Chapter 3
Improving the Tendering Process: A Construction Organization Perspective

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EXECUTIVE SUMMARY

Construction sector is unique in a way because more than 90% companies are Small and Medium Sized Enterprise (SME). This chapter presents a case study of a construction company with past and current projects valued up to £15 million, and has completed a number of construction projects both in private and the public sectors including housing, commerce, leisure, health, education, retail, et cetera. The company operates out of multiple locations and decided to improve the tendering process using a new IT system. On applying the IT readiness model it was found that almost all the attributes identified were not at lower level 1. The practice achieved maturity in three areas – skills and leadership are identified at level 5, and roles & responsibility were identified at the top of the level.

BACKGROUND AND HISTORY

Organization C is a construction company with past and current projects valued up to £15 million, and has completed a number of construction projects both in private and the public sectors including housing, commerce, leisure, health, education, retail, etc. Organization C’s headquarters are located in England with a turnover reaching

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Figure 1. General structure of The Main Building Group

£370 million. Organization C is one division of its main building company. The general structure of the main building group is shown in Figure 1, and consists of one head office and six branches as shown in Figure 2.

Timeline

2002

- There were many limitations of the previous system in managing the practice. Sub-contract tendering was reported from the staff.
- A key issue is interfacing between two different IT systems, between two units in the organization, who actually managed and operated the process, namely, the estimator, and the print room.

Figure 2. Organization C’s offices