Assessment of tendering processes for construction projects and its effect on public projects delivery in Nigeria

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ABSTRACT

This study assessed the tendering report processes and their effect on public project delivery in Nigeria. The study was carried out at the Federal University of Technology Owerri, where ongoing and completed projects in the institution were assessed. The study is a descriptive survey employed questionnaires, interviews, and documentary records as a research instrument. The sample size comprised of 50 procurement professional and public projects experts in various selected units in the institution as respondents. The research objectives were analyzed using descriptive statistics of frequency as a tool that was computed using Microsoft Excel and presented in the form of charts and histograms. Qualitative data collected from interviews with respondents were recorded by using tape recorders and then transcribed. The outcome of the study reveals that the current tendering process in Nigeria has vulnerabilities that can be exploited to negatively impact public project delivery. The study recommends that there should be strict adherence to global standards in contractor selection and this should be based on objectivity, flexibility, reliability, and adaptability of the chosen criteria as they apply to projects peculiarities.

Keywords:
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1.0 Introduction

Public Procurement often constitutes the largest domestic market in developing countries. Depending on how it is managed, the public procurement system can thus contribute to the economic development of these countries (Public Procurement Oversight Authority, 2012). Public procurement is the principal means through which governments meet developmental needs such as the provision of physical infrastructure and the supply of essential medicines (PPOA, 2010). Many governments use Public Procurement to support the development of domestic industries, overcome regional economic imbalances, and support minority or disadvantaged communities. Because of the deployment of the Public Procurement System to pursue these developmental goals entails the governmental exercise of enormous discretion, Public Procurement is often an extremely controversial subject matter (World Bank Group, 2007).

In Nigeria, public procurement system has over the years been grossly abused leading to cost inflation, delay in project delivery, poor quality of work, and project abandonment in the past, but with the introduction of procurement system reform by the chief Olusegun Obasanjo led administration, there was an institution of the Due Process Mechanism for all public procurements, leading to the creation of the Budget Monitoring and
Price Intelligence Unit (BMPIU) also referred to as Due Process Policy and other commissions. The Due Process mechanism brought about the need for proper integration of efficient tendering report processes for effective delivery of projects, especially public projects. Because its imperatives are captured by the following milestones: Advertisement, Pre-qualification, Invitation to tender: the technical and financial bid process, the opening of tender, The bid evaluation process, and determination of winning bid (Budget Monitoring and Price Intelligence Unit 2005). The guidelines require that such projects must be advertised, follow the process of open and competitive bidding leading to the emergence of a winner under a process that must be right, and a cost that must also be right. Under this policy, all Federal Government contracts without exception in the first three years of its establishment comes to the BMPIU for review and certification by sector specialists who work as consultants to the BMPIU. Presently, it has been expanded to include professionals in the civil service from various ministries. These professionals are drawn from diverse fields of knowledge: engineering, energy, water and building, ICT, defense and security. The unit also draws from voluntary support of reputable professional bodies in Nigeria.

Before the submission of completed tenders and subsequent selection of successful tenderers/contractors, a period is usually allowed for, or given to tenderers by the client or his consultants to prepare their estimates or proposals, and carry out all necessary activities that will enable them to achieve it. This space of time is referred to as the tender period or duration which begins with the tender advertisement and ends with the closing of submission date for tenders (Tamimi, 2009). During the tender period, after tender documents must have been issued, prospective tenderers begin the preparation of adequate and realistic tenders by collating data to aid their project estimation (Knowles, 1997). According to Neighbour (2006) activities such as Clarifying any inconsistencies and other queries, such as conflicts, omissions or errors that exist in their opinion or the opinion of their sub-contractors across the documentation are reported to the client or consultants, for a corrective resolution to be obtained; Measuring the scope of the works or services being sought; Obtaining prices from subcontractors and suppliers; Visiting the site(s); Assessing the tender and contract conditions; Assessing capacity to undertake the work and; Documenting the tender bids are carried out by the tenderers to aid them to prepare and collate a realistic bid or estimate. These necessitated the research on the assessment of tendering report processes and their effect on public project delivery in Nigeria.

