

Principles Tenders are evaluated on

By Werner van Rooyen, Director of HowToTender (Pty) Ltd which specializes in tender consulting and tender training.

Tenders in South Africa are based on three principles:

1. Functionality
2. Price
3. B-BBEE

Functionality

All tenders, whether it is for the Public Sector or the Private Sector, will be evaluated on Functionality. Functionality is the most critical part of any tender response. If you get the Functionality part wrong during your response the chances are good that you will not advance to the following phase of the evaluation process – you will most probably fall out of the race.

When responding to tenders ensure that you understand exactly what is required in the Functionality part of the tender. Read the scope of the tender carefully and respond to direct questions as well as indirect questions. Functionality is the part where you advertise your company so make sure you do it properly.

Price

Most of the tenders that are awarded all around the world and for that matter in South Africa as well, Price will be the determining factor. At the end of the day, all that buyers want is to procure the best product at the best price.

In South Africa we even have a formula to determine which tender response is ranked where in the tender awarding process. The response or responses with the lowest price receive the most points and the more expensive tender responses receive fewer points. Ensure that your tender response scores the most points in the evaluation process.

B-BBEE

Last but not least, all tender responses will be evaluated on its B-BBEE levels. It does not matter if you respond to a Public Sector or Private Sector tender, your B-BBEE score will always be considered to determine the outcome of the tender award.

The Amended Codes of Good Practice that came into effect on 1 May 2015 is very stringent and obtaining a good or high B-BBEE score is going to take a lot of planning and hard work. Ensure that you have a good B-BBEE score to have any say in the outcome of a tender award.

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 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.