[Company Name]

[Company Address]

[City, State, ZIP Code]

**Subject: Proposal for Vendor Performance Improvement Plan**

Dear [Vendor’s Name],

We value our partnership with [VENDOR’S COMPANY NAME] and the role you play in supporting our operations. However, we have identified areas where performance has not met the expectations outlined in our agreement dated [AGREEMENT DATE]. To address these concerns constructively and maintain a successful partnership, we propose implementing a Vendor Performance Improvement Plan (PIP).

**Performance Areas of Concern**:

The following issues have been observed:

* [*Performance Issue 1, e.g., “Delayed deliveries exceeding agreed timelines.”*]
* [*Performance Issue 2, e.g., “Inconsistent product quality leading to customer dissatisfaction.”*]
* [*Performance Issue 3, e.g., “Failure to provide timely communication or updates.”*]

**Proposed Performance Improvement Plan**:

The PIP will include the following actions:

1. Specific Improvement Goals:

* [*Goal 1, e.g., “Achieve 95% on-time delivery within the next 60 days.”*]
* [*Goal 2, e.g., “Reduce product defects to less than 1% by [specific date].”*]

2. Monitoring and Reporting:

* Regular performance reviews to evaluate progress.
* Submission of weekly/monthly reports detailing corrective actions taken.

3. Support from Our Team:

* [*Support 1, e.g., “Providing clear specifications for expected outcomes.”*]
* [*Support 2, e.g., “Offering additional training or resources if required.”*]

**Timeline for Improvement**:

We propose implementing this plan immediately, with progress evaluations conducted every [*specific time period, e.g., “two weeks”*] and a final review on [SPECIFIC DATE].

**Next Steps**:

Please review the proposed plan and provide your feedback or any alternative suggestions by [SPECIFIC DATE]. You can contact [Name, Title] at [Email Address/Phone Number] to discuss this further.

We are committed to working collaboratively to ensure these performance goals are met and look forward to a productive resolution.

Yours sincerely,

……………………………………………………….

[NAME]

[TITLE]

[COMPANY NAME]