1.2 Statement of the problem

The overall research problem addressed in this study is that despite an increase in knowledge in the tendering processes in public projects according to Public Procurement Act (PPA) of June 4, 2007, very little has been done to analyze the effects of the tendering report process in Public sector project delivery in Nigeria. Although Due Process is a mechanism for ensuring strict compliance with openness, competition and cost accuracy rules and procedures that should guide contract award (BMPIU 2005), which is geared towards infusing the needed fiscal discipline and sound economic principles to ensure transparency, accountability and rebuild public trust in governance by attacking the much-abused processes in the past; there have been strong areas of failure of the mechanism which do not help in bringing sanity to public procurement system in the country. These failures do not bother around sustainable participation by reputable, competent and reliable contractors; nor is settlement of contract price at near marginal cost; but it evident in the level of faith by tenderers in the tendering processes or mechanism and value for money in projects execution and delivery (BMPIU 2005). The tendering processes most times are not fully understood by the unit which often leads to the issues of wastage of public resources in public projects, poor linkages between procurements and expenditures, delays and inefficiencies, poor records management, bureaucracy, rampant corruption.

1.3 Aim of and objective of the study

The aim of this study is to assess the tendering report processes and their effect on public project delivery in Nigeria with the objectives of:

- determining the tendering processes for Public Projects in Nigeria
- ascertaining the effects of tendering report processes on Public Project Delivery in Nigeria
- Reforming the tendering process for quality assurance in project delivery in Nigeria

1.4 Research Questions

The research questions for this research were formulated thus:

- What are the tendering processes for Public Projects in Nigeria?
- What are the effects of tendering report processes on Public Project Delivery in Nigeria?
- What are the reformations the tendering process have adopted for quality assurance in project delivery in Nigeria

1.4 Scope of Study

The geographical delimitation of this study is within the Federal University of Technology Owerri. Public Projects in the institution and staff in Physical Planning Unit, Works Department, and Tender Committee. It is delimited to professionals with cognitive experience in the tendering process and public project delivery.

By content, the study is limited to concepts and theories underlying tendering, procurement, contract administration, project performance, and public project delivery.

2.0 Review of the related literature

A nation is said to experience economic progress when its gross national product are growing proportionately. This means that if GNP grows faster than population, then the per capita annual output increases at a steady rate over years. Todaro (1994) cited Kuznet’s (1955) definition of growth as "a sustained increase in a nation's gross national income per capita over a long period of time ". Kuznet (1955) noted that a country is in a static state if the population of the country and its gross national product are growing proportionately. This means that if GNP grows faster than population, then the economy is experiencing economic growth. He therefore sees growth as quantitative increase in economy without considering its quality.

2.1 Theoretical framework

Ebong, Ogwumike, Udongaro and Ayodele (2016) conducted a research on the impact of government expenditure on economic growth using annual data from 1970-2012. The study employed the ordinary least square technique and the results showed that capital expenditure on agriculture had no
significant influence on economic growth in both long-run and short-run while capital expenditure on education had a significant impact on economic growth. It was further revealed by the study that capital expenditure on health had a negative impact on economic growth and the relationship was in fact, insignificant. Lastly, capital expenditure on human capital through social services was observed to have promoted economic growth unlike that of agriculture.

In another study, Rosoui (2015) investigated the impact of current and capital expenditure on economic growth in Romania covering the period 1995 to 2013. The study adopted the vector autoregression model for data estimation. Findings of the study revealed a decreasing real gross domestic product as current expenditure increased while on the other hand, the study showed a positive and significant relationship between Real Gross Domestic Product and capital expenditure such that an increase in capital expenditure increases economic growth.

Aregebeye (2007), in his study, found out a significant positive correlation between government capital expenditure, public investment and economic growth. The study further revealed that both consumption and recurrent expenditure had negative impact on economic growth. Laudau (1983) studied the effect of government (consumption) expenditure on economic growth for a sample of 96 countries. From his findings, it was revealed that government recurrent expenditure contributed negatively on economic growth while capital expenditure contributed positively on real output.

2.2 Institutional framework

The institutional framework for environmental governance in Nigeria is made up of all public and civil society organizations contributing to the implementation of environmental policy objectives and responsible for managing and conserving the environment. The institutional framework for environmental governance in Nigeria comprises of government agency, international aid agencies and NGOs among others. The governmental institutional framework usually involves the three tiers of government i.e Federal, State and Local government, the Departments and Sections therein are composed of different headships and functions which are mostly controlled by bureaucratic forces with the Ministers, Commissioners, and Directors and so on in charge of the service delivery. The first established public environmental agency was the Federal Environmental Protection Agency (FEPA) in 1988. Ten years after, each of the 36 states and the Federal Capital Territory had established their individual Environmental Protection Agencies. A new Civilian Administration in 1999 gave environmental matters top priority attention in its development agenda by creating the Federal Ministry of Environment to coordinate the activities of both public and private institutions and organizations that have been designated to carry out activities that could facilitate the protection of environment in Nigeria.

