

Supplier selection for the contract of gh's hazardous waste disposal

[Law](#), [Contract Law](#)



As indicated in UoL, (2013) Assignment study case General Hospital (GH) forecasts producing an estimated average of a daily waste equal to 5 Kg per day and the GH operates 52 weeks/year, 7 days/week so the estimated waste per year $5 \times 356 = 1780$ Kg per Year.

Due to poor forecasting process 7 data of GH as per their historical data, the forecasted accuracy is 80% per year, therefore suppliers must consider in his calculations the risk of having 20% increase in the wastes quantities $1780 \times 20\% = 365$ Kg/Year = 1 Kg/Day as a result of that suppliers must include a prices List for Extra services in their offers. Three suppliers responded to bid to GH tender invitation and gave the best offers they have as per below schedule:

Quality.

In our study case the mentioned activities are simple and not complicated, so based on the above steps that I will be using to choose the best supplier and offer. And as per the above schedule GH procurement department of (GH) analysis and evaluation of two elements price and service, the analysis results for the main three suppliers A have got the best service, supplier B have the best price, and the supplier C is out of the competition because his offer is not clear about the price and limited delivery ability.

Analysis of the Price:

A and B suppliers gave a detailed price for their operation charge and their waste quantities pick-up capacity the primary evaluation result reflects that the supplier B has the lowest price = 1, 157 and the supplier A price = 1673.

2 a different of 516. 20 € between both prices, supplier C could not have a final price for unclear information. Service analysis: As per the forecasted estimate of the waste generated daily by the GH is approximately 5 kg per day, suppliers A and B gave a proposal of container's capacity 100 kg for A and 50 kg for B. suppliers A and B also gave an On-Call option for the pick-up, replacement, and disposal operation. (UoL, 2013)

Suppliers need to understand the requirement of GH and the amount of risk for keeping the waste inside the container and what is the suitable duration to keep the waste without disposal. A and B suppliers have given a competitive offers, supplier A shows the readiness to negotiate regarding his offer in order to reach to the best settlement. (UoL, 2013) Negotiation Process: GH will conduct a negotiation meeting with the Supplier A.

According to Sollish et al. (2011, pp. 136-140) it is important to define the elements that you will negotiate about it before conducting the negotiation and establish suitable and collaborative environment for the client and the supplier. Some of the main elements that the GH procurement department need to discuss as follows The capacity of the container: According to the daily estimation of the waste 100 Kg is too much and GH need to convenes supplier A to reduce the cost of the pick-up operation charge by utilizing less capacity containers.

Safety and Environment procedures need to be discussed and how and what is the best way to collect such type of waste with optimum quality performance without endangering the health of the people and the environment. Win-win is one of the main features of collaborative

negotiation. The main target is to reason with supplier A and reduce the total cost of his offer. All the negotiation activities and results need to be documented in case needed in the future.

In the end if the negotiation did not went well with supplier A one of the negotiation tactics that need to be ready even before starting the negotiation what called Best Alternative to a Negotiated Agreement (BATANA) McGraw-Hill (2006, p. 21 stated that “ Alternatives are also important because they give negotiators the power to walk away from any negotiation when the emerging deal is not very good” and also it is better to have your BATNA ready to compare it with the available proposal to “ see whether it better satisfies your interests” . (Fisher et al. 1999, p. 51)

My best alternative is to give the contract to supplier B which has much better price and less capacity containers which will add value in the logistic operation and gives less time to keep the waste around the hospital for environmental issues, with the estimated 5 KG waste per day the container will be moved every 10 to 11 days.