

Starting a “tendering business”

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

On our website, <https://howtotender.co.za> we have a contact us page where one can ask questions with regards to our products and services. However, we do get a lot of questions and requests through this page on “How to start a tendering business”. There are several challenges if you are a start-up business or you erected a company with the specific intention to respond to tenders. We have noted a common misperception that to tender is a business. This is not true. To tender, you must **have a business!** Even if it is a start-up business, you must have the intention to do business, irrespective of winning a tender or not.

There is no such thing as a “Tendering Business”!

There is this misconception that if you have a registered business you are ready to tender. You cannot say that you have registered this business and now you are ready to tender, for instance, security services, cleaning services, building bridges, or supplying canons to the army. This could not be further from the truth. Unfortunately, there are other requirements that you must comply with in order to be ready to tender. You will not get far if you do not already have a operating business.

Do not think that once you have registered a company, got a Tax Clearance Certificate as well as a B-BBEE Certificate you are ready to tender, thinking that these three documents will ensure that you will be successful in your bidding efforts. The truth of the matter is that unfortunately you would be lucky if your tender response makes it through the first round of evaluation.

Even worse, you will find people that think that they can only start a business once they have been awarded a tender. The bad news is that few tenders are awarded to these new businesses. Yes, tenders are awarded to start-ups, but the bulk of tenders are awarded to running concerns – businesses with a track record.

Remember that to have a registered company and to have a business, is not the same thing.

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.