2.3 Concept of tendering

Definition of tendering According to PPA (2004), tendering means the method of procurement whereby Suppliers, Contractors or Consultants are invited by the procuring entity to compete with each other in submitting priced tenders for goods, works or services. The tender can also be defined as a request drawn by a procuring entity for offers or quotations to be made by suppliers, service providers, contractors, or asset buyers. Nair (1990) defined ‘Tender’ as the process of ascertaining availability and price of materials in sealed covers which are opened and scrutinized at a predetermined time by a tender committee. He then propounded that, the tender system includes the bidders to quote the lowest price, safeguards the interests of both the buyer as well as that of the bidders, ensures impartiality and fairness.

The Aqua group (2006) defined tendering as: “A procedure to select a suitable contractor, at a time appropriate to the circumstances, and to obtain from him at the proper time an acceptable offer upon which a contract can be let”. Tendering is the administrative procedure of sending out drawings and bills of quantities or specifications to contractors to submit a price for the construction of the project.

Besides the price for this project, other considerations such as contractor’s competence, financial capability, technical competence, and other factors are used in selecting a contractor for executing a construction project. Different tendering methods have been used in construction projects for inviting tenders.

2.4 Tendering methods

According to Ramus (1981), Manthosi and Thawala (2012) and Ganderton (2012) there are various methods such as open selective, negotiation, competitive, open selective, design, and build tendering approaches that have been used in construction projects. Besides, serial and two-stage tendering methods have been significantly used also in construction projects. According to Mathonsi and Thawala (2012), the use of open tendering method involves placing an advertisement in a widely read newspaper to invite prospective contractors to tender and it is strongly criticized for its increased cost of processing. Selective tendering in the views of Ramus (1981) involves considering 5-8 competent contractors to be invited to tender for a project. Criteria used in drawing up these competent contractors can include the standard of workmanship required, equipment base of the firm, previous business records, and financial standing amongst other factors. The selection of contractors through this approach may overcome the deficiencies in open tendering but may lead to higher quotations. Negotiation approach is used when a firm or client has a previous satisfaction associated with a contractor and the client is prepared to give the contract to this contractor on the bases of a reasonable price for the project. Such an arrangement is also used if the project is a specialist. This approach is known to save time but may lead to higher prices for the quotation (Ramus, 1981; Ganderton, 2012). The competitive tendering approach is used where various contractors of all categories are welcomed to submit tenders. According to Chinyio (2011), competitive tendering must have three stages. The stages are Pre-qualification, Tender documentation, and Bidding.

As indicated by Public Procurement Act (2007), competitive tendering in Nigeria is to encourage the due process, accountability, and transparency but this involves high bidding cost, conflicts of interest as it is not guaranteed that the lowest tender wins the project. The open-selective tendering approach is used as a hybrid of open and selective methods. The Traditional procurement method utilizes open, selective, and negotiated to tender approaches to obtain its tenders (Manthosi and Thawala, 2012). Design and build procurement method utilize a selective tendering method for obtaining tenders from Design-build contractors. According to Chinyio (2011), the selective tendering method can be subdivided into single-stage and two-stage tendering methods. Single-stage tendering is an approach where one stage of
tendering is used while a two-stage tendering method involves a two-stage process of competitive selection of contractor on basis of price and negotiation of contract details and firm price with the contractor appointed at the first stage. On the first stage contractors will be assessed based on construction programs, method statements, pricing of preliminaries, overheads, and profits. In the second stage negotiation between the client and the contractor on price is undertaken. If agreed it becomes the contract price (Chinyio, 2011). This approach is advantageous in that it facilitates the early appointment of a contractor and it combines strengths of competition and negotiation while its disadvantage is that the preferred contractor may fail to negotiate for the competitive price and negotiation may drag on and compound the complexity of the process.

