the ease of working with this account manager. ■ Reporting. Ask how reports are compiled? How frequently are they provided? In what form/how are they made available? ■ Onsite support. Will your account manager be available on-site as and when needed? 	Note each need and its importance rating. <i>(E.g., Single point of contact, reporting or billing needs)</i>
Quality	<ul style="list-style-type: none"> ■ What is the firm's reputation for results? How long has it been in business? What are the Coach credentials and experience? 	<ul style="list-style-type: none"> ■ Program evaluations, metrics, and ROI. Ask about measurement and metrics, including program evaluations. When and how are these requested? Ask to see recent results. What metrics are in place to measure the success and ROI of services purchased? Are there Google reviews? Glassdoor reviews? ■ Reviews. Check out Google and Glassdoor reviews for a provider of interest. 	Note each need and its importance rating. <i>(E.g., Program evaluations, Google or Glassdoor reviews)</i>

Criteria	Questions	What to Know & Ask	Importance (1-5)
Budget/Cost	<ul style="list-style-type: none"> How much does it cost? (Individual services, group workshops, and a hybrid for small to large projects) 	<ul style="list-style-type: none"> Career coaching costs and it pays. The most expensive outplacement deliverable is the cost of career coaching. A personally assigned career coach is also the most highly valued and important success criteria, so balancing deliverables and costs can be challenging since it directly impacts program outcomes and quality. Ask if the coach works with an employee throughout his/her program (individual services). When and how do other coaches support? Group and technology-driven solutions. Low-cost providers will, of necessity, sacrifice one-on-one consulting for alternatives such as group learning sessions, technology-driven delivery, a consultant 'on call' and limited time with a Coach. See also "Quality". Large project pricing. Ask about custom services and fees for larger projects. (See: Service Capabilities) 	<p>Note each need and its importance rating.</p> <p><i>(E.g., A personally assigned career coach, a specific budget allocation, etc.)</i></p>

EVALUATION SCORECARD

To help you evaluate providers, use our scorecard to assess each provider.



As you can see from the example above, you'll get a visual representation of how each provider measures up against your most important criteria. You can also average the scores for each firm to get an overall 'best fit' score.

In addition to entering your importance and evaluation ratings, you can also amend any of the criteria.

[Contact AJO](#) if you would like us to email this excel spreadsheet to you.

