



## Organizational Guide to an Effective Compliance Test Program

### Part 2: Recognizing Quality When Requesting Quotations

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#### Abstract

*Part 1 of this series discussed preparation and planning as essential components of building an effective compliance test program. Part 2 focuses on quotations; specifically, the importance of accuracy and finding a competent compliance test provider.*

#### Introduction

Part 1 of this series illustrates that the cost of ensuring compliance can be significant; as a result, these services are often competitively bid by several independent test laboratories. This article provides general guidelines to follow when selecting a quotation from multiple test facilities: providing information for the service quotation and reviewing the quotation for competency and accuracy.

#### Contact and Response

Often a test facility is selected based on cost or schedule criteria. Although the importance of these aspects is not in dispute, it's essential to ensure that they are not the sole considerations when building an effective compliance test program.

This article isn't focused on the broad criteria utilized when selecting a test laboratory; instead, it centers on general practices to consider when selecting from test quotations provided by multiple test laboratories. For more information on selecting a particular test

laboratory, see "Selecting a Quality Testing Lab"<sup>1</sup> and "Test Laboratories – Finding Them... and Working with Them."<sup>2</sup>

Part 1 stressed the importance of building good documentation, such as product information, operational overview, and a test plan. Benefits of developing these documents early in the compliance process are realized when submitting a request for quotation (RFQ) to multiple test facilities. *Test quotation accuracy is directly proportional to the amount of information that a test facility receives when quoting a test project.*

Indirectly, the quotation can also provide an early indication of the test facility's proficiency. For example, if a test facility seems indifferent or sluggish in response to an RFQ (taking more than 24 to 48 hours to respond), consider an alternate test facility. The sluggish facility may lack the incentive or resources to complete the project in a timely manner, or it may lack the infrastructure to handle incoming requests for test services efficiently. Whichever is the case, consider it an early indicator that the service the facility provides may not be conducive to running an effective test program.<sup>3</sup>

Part 1 explained how to establish a compliance partner. This approach provides cost-saving strategies as well as effective execution of test programs. When a test facility is familiar with the organization's products and test methodologies, it can deliver a highly accurate



quotation. Also, the test facility can often execute the tests more efficiently as a result of this familiarity.

### **Why Is Quotation Accuracy Important?**

Most test laboratories do not provide firm, fixed price quotations. Test costs will fluctuate, depending on the time, material, and resources utilized during test program execution. The greater the test laboratory's experience and the more accurate the quotation, the less this cost of testing will fluctuate. In fact, the higher the effectiveness of the test facility, the lower the final cost will be relative to the amount originally quoted. Test programs which finish on time and under budget directly reflect the accuracy of the test quotation and the facility's competency and efficacy.

However, even the most competent laboratory cannot effectively execute a test program if all the relevant information isn't made available when quoting the project.

### **Which Information Is Relevant?**

The questions the test laboratory asks after receiving an RFQ are equally important as indicators of the facility's competency. If the facility receives an RFQ and returns a "boilerplate" service quote without any communication with the customer, this raises questions about the accuracy of the quotation. At a competent test house, a knowledgeable representative will contact the company submitting the RFQ and gather relevant information to create an accurate quote.

A good test laboratory recognizes that knowing which questions to ask is as important as knowing the answers to the questions being posed. Which information is relevant? That

depends on the equipment being tested and the type of testing being performed<sup>4</sup>.

The test laboratory should provide or review a test plan worksheet during the quotation process. This worksheet, especially when used in conjunction with a client's test plan, will provide the information necessary to construct an accurate quotation.

This practice of test plan development during the quotation phase of a project supports the philosophy of engaging with the test facility as a compliance partner, relying on the expertise of the test house to assist in ensuring that requirements are fulfilled, and establishing trust for an accurate representation of cost.

### **Conclusion**

Just as a well-prepared and preplanned compliance program provides cost savings and an improved market transition strategy, the role that a competent and experienced test facility can play as a compliance partner is essential to a successful test program. The first steps in launching a new program begin with the quotation process. This establishes the foundation for completing the project effectively and efficiently.

The next article in this series will review the scheduling process and demonstrate how establishing a successful communication chain with the test laboratory is essential to executing an effective compliance program.

### **Resources**

<sup>1</sup> Hoolihan, Dan (2007). *Selecting a Quality Testing Lab. Conformity 2007 Annual Guide, 8<sup>th</sup> ed.* (pp. 96-104). Retrieved from [www.conformity.com](http://www.conformity.com)



- <sup>2</sup> *Editors of Conformity (April 2008). Test Laboratories – Finding Them...and Working with Them. Conformity, 13(4), (pp. 48-54). Retrieved from [www.conformity.com](http://www.conformity.com)*
- <sup>3</sup> *Hoolihan, Dan (2007). Selecting a Quality Testing Lab. Conformity 2007 Annual Guide, 8<sup>th</sup> ed. (p. 96). Retrieved from [www.conformity.com](http://www.conformity.com)*
- <sup>4</sup> *Poggi, Walter (April 2007). Selecting an Independent Laboratory. Conformity, 12(4), (pp. 50-55). Retrieved from [www.conformity.com](http://www.conformity.com)*

#### **About the Author**



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