2.5 Public procurement system in Nigeria

Over the years, the public procurement system in Nigeria has been grossly abused leading to huge losses of resources. In a bid to sanitize the system, the Federal Government set up a Due Process

The unit under the presidency to undertake the reform (BMPIU, 2005). Due Process is defined as a mechanism for ensuring strict compliance with openness, competition, and cost accuracy rules and procedures that should guide contract award (BMPIU 2005). According to Ezekwesili (2004 in Ayangade et al. 2009), Due Process is geared towards infusing the needed fiscal discipline and sound economic principles to ensure transparency, accountability and rebuild public trust in governance by attacking the much-abused processes in the past. The Due Process mechanism was conceived among other things to bring sanity to public procurement system in the country through the attainment of these performance targets: ensuring sustainable participation by reputable, competent and reliable contractors; settlement of contract price at near marginal cost; faith by tenders in the tendering mechanism and value for money in projects execution and delivery (BMPIU 2005). The mechanism is also meant to carry out functions like regulating and setting standards to enforce harmonized bidding and tender documents; formulation of general policies and guidelines on public sector procurement and upholding professional ethics and reporting erring personnel amongst other statutory functions. The imperatives of the due process policy are captured by the following milestones:

Advertisement, Pre-qualification, Invitation to tender: the technical and financial bid process, the opening of tender, bid evaluation process, and determination of winning bid (BMPIU 2005). The guidelines require that such projects must be advertised, follow the process of open and competitive bidding leading to the emergence of a winner under a process that must be right, and a cost that must also be right. Under this policy, all Federal Government contracts without exception in the first three years of its establishment comes to the BMPIU for review and certification by sector specialists who work as consultants to the BMPIU. Presently, it has been expanded to include professionals in the civil service from various ministries. These professionals are drawn from a diverse field of knowledge: engineering, energy, water and building, ICT, defense and security, and so on. The unit also draws from voluntary support of reputable professional bodies in Nigeria.

2.6 Tendering administration in the Nigerian construction industry

Idiake (2007) asserts that the construction industry in Nigeria is one of the most important sectors of the economy and the major index of assessing the growth of the economy. The industry is thus an essential contributor to the process of development, which includes the construction of schools, hospitals, and factories to mention a few. The products of construction work thus form the basis on which development effort and improved living standards are established. The pace of economic growth of any nation can be measured by the development of its infrastructure (Izam and Katun, 2009). The Nigerian Government favors a contract tendering process that is open, competitive, fair, and equitable to all bidders and which seeks to strategically focus on minimizing waste and reduce the incidence of failure of public sector projects. The competitive tendering process is thus widely adopted at all levels of government in Nigeria, since it is believed that it gives the best value for money and is an antidote to corruption through transparency and openness (Oladapo, 1999; Offong, 1999). However, the evidence available from the author’s investigations shows that emphasis is placed only on tender cost. In other words, the criteria for selecting the contractor places little or no value on tender duration proposed by the contractor, since the ministry specifies such duration In Nigeria, contractors are invited for tender submission through advertisement in the national dailies and technical journals, such as the Federal tenders’ journal. Assessments, such as bid price, time for project completion, financial capability, work experience, technical staff available, equipment facilities, and current list of works are the common criteria for being prequalified and shortlisted. For the successful implementation of building projects, Seeley (1997) suggests that selection of tenders should be limited to a realistic number of firms who are capable to a recognized standard of competence, the general use of standing approved contractors and that of an ad-hoc list should be used mainly when the work is of a specialist nature and the period allowed for tendering should be adequate for the type of projects and price of contracts. Tendering provides advantages for clients and tenderers alike, including providing the best value through competition, fair distribution of work opportunities, support of ethical standards, the achievement of innovative results, and creative solutions to client’s needs (Knowles, 1997).

3.0 Study population and sample

The population of the study consisted of members of staff of the Federal University of Technology Owerri, Imo State in various departments namely; the Procurement Management Unit (PMU), The Works Department, The Physical and Planning Unit, the Finance Department, the Administration Department, the Tender Committee as well as members of the management team of the University who are in one way or another involved in tendering. Kothari (2006) defines sample as a collection of some parts of the population based on which judgment is made small enough to convenient data collection and large enough to be a true representative of the population from which it had been selected. Sample size refers to many items to be selected from the universe to constitute a sample. The sample size consisted of 50 respondents.

4.0 Material and methods

The descriptive and correlative design was used in this research work, Descriptive survey is one in which a group of people or items are studied, by collecting and analyzing data from only a few people or items considered to be a representative of the entire group. Therefore, the descriptive sur-
vey is relevant to this study, because a sample from the population was used and the inference was made on the entire population.

4.1 Types and sources of data

There are two types and sources of data namely; primary and secondary data. Primary data includes all data that the researcher will directly collect from various data sources during the research study. Secondary data includes all the data that the researcher was collected from other sources other than himself such as documents and reports.

5.0 Results

This chapter presents an analysis of the respondent's answer. The analysis and discussion were specifically based on the research objectives and questions and the actual problem reflected or stated in the statement of the problem. Qualitative and quantitative information on each research question have been identified.

