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بروجاكس للتدريب والتطوير
Projacs Training and Development

Successfully Selecting Contractors and Consultants: Tendering, Bidding & Award – Certified Program

اختيار وتأهيل المقاولين والاستشاريين – تنظيم الاجراءات
ودراسة العطاءات والترسية - معتمد عالميا

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A Member of:



PROJACS ACADEMY



ProjacsAcademy.com



Introduction

There is one absolute fact of construction situation: “Over **half** of all contracts of construction projects and up to **thirty per cent** of other supplier contracts involve disputes”. The causes for disputes invariably go back to the misunderstanding of applying the clauses of contracts, agreements, specifications and tendering laws from the clients’ side during the construction. This could affect most of the construction projects in the Governmental Projects in GCC. Contracts can result in buying the wrong service or product at the wrong price – and that can seriously harm the Governmental projects. Avoid mistakes in Construction Contracts shows best practices and create winning contracts by attending this training course.

Tendering is fundamental to any project, and selection of the main construction contract is a critical and vital task. The success level of any construction project may be depending largely on basic philosophy of "**the right Selection of the Consultants and Contractors**". The significant role played by contractors thus underscores the criticality of identifying the "best person" for construction contract. Several researchers have identified commonly used **Models for Tendering Management** and have proposed improved methodology for consultants’ and contractors’ evaluation during construction stage.

Objectives

By the end of this course practitioners shall learn to:

- Be able to understand the process by which a comprehensive scope of work, goods and services can be developed into a contracted scope.
- Be able to understand the roles and responsibilities within the process.
- Be able to recognize and incorporate the essential technical, commercial and general requirements of the goods and / or services to be provided by a Main Contractor or Service Provider under a traditional EPC type contract.
- Understand the development of an RFQ (request For Quotation) RFT (request for tender) and Pre Qualifications.
- Understand important aspects of price, cost analysis and the insight of a skilful negotiator.
- Be able to understand the process by which tenders are compiled and bids are obtained for a competitively priced scope of work.
- Be able to understand the procedures by which tenders are invited, evaluated, negotiated and awarded.
- Be able to understand the fundamental legal concepts and definitions that apply to most types of contracts, specifically, binding terms and conditions, breach of contract, change management and dispute resolution.
- The process of developing and selecting the most appropriate and effective types of Contracts.

- Understand the different legal needs between Strategic Partners, Vendors and Outsourcing and how to handle legal conflicts.
- Be able to identify and manage any risks associated with contract types
- To understand how contracts can be managed and administered effectively using transparent contracting procedures such as Requests for Information (RFI) Technical Queries (TQ's) Contract Administrators Instructions (CAI) Design Change Notices (DCN's) Scope Change Notices (SCN's) and variation orders (VO's).
- To recognise how contractor claims can develop and escalate, and how to incorporate procedures by which such claims can be limited and controlled.
- To understand the main contractual requirements and conditions relating to the closure of the contracted scope in respect of the contractual Deliverables provided and Client Acceptance.

COURSE METHODOLOGY

The training course will provide different Workshops about diverse topics related to the assessment of tenders. The training course will introduce a comparison between the different up-to-date evaluation techniques for tenders. Project Case Studies will be offered in the training course.

Also, the training course will highlight the additional considerations and procedures required for the tenders' evaluation. On the other hand, benefits gained by presenting some topics related to the tendering procedures and cost estimates techniques.

Who Should Attend?

This course is recommended for the staff who are involved with the construction stage of projects or even with the maintenance and repair of operations:

- Project Managers,
- Purchasing Officers,
- Contract Administration Professionals,
- Tendering Personnel,
- Purchasing Personnel,
- Engineering Personnel,
- Operational Personnel,
- Financial Personnel,
- Maintenance Professionals, and
- All others who are involved in the planning, evaluation, preparation and management of tenders, specifications, awards, and contracts.

