

# Tender in Construction

Tender in construction refers to placing the bids and reviewing the different contractors' estimates. Tenders are released by an organization when any goods or services are required. For this purpose, a bid is placed from the organization, and different contractors accept and prepare the project estimate.

During the tendering process, contractors will provide a detailed project estimate. This detailed estimate consists of the name of every individual item, their quantity and their exact rate. In the tendering process. The term tenders are also used for the shareholders of a company.

## Types of Tenders in Construction

Tenders in construction can be classified into various categories depending on the tendering process and the purpose of the tendering. Here are a few types of tender in construction are given below.

### Selective Tender

In the case of selective tendering, only the invited supplier can submit the tenders. They are invited based on their previous records for the particular type of work. Clients get more confidence when they offer tenders through the selective tendering process.

### Open Tender

This tendering process is generally adopted by the government or private sector industries for construction. In this open tendering process, anyone can submit the tenders for supplying the goods and services. In this process, high competition can be observed for particular services.

### Single Stage and Two Stage Tender

Such a type of tendering process is used when the all relevant information is available for the proper construction estimate. In this tendering process, a tender invitation is issued to particular suppliers. After submitting the tender, a tenderer is selected.

### Negotiated Tender

Such a tender type is widely used in the construction and engineering sectors. Negotiation for particular work gives a scope to stand the existing contracts.

## Form of Tender in Construction

Different types of tendering methods are used for any tender in construction. The form of tender in construction is a formal and structured invitation to the suppliers to supply their goods and services to the clients. Form of tender in construction is a type of competitive type of bid for the submission of tenders.

Different tendering methods are used based on their requirements in the construction industry. These methods can be an open tendering method, the selective tendering method or the negotiated tendering method.

## Why is a Tender in Construction Required?

A tender in construction is required when a particular type of service is needed for the clients. And service can be offered by many individuals. In such conditions, the invitation for the tender is opened, and many service providers take part in it.

The main aim of tendering is to provide an equal opportunity to the service provider for their service. And with the help of tender, competition between the different service providers can be observed for their selection of bids.

