



**TENDERING**

state information technology agency

# WHAT IS TENDERING?

**IT IS WHERE LARGE-SCALE BUYERS  
ADVERTISE THEIR NEEDS AND  
REQUIREMENTS PUBLICLY, AND THUS  
OBTAIN BIDS OR TENDERS FROM A RANGE  
OF “SUPPLIERS”**



# SIMPLE DEFINITION OF A TENDER

**“AN OFFER IN WRITING TO CARRY OUT WORK OR SUPPLY GOODS AT A CERTAIN PRICE”.**



# **A BROADER DEFINITION**

**AN OFFER MADE IN WRITING BY ONE PARTY TO  
ANOTHER,**

**TO DELIVER OR EXECUTE CERTAIN TASKS AT AN  
EXCLUSIVE PRICE OR UNIFORM RATE,**

**AN ORDER FOR SUPPLY OR PURCHASE OF GOODS  
OR SERVICES,**

**WHEREBY THE DETAILS HAVE BEEN FURNISHED  
BY THE SECOND PARTY.**



# OBJECTIVES OF TENDERING

- TO PROMOTE PUBLIC ACCOUNTABILITY.
- TO ENSURE A FAIR PROCESS OF SELECTING THE SUPPLIERS OF GOODS AND SERVICES.
- TO DISCOURAGE THE USE OF NON-COMPETITIVE SUPPLIERS TIME AFTER TIME
- INCREASE THE OPTIMISATION OF QUALITY AND REDUCTION OF COSTS AS THE BASIS FOR COMPETITION
- THE INCLUSION OF HDI'S INTO THE **IT** INDUSTRY.



# GOVT'S STRATEGIC VISION

## SECTION 217 OF THE CONST.

TO ENSURE:

- FAIRNESS,
- TRANSPARENCY,
- EQUITY,
- COMPETITIVENESS; AND
- COST-EFFECTIVENESS



A NUMBER OF CHALLENGING ISSUES WERE HIGHLIGHTED IN THE **PRESIDENTIAL REVIEW COMMISSION - REPORT OF 1998.**

IN ADDRESSING THESE ISSUES, **SITA**, IN ITS PROCUREMENT POLICY, INTRODUCES FUNDAMENTAL PROCUREMENT REFORM,

ENFORCES PUBLIC POLICY GOALS

SENSIBLY PROTECT THE SYSTEM AGAINST FRAUD.

ENGAGES IN AGGRESSIVE, INNOVATIVE PURCHASING METHODS



## WHILST BALANCING

- VALUE,
- PRICE,
- FAIRNESS, AND
- EMPOWERMENT OF SMMES





# STRATEGY

**TO OFFER PROTECTION AND ADVANCEMENT OF  
THOSE WHO WERE DISADVANTAGED BY UNFAIR  
DISCRIMINATION**



# GOOD GOVERNANCE

- VALUE FOR MONEY
- FINANCIAL CONTROLS
- TAX & SERVICE OBLIG
- OPPOSING CORRUPTION
- GOOD LABOUR PRACT.



# TENDER OPPORTUNITIES

- GOVERNMENT
- PARASTATALS
- CORPORATIONS / PRIVATE SECTOR



# THE BIG DECISION

- **DECIDE IMMEDIATELY**
- **IMPORTANCE/PRIORITY**
- **AVAILABILITY OF FUNDS**
- **TECHNICAL KNOW-HOW**
- **CHANCES OF SUCCESS**
- **STRATEGIC IMPORTANCE**
- **ESTIMATED TURNOVER**
- **FOLLOW-ON CONTRACTS**
- **GROWTH OPPORTUNITIES**
  - **TECHNICALLY**
  - **REPUTATION**
  - **COMPETITIVENESS**



# QUESTIONS TO PONDER

**CAN WE ?:**

- **PROVIDE THE SECURITY?**
- **CAN WE MANUFACTURE / SUPPLY QUANTITIES?**
  - **MEET DEADLINES?**
  - **CONSISTENTLY MEET QLT STD**
  - **ENOUGH RESOURCES?**



# TYPES OF TENDERS

- OPEN TENDER
- CLOSED TENDER



# SUGGESTION

**IF TENDER NOT AWARDED, YOU NEED  
TO CONDUCT A POST- MORTEM  
OF REASONS FOR FAILURE.**



# IMPLICATIONS OF TENDERING

**MERE SUBMISSION RESULTS IN A LEGAL OBLIGATION:**

- **UPGRADE BUSINESS**
- **SEEK PROFESSIONAL ASSISTANCE**





# RISKS/OBLIGATIONS

- DUTY TO ENSURE DEPT. GETS GOODS & SERVICES
- SIGN THE CONTRACT OR GET SUED
  - OFFER + ACCEPTANCE = LEGALLY BINDING CONTRACT



# SUCCESS FACTORS

- THE RIGHT IMAGE
- GOOD TRACK RECORD
- EXCELLENT CUSTOMER CARE & AFTER SALES
  - THE RIGHT SOLUTION
  - THE RIGHT PRICE
  - THE RIGHT RESOURCES
  - RIGHT DOCUMENTATION
  - THE RIGHT **ATTITUDE**



# FINAL ADVICE

- ADDRESS ALL SPECIFICS
- PAY ATTENTION TO DETAIL
  - GIVE ALTERNATIVES
- RELEVANT CONTACT Nos
- CHECK LIST IMPORTANT!



**THANK YOU**