Course Outline

Day One

1. INTRODUCTION TO CONSTRUCTION INDUSTRY

- Construction Industry
- Construction Project
- Selection of Professional Services
- Construction Contractors
- Project Life Cycle
- Project Construction Contracts
- Contractors Selection Methods
- Tendering Methods and Procedures
- Management of Field Construction
- Project Manager
- Management Procedures

Workshops – Introduction

Workshops 1-8: Different Topics about the Construction Industry

2. INTRODUCTION AND OVERVIEW OF TENDER DOCUMENTS

1. Document (I) Tendering Procedure:

- I-1 Tender Invitation
- I-2 Instructions to Tenderers
- I-3 Form of Tender and Appendix
- I-4 Sample of Initial Bond
- I-5 Sample of Performance Bond
- I-6 Form of Contract
- I-7 List of Tender Documents
- I-8 Declarations

2. Document (II) Conditions of Contract:

- II-1 General Conditions (Legal Clauses and Conditions).

II-2 Particular Conditions

II-3 Tenders Law

3. Document (III) Technical Conditions:

III-1 General Specifications

III-2 Particular Specifications

III-3 Drawings

III-4 Bills of Quantities

III-5 Price Analysis Tables

III-6 Project Time Schedule

III-7 Addenda (if any)

III-8 Technical Requirement (if any)

Workshops – Tender Documents

Workshops 9: Tender Documents Preparation

3. TENDERING PROCEDURES ACCORDING TO FIDIC

- Project Strategy
 - Establishment of Procurement Method and Form of Tendering
 - Preparation of Programs
- Prequalification of Tenderers
 - Preparation of Prequalification Documents
 - Invitation to Prequalify (Advertisement)
 - Issue and Submission of Prequalification Documents
 - Analysis of Prequalification Application
 - Selection of Tenderers
 - Notification of Applicants
- Obtaining Tenders
 - Preparation of Tender (Contract) Documents
 - Issue of Tender Documents
 - Visit to Site by Tenderers
 - Tenderers' Queries
 - Addenda to Tender Documents
 - Submission and Receipt of Tenders
 - Change Order
- Opening of Tenders
 - Opening of Tenders

- Evaluation of Tenders
 - Review of Tenders
 - Tenders Containing Deviations
 - Adjudication of Tenders
 - Rejection of all Tenders
- Award of Contract
 - Issue of Letter of Acceptance
 - Performance Security
 - Preparation of Contract Agreement
 - Notification of Unsuccessful Tenderers

Workshop – CASE STUDY

Workshops 10: FIDIC Regulations in Tendering Procedures

4. INTRODUCTION TO TENDERING METHODS

- Open / public tendering
- Selective / short list tendering
- Serial tendering
- Negotiated tendering
- Direct order tendering
- Delegation tendering

WORKSHOP – CASE STUDY

Workshop-11: Tendering Methods

5. INTRODUCTION TO CONSTRUCTION DELIVERY METHODS

- Design-then-build method (traditional method)
- Fast tracking method
- Design-build method
- Construction management method
- B.O.T. & P.P.P. methods
- EPC & EPCC

WORKSHOP – CASE STUDY

Workshop-12: construction delivery methods

Day Two

6. THE ARRAY OF CONSTRUCTION CONTRACTS

- Definitions

- Why are Construction Contracts unique
- Types of Construction Contracts
 - Unit Price Contracts
 - Lump-Sum Contracts
 - Cost Reimbursement Contracts
- Project Construction Contracts
- Methods of Contracting

WORKSHOP – CASE STUDY

Workshop-13: Suggestion of new effective contract type

7. CONTRACT DEFINITION

- Contract definition & scope
- The functions of a contract
- The importance of contracting
- History of contracts
- The future of contracting

8. SPECIFICATIONS

- Specification types
- Elements of a specification
- Benefits of a good specification
- Developing specifications

WORKSHOP - STRUCTURING THE SPECIFICATION

Workshop-14: Tender Documents Preparation

9. FAMILIARIZATION AND INTERPRETATION OF INSTRUCTIONS FOR GOVERNMENTAL TENDERING LAWS IN QATAR

WORKSHOP – QATAR TENDERING LAW

Workshop-15: Weaknesses and Recommendations for Improvement

Day Three

10. MODERN METHODS FOR TECHNICAL TENDERS EVALUATION

- CLASSIFICATION OF METHODS FOR CONTRACTORS SELECTION
 - Cost Methods for Contractor Selection
 - ✓ The bid of lowest cost method
 - ✓ Bid Average Method
 - Technical Evaluation Methods for Contractor Selection
 - Combined Technical and Cost Methods
 - Cost Plus Time for Contractor Selection
 - Cost and Technical Plus Time Bidding Technique

