

**Introduction  
observation about the  
client firm  
construction essay**



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The client company; Taipan eagle Sdn Bhd is a well-known and respected company. The company has Experience over four decades in various fields of real estate infrastructure, services, and department stores throughout Asia. The group is also popular in investment and other companies. A Client firm is a firm which is also aware of the latest trends in the construction of the development and as such, requires professional services and expertise in the development of their project, such an expertise that will require a futuristic touch only a two-year period. As a consulting firm, we are to provide a convenient and reliable contractor that will meet the standards and requirements of the client firm. I am therefore asked to propose; A suitable type of tendering method by which my client will get their contractor suitable for their big project. Discuss the tendering processes involved in the selection of the contractor and identify and explain the main criteria to be considered by my team in selecting the right contractor for the project.

## **Literature review**

Tendering is the process accepted to appoint a contractor or service provider to complete the physical works, or provide a critical service for the completion of the project. This process contains sending out all the relevant documents and drawings to nominated or interested parties, these will then return a tender bid specifying amongst other things the costs and time period they estimate the works or services will take. Tendering is the process of making an offer, bid or plan, or expressing interest in response to an invitation or request for tender. Organizations will seek other businesses to respond to a particular need, such as the supply of goods and services, and

will select an offer or tender that meets their needs and provides the best value for money.

## **Tendering and projects**

Tendering is the process by which bids are invited from interested contractors to carry out specific packages of construction work. It should adopt and observe the key values of fairness, clarity, simplicity and accountability, as well as reinforce the idea that the apportionment of risk to the party best placed to assess and manage it is fundamental to the success of a project.

## **PROPOSAL FOR A SUITABLE TENDERING METHOD FOR THE PROJECT FOR TAIPAN EAGLE SDN BHD COMPANY**

The decision of appropriate procurement method will have been ratified by the department following a comprehensive assessment of alternatives.

Those likely include lump sum, construction management, design & construct, schedule of rates, public private partnerships and other viable procurement methods where the advantages and disadvantages of each procurement method recommended by the professional team for endorsement by the PCG and approval by the Department.

## **There are three methods of tendering and project**

Selective Tendering  
Tender by Invitation  
Open (public) tendering  
Selective Tendering is the most commonly used tender method for the Department's capital works projects. It is a 2 stage tender process commencing with advertisements called Expression of Interest being placed on government

website, in a major metropolitan newspaper, and/or local paper for rural projects; inviting tenderers to register their interest in tendering for the project. The advertisement should indicate the selection criteria applicable to the project and state that a shortlist will be made from those registering. The short list is submitted to the department for approval. The short listed tenderers will be subject to risk and financial assessments, which has an influence on the level of security to be incorporated into the tender documents. For projects greater than \$5M it is expected that the financial assessment of the short listed tenderers will be undertaken by a suitable independent financial advisor. Tender by Invitation Under this system of Tendering, a number of Contractors are chosen from a Whole of Government or Agency Specific Register of pre-qualified contractors, such as the Construction Supplier Register, or an approved agency register that complies with government guidelines. The tenderers chosen are invited to tender for the project and tender documents are issued to them in the normal manner. Under 'Tender by Invitation', except if any omissions or obvious mistake has been made, it is usual to accept the lowest conforming tender, as the pre-selection process should have eliminated any cause for rejection of a tenderer on any other grounds. This method of tendering is suitable for projects where there is a need to expedite the process, for remote regional works, for construction management type projects, where special expertise is required or where there may be a number of ongoing, linked, small, individual projects. Open (Public) Tendering: While reading a newspaper one would have noticed advertisements (often by some government departments), calling for Tenders for Works and Services to be executed with a brief description of requirements. This type of Tender Invitation, to all <https://assignbuster.com/introduction-observation-about-the-client-firm-construction-essay/>

those interested in the Contract, to submit a Tender in response to an advertisement is known as Open Tendering. There could be conditions by the Client in such a request, is another matter. A large amount of Clients time and effort is required to evaluate and award a Contract under this method.

## **TENDER SELECTION BASED ON THE COMPANY REQUIREMENT AND THE REASON FOR SELECTION**

All clients want to select the best contractor to carry out their projects. The decision as to which contractor to choose will have long-lasting effects: you will be working together for several months while the route is being built you will want the team to carry out any remedial repairs for up to a year after completion and the path will be used and maintained for 20 years or more. Selecting the right team is all about balancing the short-term demands of your organization (budget, contract rules, and desire to use a local contractor) with the long-term management demands of the site (quality, repairs and an appropriate design). Tender selection should be, above all, fair: the contract should be awarded to the best all-round bid received. In order to be fair, the procedure for selecting contractors should be clear, written down, checked by another member of staff and held on file for any future audits. Allocating public funds for public access is a fully accountable task.

## **PROCESS INVOLVED**

### **I propose the Tender by Invitation method**

#### **About:**

This is a simple form of template Invitation to Tender for the procurement of services. The Invitation to tender is an invitation sent to a shortlist of bidders to make a formal and detailed offer to supply the services or goods required. It is important that the Invitation to tender contains all the information and detail needed to enable a bidder to compile a fully formed tender for the requirement. The following highlights a few key parts of the document: The key date's section - it is important that the contracting authority designs a proper and robust procurement process timetable which properly factors in the time needed for clarifications and evaluation. While the contracting authority has the right to amend the timetable, doing so increases the legal risk that a bidder may feel it has been in some way disadvantaged by the change. The evaluation criteria appendix - there have been a number of recent cases where bidders have successfully taken action against contracting authorities due to inadequate upfront disclosure of the criteria used to evaluate bids and their relative weightings. The best approach is therefore to devise the scoring methodology upfront and disclose it in full in the Invitation to tender. The conditions of contract appendix - full terms and conditions for the proposed contract will need to be included in the Invitation to tender. These cannot be negotiated following receipt of bids, and. The statement of requirements appendix - time spent getting this right will be well rewarded as it will ensure that the bids received are appropriate to the

requirement. Requirements around how the supplier should provide details of their pricing (and potentially a pricing template) should be included

## **MAIN CRITERIAS TO BE CONSIDERED IN SELECTING AN ELIGIBLE CONTRACTOR**

The construction industry can be considered as one of the largest industries that can contribute significant fraction of national product in Cambodia.

However, people in this business face many problems such as prequalification, tendering and selecting a contractor. The prequalification and bid evaluation processes requires the development of necessary and sufficient criteria. The last two decades has witnessed a huge development in project complexity and client's needs and this has led to an increasing use of alternative forms of project delivery systems. In contrast, the prequalification and bid evaluation process, quantifying and the assessment of criteria is still in its original form. Financial Consideration: this may contain financial statements and experience records with detailed information as to available financial resources, equipment and other assets, together with an account of past experience, a record of work completed, personnel of the organization and all other facts called for in the prequalification statement. Past Performance: It is important to know if the services that the program office is requesting are services that have been performed in the past.

Technical Ability: The construction industry can be considered as one of the largest industries that can contribute significant fraction of national product in Cambodia. However, people in this business face many problems such as prequalification, tendering and selecting a contractor. Management

Capability: Globalization presents formidable challenges to developing

countries as they struggle to compete in the world market. A firm's success is less dependent on the attractiveness of its industry or country's environment, and more on firm specific factors that determine its competitive advantage. Firms need to extend their thinking beyond national borders when it comes to competition, capabilities, and customers. In the construction industry, globalization together with the improved knowledge-based economy and information revolution has fundamentally altered the market. The client's needs in the industry have moved toward a greater emphasis on speed of delivery and value-based services