<table>
<thead>
<tr>
<th>Table 5.1: Age Profile of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of respondents</td>
</tr>
<tr>
<td>25-30 years</td>
</tr>
<tr>
<td>36-40 years</td>
</tr>
<tr>
<td>41-50 years</td>
</tr>
<tr>
<td>Percentage (%)</td>
</tr>
<tr>
<td>8%</td>
</tr>
<tr>
<td>48%</td>
</tr>
<tr>
<td>32%</td>
</tr>
<tr>
<td>6%</td>
</tr>
</tbody>
</table>

(Source: Researcher’s Analysis, 2020)

Figure 5.1: Chart Showing Age Profile of Respondents (Source: Researcher’s Analysis, 2020)

Findings of the study show that 48% of respondents are aged 31-35 years, 32% of respondents are aged 36-40 years, 12% of respondents are aged 41-50 years and 8% of respondents are aged 25-30 years.

5.2 Gender profile of respondents

Gender is an important demographic variable in this study because it enables the researcher to find out whether the perception of respondents towards tendering is influenced by their gender. The researcher analyzed the gender of respondents and the feedback was documented as shown in the table and figure below;

<table>
<thead>
<tr>
<th>Table 5.2: Gender Profile of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
</tr>
<tr>
<td>No. of respondents</td>
</tr>
<tr>
<td>30</td>
</tr>
<tr>
<td>Percentage (%)</td>
</tr>
<tr>
<td>60%</td>
</tr>
</tbody>
</table>

| Female                                 |
| No. of respondents                     |
| 20                                     |
| Percentage (%)                         |
| 40%                                    |

Source: Researcher’s Analysis, 2020

Figure 5.2: Gender Profile of Respondents (Source: Researcher’s Analysis, 2020)
The findings above show that 40% of respondents are females and 60% of respondents are males. These findings show that there are more male respondents than females.

5.2 Level of education of respondents

The level of education is an important demographic variable in this study because it enables the researcher to find out whether the perception of respondents towards tendering is influenced by their level of education. The researcher analyzed the level of education of respondents and the feedback was documented as shown in the table and figure below.

<table>
<thead>
<tr>
<th>No. of respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>OND</td>
<td>16</td>
</tr>
<tr>
<td>Degree</td>
<td>60</td>
</tr>
<tr>
<td>Post Graduate Diploma</td>
<td>14</td>
</tr>
<tr>
<td>Master’s degree</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

(Source: Researcher’s Analysis, 2020)

Figure 5.3: Level of Education of Respondents (Source: Researcher’s Analysis, 2020)

Findings above show that 60% of respondents have degrees, 16% have OND and 14% have Postgraduate diplomas while 10% have Masters Degrees.

5.4 Level of awareness of respondents on tendering

The level of awareness of respondents is an important demographic variable in this study because it enables the researcher to find out whether the perception of respondents towards public tendering is influenced by their level of awareness. The researcher analyzed the level of awareness of respondents on tendering, and the feedback was documented as shown in the table and figure below:

<table>
<thead>
<tr>
<th>No. of respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Aware</td>
<td>100</td>
</tr>
<tr>
<td>Partial Aware</td>
<td>0</td>
</tr>
<tr>
<td>Not Aware</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

(Source: Researcher’s Analysis, 2020)
The findings above show that all the respondents are aware of tendering.

5.5 Research question one

What are the tendering processes for Public Projects in Nigeria?

Concerning tendering processes for building projects in FUTO

Table 5.5: Tendering processes for building Projects in FUTO

<table>
<thead>
<tr>
<th>Tendering Process for Public Projects in FUTO</th>
<th>Agree</th>
<th>%</th>
<th>Disagree</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Planning</td>
<td>50</td>
<td>100</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Selection of Procurement System</td>
<td>7</td>
<td>14</td>
<td>43</td>
<td>86</td>
</tr>
<tr>
<td>Advertisement or announcement</td>
<td>50</td>
<td>100</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Prequalification</td>
<td>45</td>
<td>90</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Short-listing</td>
<td>50</td>
<td>100</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tender action</td>
<td>50</td>
<td>100</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Determination of Winning Bid</td>
<td>50</td>
<td>100</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Award of Contract</td>
<td>50</td>
<td>100</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>project execution</td>
<td>50</td>
<td>100</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

From the respondents’ responses, it is obvious that all the itemized options are processes for public projects in FUTO, except for the selection of the procurement system. From personal interviews of some experts and tendering consultants for the institution, the exclusion of selection of procurement system as a process is because FUTO follows the Bureau of Public Procurement regulations for public projects which is majorly competitive bidding system; also a selection of procurement system falls under project planning and should not be a different process of its own.

