

Project Manager's Duties and Responsibilities regarding Tendering, at and after the Tender Process Stage of a Project

6th December 2017

Tim Stewart

Contents

Introduction..... 3

The Project Manager’s duties and responsibilities at the Tender Process Stage 4

The Project Manager’s duties and responsibilities regarding Tendering, after the Tender Process
Stage 5

Salaried or Contractor Project Manager’s at the ‘Project Tender Stage’ 6

Conclusion..... 7

References 8

Introduction

This report discusses the importance of hiring and including the Project Manager at the very early stages of a construction project. The Chartered Institute of Building - CIOB, (2014, p14) state that

"It is advisable to appoint the Project Manager at the inception stage so that the Project Manager can advise and become involved in the option appraisal process".

This should be as early as the Tender stage of the Project so that the Client can utilise the experience of the Project Manager and the Project Manager can guide the Client in their decision making. Furthermore, this will save the Client time and money. It may also improve the quality and safety of the work undertaken.

There is also another very important reason to appoint the Project Manager as early as possible, before any other influential members of the Project Team are appointed. For example, the Project Manager should be appointed before the Architects (Designers). This has been highlighted by Senaratne and Samaraweera, (2015, p76) who emphasise the fact that the Project Manager's authority, leadership and ability to manage the project team can be undermined by a Designer who has been appointed before the Project Manager, especially if the Designer is a strong minded, dominating character.

The Project Manager's duties and responsibilities at the Tender Process Stage

With regard to the Tender Stage of a Project, the suggested duties of a Project Manager are as follows:

- Arrange Tender documents (CIOB, 2014, p15)
- Evaluate Tenders (CIOB, 2014, p15)

The Project Manager, acting as a Client Representative, may also be required to:

- Give advice to the Client on the most suitable forms of Tender (CIOB, 2014, p23)
- Agree Tendering strategies with the Client's Consultants (CIOB, 2014, p23)
- Advise the Client on the preparation of Tender documents (CIOB, 2014, p23)
- Advise the Client on the progress of Tender documents (CIOB, 2014, p23)
- Advise the Client on the correctness of Tender documents (CIOB, 2014, p23)
- Advise the Client on the prospective tenderers' suitability (CIOB, 2014, p23)
- Obtaining additional information relating to the Tenderer (CIOB, 2014, p23)
- Confirming the accepted Tenders to the Client (CIOB, 2014, p23)
- Securing final approval of Tender (CIOB, 2014, p31)
- Select Contractors relevant to the nature and scope of the Tender (CIOB, 2014, p35)
- Nominate a coordinator for all matters concerned with the Tender (CIOB, 2014, p35)
- Assess the expertise required for a specific Tender (CIOB, 2014, p35)
- Prepare a list of known and prospective Tenderers (CIOB, 2014, p35)
- Invite potential Tenderers to submit selection questionnaires (CIOB, 2014, p35)
- Arrange pre-qualification Tenderer's interviews (CIOB, 2014, p35)
- Finalise the Tenderer's winning list and Tenderer's reserve list (CIOB, 2014, p35)

The Project Manager's duties and responsibilities regarding Tendering, after the Tender Process Stage

Following the Tender Process Stage the Project Manager will be required to produce the Project Handbook. Within this 'Project Handbook' information about the Tender Documentation will need to be included. This will consist of:

- Tender analysis and reporting (CIOB, 2014, p29)
- List of Tenderers and the Tendering interview procedures (CIOB, 2014, p29)

Further duties with regards to the Tender which the Project Manager may be required to oversee after the Tendering Process Stage has finished, may be the following:

- The issue of Tender drawings and specifications (CIOB, 2014, p31)

Other areas the Project Manager may get involved in with regards to the Tenderers are as follows:

- Assistance with the comparison of Tenderers' prices at Sub-Contractor Tender assessment (CIOB, 2014, p33)
- Tenders which are outside the budget but require some input from the Project Manager (CIOB, 2014, p33)
- Judgement for acceptance of Tender figures which have an increase due to an added contingency cost (CIOB, 2014, p33)
- Possible Re-Tendering for alternative Contractors (CIOB, 2014, p33)

Salaried or Contractor Project Manager's at the 'Project Tender Stage'

Project Managers who are part of the Client Company are usually in the privileged position of being associated and involved at the very start of a Project's inception. However, Client Companies that do not have such expertise within its employed staff have to look outside of the Company for a Project Manager. These Project Managers may be Freelance, one man band Limited Companies, and work as contractors.

When these Project Managers are contracted to provide their services at the Project Tender Stage, this is known as Early Contractor Involvement (ECI). Rahman and Alhassan, (2012, p217) have written about the benefits of the ECI approach. They state that better relationships are developed amongst all involved if contractors (in this case a Freelance Project Manager) are contracted at an early stage, which in turn allows process stages to run smoothly due to additional input, leading to a successful project.

Nichols, (2007, piii) concurs with Rahman and Alhassan, when he talks about ECI in his review. He states that the benefits are many when using this Early Contractor Involvement approach, and goes on to mention that ECI *"is a form of partnering with the contractor"*. He then continues to point out that this early appointment *"helps in planning and advising on buildability"*.

Conclusion

It can be concluded that if the Project Manager is to be fully aware of what his duties and responsibilities are during the construction phase of a project then it would be prudent of the Client to utilise the services of the Project Manager from the very start of the Project - at the Inception stage, and involving him or her in the Project Mandate development. It would be a false economy for the Client to think they are saving money by not engaged the Project Manager in the whole project process. In fact, on the contrary, by engaging the Project Manage at the very start of a Project's inception, may save the Client a vast amount of money, which could easily out-strip the additional cost of employing the Project Manager at this early stage.

It may be construed that the Project Manager would be more productive in their role if he or she were fully aware of the project's objections from the start. If the Project Manager was only employed or instructed to take on the role just before the construction Phase, then it could be envisaged that the project could end up having problems.

So, it could also be concluded that, with the Project Manager involved at the Tender Process Stage he or she will be able to build up a productive and positive working relationship with all the parties involved in the project, including the Client, the Principal Designer, the Designers, The Consultants, the Principal Contractor and the Sub-Contractors (Rahmani, 2016, p29).

References

CIOB Chartered Institute of Building (2014) *Code of Practice for Project Management for Construction development. 5th Edition*. Chapter 1. Chichester, England: Wiley-Blackwell.

Nichols, M. (2007) 'Report to Secretary of State for Transport Review of Highways Agency ' s Major Roads Programme', *Chief Executive*, (March).

Rahman, M. and Alhassan, A. (2012) 'A contractor's perception on early contractor involvement', *Built Environment Project and Asset Management*, 2(2), pp. 217–233. doi: 10.1108/20441241211280855.

Rahmani, F. (2016) 'Conceptual models for selecting and managing Early Contractor Involvement (ECI) delivery system by clients A thesis submitted in fulfilment of the requirements for the degree of Doctor of Philosophy', (March).

Senaratne, S. and Samaraweera, A. (2015) 'Construction project leadership across the team development process', *Built Environment Project and Asset Management*, 5(1), pp. 69–88. doi: 10.1108/BEPAM-10-2012-0049.