- EVALUATION OF COMPETITIVE BIDS

WORKSHOPS – SAMPLES

Workshop-16: CONTRACTORS/VENDORS TECHNICAL EVALUATION

Workshop-17: CONTRACTORS/VENDORS FINANCIAL EVALUATION

11. PROPOSED METHODOLOGY FOR CONTRACTORS SELECTION

- INTRODUCTION
- CRITERIA AFFECTING COMPETITIVE BIDDING
- PARAMETERS OF BID EVALUATION CRITERIA
- FINANCIAL EVALUATION CRITERION
- MEASURES OF PARAMETERS AFFECTING TECHNICAL EVALUATION
 - Experience and reputation of the contractor
 - Contractor Qualifications
 - Submission of Alternative Offers
 - Foreign Companies
 - Type of Contractor Company
 - Completeness of Bid Documents
- MEASURES OF PARAMETERS AFFECTING FINANCIAL EVALUATION

12. PROPOSED METHODOLOGY FOR COMPUTER PROGRAMMING FOR CONTRACTOR SELECTION

- COMPUTER PROGRAMMING AND IMPLEMENTATION
 - Program Development
 - Program Main Screens
 - Program Implementation

WORKSHOP – SAMPLES

Workshop-18: Methodology for Contractors Selection

Day Four

13. STANDARD FORMS OF CONTRACT USED INTERNATIONALLY

- The FIDIC Forms of Contract: The White; The 4th Edition of the Red Book; The 3rd Edition of the Yellow Book; The Orange Book; The New Red Book, 1999; The New Yellow Book, 1999; The Silver Book, 1999; The Green Book, 1999; and Dredging Contract
- Variation based on FIDIC, including the MDB Contract
- The World Bank Forms of Contract: Services; Works; Small Works; Goods; and Plant & Equipment
- Variations based on FIDIC

14. BIDDING STRATEGY

- DEFINITION OF BIDDING STRATEGY
- ELEMENTS OF BIDDING STRATEGY
 - Risk
 - Terms of Contract and Cash Flow Curves

- Competition
- Other Qualitative Elements
- BIDDING STRATEGY MODELS
 - Risk Analysis Models
 - Terms of Contract and Cash Flow Curves Models
 - Competition Models

WORKSHOP – SAMPLES

Workshop-19: Methods for Project Pricing

15. DATA BASE FOR TENDERING

- INTRODUCTION & OBJECTIVES
- OVERVIEW OF TENDER DOCUMENTS
- STANDARD DELIVERABLES
- REQUIRED RESOURCES
- HISTORICAL DATA & DATABASES
- LIAISON WITH OTHER DEPARTMENTS

16. TENDER ANALYSIS & AWARD

- OPENING OF TENDERS (PUBLIC VS. CLOSED SESSION)
- TECHNICAL EVALUATION
- FINANCIAL EVALUATION
- SHORT-LISTING & 2ND ROUND SESSIONS
- DETERMINATION OF SUCCESSFUL TENDERER
- TENDER AWARD PROCEDURES

17. PROJECT COST ESTIMATING

- INTRODUCTION TO COST ESTIMATING
- ROLE AND QUALIFICATIONS OF COST ENGINEER
- TYPES OF COST ESTIMATING
 - Conceptual (Preliminary) Estimating
 - ✓ CONCEPTUAL ESTIMATING WORK PROCESS
 - ✓ COMPARISON COST OF STRUCTURES
 - ✓ FACTORS AFFECTING THE ACCURACY OF COST PREDICTION
 - Detailed Estimating
- THE FINAL PROJECT COST ESTIMATES
 - The Quantity Survey
 - Construction Methods
 - General Time Schedule
 - Project Bid
 - Summary Sheets
 - Project Overhead
 - Office Overhead
 - Markup
 - Contract Bonds
 - Risks and Contingency

- Interest
 - Recap Sheet
 - PROJECT BUDGETING
 - The Project Budget
 - Development of Project Estimates for Budgeting
 - Budgetary Control
 - Advantages of Budgeting
 - UNBALANCED BIDS
 - SETTING OF A COST ESTIMATE MODEL
 - Design and Economic Evaluation
 - Uncertainty
 - Quality of Estimate
 - Cost Planning
 - Parametric Estimating
 - Cost Estimate Model Development
 - COST ESTIMATE COMPUTER PROGRAM
- 18. UNBALANCED BIDS**
- Unbalancing to Obtain Greater Early Income
 - Unbalancing to Obtain Greater Profit
 - Unbalancing for Convenience
 - Unbalancing to Reduce Total Bid
- 19. MANAGING CONTRACT CHANGES**
- Price variations
 - Conditional acceptance
 - Amending the contract
 - Documenting the change orders

