Appraisal of Qualitative Factors Affecting Contractors' Tender Price in a Developing Country

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SUMMARY

An important process in the procurement of infrastructure is tendering. Tendering involves invitation to submit tender by clients or their representatives, submission of required documents by contractors and selection of appropriate contractors to execute the project. This study examines important constituents of tender prices of contractors and factors affecting their tender price in Nigeria with a view to improving their competitiveness and success rate within and outside the country. Using quantitative design approach, data were obtained through questionnaires administered on registered construction professionals and contracting firms with adequate practicing experience. Prior to the study, pilot study was carried out to ensure proper validity and reliability of the instrument. From the final survey, there is no significance difference in the significance, importance and level of contractors' awareness of constituents of tender price. This implies that contractors are conversant of important elements of their tender price but the major factors affecting this price are related to incorrect/incomplete design as well as buildability and technicality associated with the project. These factors are more of project characteristics than that of stakeholders and external variables. In view of this, nature and size of projects should be considered as major factors in estimating tender figure of construction projects by contractors. More so, for the contractors to remain in construction business, there is a need for training, innovation and advancement in the use of new and modern technology.