

## Must I have experience to tender?

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The Functionality test evaluate bidders on various aspects of the contract to establish if the bidder has the capabilities to execute the contract or not. If an Enterprise's tender response does not pass the Functionality test, it will be declared non-responsive and will not qualify to be evaluated on B-BBEE and Price.

Recently we received an email from a start-up company that want to find out if one can be awarded a tender if he/she does not have experience. The answer is simple: 99% of the times you would not be awarded the tender and The Procuring Entity will automatically disqualify bid responses that do not have the necessary experience. There are some Government Entities that have committed themselves to procure a certain percentage of goods and services from start-up enterprises (businesses with no or little experience). But these bids are hard to find and there are many businesses that respond to these bids. This means that your chances of being the successful bidder are very slim.

The Procuring Entity – either Public or Private Sector – wants to know how many years' experience the bidders have in executing similar contracts providing the goods and/or services you are proposing. The more experience you have the better. This indicates to the Organ of State that you have been providing the goods and/or services for a period and that you are experienced in your field of expertise.

In your tender response it is always important to stipulate the following when it comes to your track record and experience:

- i. **References:**  
Provide contactable **references** and proven track record of the goods and/or services. In your response it is always good to provide references, even if it is just one reference. The Organ of State needs to know that you can be trusted and how better to evaluate this by contacting your references. Remember to be honest in your response as the Organ of State is sure to contact your references. Remember to be honest in your response as the Organ of State is sure to contact your references.
- ii. **Success rate:**  
Provide information on your success rate. This is overstating the obvious, but it is good. The more emphasis that is given on previous successes the better. Tell them about previous tenders that were awarded to you and how successfully you have completed it.
- iii. **The goods/services your company provide**  
What is the nature of goods and/or services your company supply? It is imperative that you supply the goods and/or services that the tender asks for. If you do not supply the exact goods and/or services that the tender asks for you may be disqualified.
- iv. **Volume and value of goods or services you supply**  
Provide details of your monthly volume and rand value of goods and/or services you supply to your existing clients. This again will show your experience. Even if you are providing small volumes you still supply the goods and that means experience.

If you do not have experience and is a start-up company, we suggest that you find something that you are good at and start a small business. Start doing business and once you have gained some experience you start responding to quotations and bids.

To learn more about this and many other tender conditions attend our "Become a Tender Expert" 2-Day workshops presented in Johannesburg, Pretoria, Durban, Port Elizabeth, and Cape Town. Book and pay online at <https://howtotender.co.za/tender-expert-form/>

Contact us at [estelle@howtotender.co.za](mailto:estelle@howtotender.co.za) should you require more information.

You can also purchase a Tender Manual (Handbook) on our website <https://howtotender.co.za/> which is a step by step guide how to respond to a South African Tender. It includes examples of completed SBD forms.