Day Five

- 20. CONSTRUCTION PROJECT PRICING**
- Pricing for Construction Contracts
 - Contractor's Gross Profit with Different Contract Provisions
 - Owner's Actual Payment with Different Contract Provisions
 - Contractor's Gross Profit with Different Contract Provisions
 - Owner's Actual Payments under Different Conditions
- 21. MEASURING PERFORMANCE**
- Why measure performance
 - What to measure
 - How to measure
 - Feedback to suppliers regarding performance
- 22. THE PROJECT COST CONTROL**
- Objectives of Cost Control
 - Project Cost Control
 - Data for Estimating
 - Cost Control Code

- Usage of Cost Control Code
- Project Cost Accounting
- Labor and Equipment Costs
- Cost Accounting Reports
- Labor Time Reporting
- Time Card Preparation
- Measurement of Work Quantities
- Work Quantities from Network Activities
- Weekly Labor Cost Report
- Cost Records and Reports
- Equipment Cost Accounting
- Charging Equipment to the Project
- Equipment Time Reports
- Weekly Equipment Cost Reports
- Special Aspects of Equipment Charges
- Monthly Cost Forecast
- Time-Cost Envelope
- Special Cost Accounting Problems
- Production Cost Reduction
- Information for Estimating
- Computer Application
- Accuracy of Estimating

WORKSHOP – EXAMPLE OF COST CONTROL

- CASE STUDY 10: SABIC PROJECT COST CONTROL

23. CAPITAL EXPENDITURES (CAPEX)

- BASES OF ACCOUNTING AND METHODS AND PRINCIPALS
- CAPITAL STRUCTURES
- RULES FOR RECORDING TRANSACTIONS USING DEBIT AND CREDIT
- FINANCIAL STATEMENT ANALYSIS
- TECHNIQUES OF FINANCIAL ANALYSIS
- THE INCOME STATEMENT
- THE BALANCE SHEET
- THE STATEMENT OF OWNER'S EQUITY
- THE BASIC TYPES OF FINANCIAL RATIOS ANALYSIS
 - Liquidity ratios
 - Asset management ratios
 - Debt management ratios
 - Profitability ratios, and
 - Market value ratios
 - Inventory Turnover Accounts Receivable Turnover
 - Total Assets Turnover
- MEASURES OF DEBT

- FINANCIAL LEVERAGE
- LTD / EQUITY RATIO
- TIMES INTEREST EARNED.
- FIXED CHARGE OR TOTAL DEBT OR CASH FLOW COVERAGE
- MEASURES OF PROFITABILITY
 - The gross profit margin
 - The operating profit margin
 - The net profit margin
 - Return on Investment (ROI)
 - Return on Assets
 - Basic Earning Power (BEP)
 - Return on Equity
- MEASURES OF MARKET VALUE

WORKSHOP – EXAMPLES OF CAPEX

- CASE STUDY 11: CAPEX DIFFERENT CASE STUDIES
- 24. MANAGING DISPUTES AND CLAIMS**
- Avoiding disputes
 - Resolving disputes
 - Managing Claims for Payment by Suppliers
- 25. PROJECT COMPLETION**
- Liquidated & un-liquidated damages
 - Documentation, training & spares
 - Warranties
 - Retentions

Training Method

- Pre-assessment
- Live group instruction
- Use of real-world examples, case studies and exercises
- Interactive participation and discussion
- Power point presentation, LCD and flip chart
- Group activities and tests
- Each participant receives a binder containing a copy of the presentation
- slides and handouts

- Post-assessment

Program Support

This program is supported by interactive discussions, role-play, and case studies and highlight the techniques available to the participants.