5.6 Research question two

What are the effects of tendering report processes on Public Project Delivery in Nigeria?
Tender Committee makes the final decisions to award tenders to successful tender. During the tender award, the Tender Committee also performs post-award every time a tender document against the specified requirements. The Tender Committee assesses all tenders.

During the tender assessment, the Tender Committee assesses the quality, price, and other terms of the tender documents that express their ability and capability to execute the tender. On receiving the tender documents, the Tender committee invites all tenderers to the opening ceremony where tender documents are opened in the presence of the principal. During the tender opening, the tenderers send a response to the principal as to their interest in the project. During the tender opening, the Tender committee invites all tenderers to the opening ceremony where tender documents are opened in the presence of the principal and the tenderers.

The tendering process ensures efficient contract management which makes all parties committed to effective delivery. The tendering process ensures efficient contract management which makes all parties committed to effective delivery.

From the results above, the effects of tendering processes on public project delivery were categorized into significant areas of impact. These areas revealed the true position of effect both in the positive and negative of tendering processes on public project delivery in Nigeria.

6.0 Discussion of findings

The findings of the study showed that the tendering procedures used by FUTO follow eight steps namely; Project Planning; Advertisement or announcement; Prequalification; Short-listing; Tender, Determination of Winning Bid action; Award of Contract, project execution.

During the tender advertisement, contractors are invited for tender submission through advertisement in the national dailies and technical journals, such as the Federal tenders’ journal. The advertiser tenders in various newspapers and welcomes tenders to submit their tender documents. During tender submission, the Tender committee compiles a list of tenderers based on their qualifications.

The qualified tenderers are then invited to submit their tender documents that express their ability and capability to execute the tender according to the project description. On receiving the query, the tenderers send a response to the principal as to their interest in the project. During the tender opening, the Tender committee invites all tenderers to the opening ceremony where tender documents are opened in the presence of all tenderers.

During the tender assessment, the Tender Committee assesses each tender document against the specified requirements. The Tender Committee also performs post-offer open negotiations to consolidate contractual terms conditions. After the assessment, the principal can select a preferred tenderer, and next preferred tender. During the tender award, the Tender committee makes the final decisions to award tenders to successful bidders.

The Tender committee prepares formal contract evidence to finalize the contracting process. This is the final stage of the tendering process, as well as a contracting process for selecting main contractors. The tender board makes a formal acceptance and the tenderer informs the unsuccessful tenderers. After the tender has been awarded, what follows is the release of funds to tenderers. These findings are similar to the findings of a study conducted by Eriksson and Laan (2007) who conducted study procedures used by public institutions in Tanzania in tendering.

6.1 Conclusion

The study concludes that:

The current tendering process in Nigeria has vulnerabilities that can be exploited to negatively impact public project delivery.

Prequalification introduces the problem associated with cartels in public contract procurement system such that a group of contractors can combine in such a way as to debilitate the competition processes.

The tendering process ensures efficient contract management which makes all parties committed to effective project delivery.

In Prequalification, most contractors with excellent performance records may not have impressive scores during assessments. This is largely a result of presentation problems. Therefore, smaller firms with specific verifiable documents are more likely to be considered at the expense of larger and competent firms.

The procurement methods used surely affects the level of delivery of public projects and lack of procurement plan cre-
ates reckless and overspending of funds in public projects

6.2 Recommendations

The study recommends that:
There should be strict adherence to global standards in contractor selection and this should be based on objectivity, flexibility, reliability, and adaptability of the chosen criteria as they apply to projects peculiarities.

There should be flexibility in the procurement conditionality under Due Process to deemphasize price-data-driven selection process and uphold tender value as the bases for contractor assessment.

There is a need to provide a complete database of contractors with their personnel, works done, experience, and performance evaluation to remove the issue of cartel and wrong assessment of contractors in prequalification. To solve this issue, there needs to for a computerized system that is integrated with the nationwide contractor’s database.

The Government should provide various supportive measures to encourage the following of tendering procedures; these will enable the construction organizations to overcome the barriers that cause the late deliveries of public projects.

There is a need for reform of the Due Process Policy Mechanism in Nigeria to capture the contemporary intricacies of public project delivery.

References


