

Contracting profession-neutral past performance report

[Business](#), [Company](#)



Past performance evaluation in contracting has been proven to be an essential part of any best value source selection. Past performance must be distinguished with experience as they are not similar. Experience indicates the level of familiarity that arises as a result of prior work while past performance denotes the subjective assessment of the quality of previous work. Past performance evaluation of a person's work is the best tool of indicating how such party will perform in future, in contracts of similar nature. In case the record of past performance is impressive on a number of projects, chances are that the work to be done in future by the party will be outstanding.

A neutral past performance situation arises there is an offeror who lacks records of past performance or whose such information is unavailable. This is usually the case in new business entities which do not have any prior projects done that can be used for past performance evaluation. The contracting authority hold that new firms should neither be penalized nor rewarded as a result of their lack of performance history. As such, in such a situation, the most appropriate manner to address this issue is to assign an average score of the other competing offerors to the new offeror.

A negative rating for neutral past performance would have a similar negative effect on source selection evaluations. This is because a new entity needs to be given the benefit of doubt and assigned an average score so as not to prejudice it in the contracting process. Other methods that can be applied in evaluating the past performance of a new business firm are those of considering the experience of the corporate management as well as that of the firm's employees gained in conducting similar work before hand.

However, the method of evaluating the corporate management of the new firm may be misleading as prior successes, or failure they may have suffered may have been due to factors outside their control. As such, their performance at their last stations may not be indicative of their competence or lack of it. Similarly, the experience gained by employees of a new business may not be indicative of the future performance of the firm since other extrinsic factors could have had an impact on their past performance.

References

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