Schedule

The course agenda will be as follows:

- Technical Session 08.30-10.00 am
- Coffee Break 10.00-10.15 am
- Technical Session 10.15-12.15 noon
- Coffee Break 12.15-12.45 pm
- Technical Session 12.45-02.30 pm
- Course Ends 02.30 pm

Course Fees*

- **2,950USD**
**VAT is Excluded If Applicable*

مقدمة

هناك حقيقة واحدة مطلقة من وضع التشييد: **"أكثر من نصف جميع عقود المشاريع الإنشائية وحوالي ثلاثين في المائة من عقود الموردين تنطوي على نزاعات"**. إن أسباب الخلافات تذهب دائماً إلى سوء فهم تطبيق بنود العقود والاتفاقات والمواصفات وقوانين المناقصات من جانب العملاء أثناء مرحلة التشييد. وهذا يمكن أن يؤثر على معظم مشاريع التشييد في المشاريع الحكومية في دول مجلس التعاون الخليجي. كما أنه يمكن أن يسبب ارتفاع أسعار عقود شراء الخدمات أو إلى منتج خاطئ - والتي يمكن أن تلحق ضرراً بالغاً بالمشاريع الحكومية. ولتجنب الأخطاء في عقود التشييد نحتاج إلى أفضل الطرق للممارسات وخلق عقود الفوز من خلال حضور هذه الدورة التدريبية. إن العطاءات هي أمر أساسي في أي مشروع، واختيار عقد التشييد الرئيسي هو المهمة الحاسمة والحيوية. لذلك فإن مستوى نجاح أي مشروع تشييد قد يتوقف إلى حد كبير على الفلسفة الأساسية **"لاختيار الاستشاريين والمقاولين"**. إن الدور الكبير الذي يلعبه المقاولين والاستشاريين يؤكد مدى أهمية تحديد **"أفضل شخص"** لعقد التشييد. وقد حدد الباحثون العديد من النماذج المستخدمة عادة لإدارة المناقصات **واقترحت منهجية لتحسين تقييم عروض الاستشاريين والمقاولين خلال مرحلة التشييد. الاحتياجات والمنافع**

أهداف البرنامج

في نهاية هذه الدورة المتدربين سوف يتمكن المتدربون من:

- أن يكون قادراً على فهم عملية المناقصات والتي تحتوي على نطاق العمل الشامل والسلع والخدمات التي يمكن أن توضع في التعاقد.
- أن يكون قادراً على فهم الأدوار والمسؤوليات داخل عملية المناقصات.
- أن يكون قادراً على إدراك ودمج المتطلبات التقنية والتجارية والعامة الأساسية من السلع و / أو الخدمات التي ستقدم من قبل المقاول الرئيسي أو مقدم الخدمة.
- فهم عملية تقدير عروض الأسعار وطلب العطاءات وعملية مؤهلات سبق التأهيل.
- فهم جوانب هامة من الأسعار، و تحليل التكاليف والقدرة على التفاوض الماهر.
- أن يكون قادراً على فهم عملية المناقصات التي يتم من خلالها تجميع العطاءات ويتم الحصول على عروض الأسعار التنافسية.
- أن يكون قادراً على فهم الإجراءات التي يتم من خلالها دعوة مقدمي العطاءات وتقييمها، وطرق التفاوض الممنوحة.
- أن يكون قادراً على فهم الأسس القانونية الأساسية والمصطلحات التي تنطبق على معظم أنواع العقود، وعلى وجه التحديد، الشروط الملزمة، الإخلال بالعقد، وإدارة التغيير وتسوية المنازعات.
- فهم عملية وضع واختيار الأنواع الأكثر ملائمة وفعالة من العقود.
- فهم الاحتياجات القانونية المختلفة بين الشركاء الاستراتيجيين والملاك الاستعانة بمصادر خارجية وكيفية التعامل مع النزاعات القانونية.
- أن يكون قادراً على تحديد وإدارة المخاطر المرتبطة مع أي أنواع العقود
- ولكي نفهم كيف يمكن أن تدار العقود وتدار بفعالية، لذلك يجب أن تكون كل إجراءات التعاقد شفافة مثل طلبات الحصول على معلومات، الاستعلامات التقنية للتعليمات، المطالبات وأوامر التغيير.

- فهم طرق تحليل مطالبات المقاول التي يمكن أن تتطور و تتصاعد، و كيفية دمج الإجراءات لهذه المطالبات لكي نكون محدودة وخاضعة للرقابة.
- فهم المتطلبات والشروط المتعلقة بإغلاق نطاق التعاقد فيما يتعلق بالتسليمات التعاقدية.