ABOUT AJO

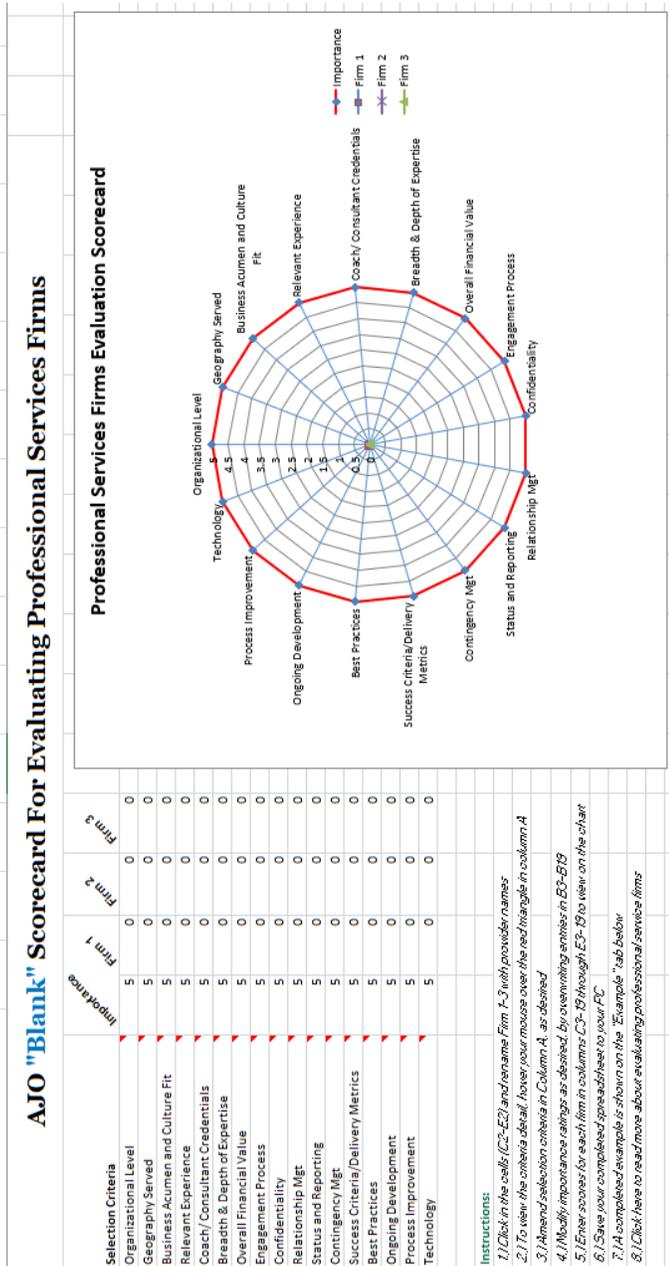
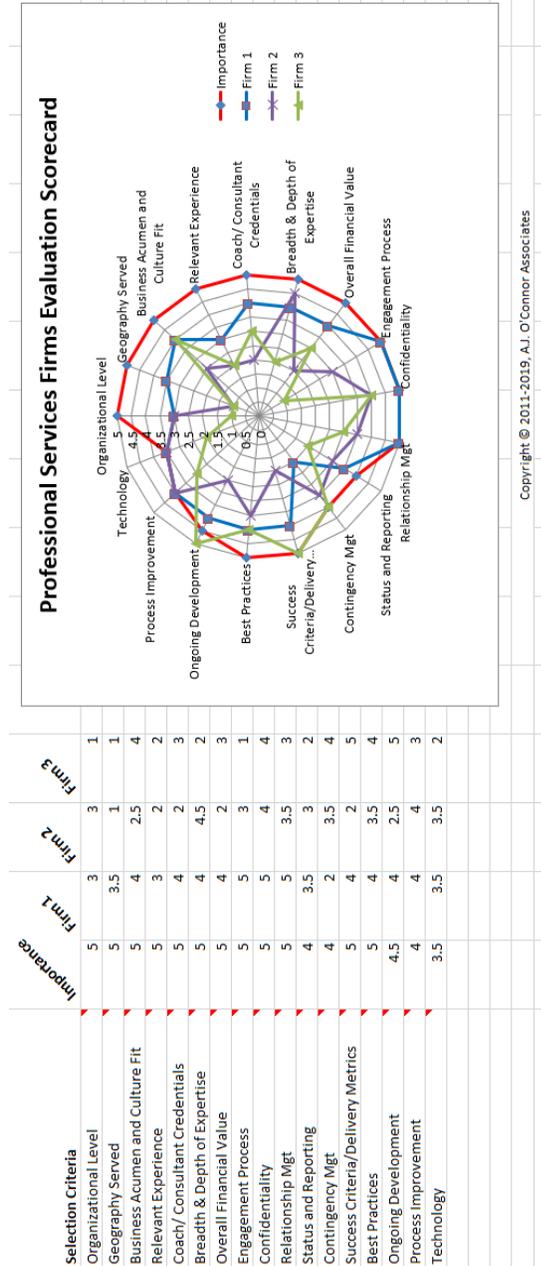
AJO is a Human Capital Consulting firm specializing in HR consulting, talent development, and career transition services. Through experienced listening, a caring partnership, and exceptional quality, we help organizations succeed by helping their people succeed.

As a professional services provider, AJO invests in developing sound practices and differentiating itself through high quality, flexibility, and breadth of service offerings. Our tenured consultant team brings global industry experience, proven programs, accelerated development, and exceptional results to support your needs.

Serving the NJ/NY tri-state, AJO partners with organizations of all sizes, ages, and growth stages, delivering services nationally and internationally.

This checklist and scorecard have been developed based on our considerable experience in the selection and delivery process since 1983.

EXAMPLES: COMPLETED AND BLANK EVALUATION SCORECARD



Contact [AJO](#) if you would like us to email this excel spreadsheet to you.