



**DEPARTMENT OF BUILD ENVIRONMENT  
STUDIES AND TECHNOLOGY  
UNIVERSITI TEKNOLOGI MARA (PERAK)**

**Project:**

**TENDERING STRATEGIES FOR  
INFRASTRUCTURE WORKS AT PLOT 8MD3,  
PRECINCT 8, PUTRAJAYA**

**Prepared by: NUR SYAZWANA BINTI SANAYDI**



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UNIVERSITI TEKNOLOGI MARA CAWANGAN PERAK  
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KAMPUS SERI ISKANDAR**

**FEBRUARY 2022**

**By**

**NUR SYAZWANA BINTI SANADI  
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**Entitled**

**TENDER STRATEGY FOR PROJECT IN PUTRAJAYA 8MD3- INFRA**

Be accepted in partial fulfilment of requirement has for obtaining Diploma in  
Building

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**FEBRUARY 2022**

**STUDENT'S DECLARATION**

I hereby declare that this report is my own work, except for extract and summaries for which the original references stated herein, prepared during a practical training session that I underwent at MERCU DGSB SDN BHD for duration of 20 weeks starting from 23<sup>rd</sup> August 2021 and ended on 7<sup>th</sup> January 2022. It is submitted as one of the prerequisite requirements of BGN310 and accepted as a partial fulfilment of the requirement for obtaining the Diploma in Building

.....  
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## **ABSTRACT**

Tendering is the process of inviting bids from interested contractors to complete the construction projects. Contractor's quantity surveyor will be responsible in pricing of construction work, dealing with all issues which relating to costs and values of the project. Thus, this report will briefly clarify the strategy in tendering for supplying labour, machineries and materials for all drainage works, sewerage works, and water reticulation works as per latest construction drawing and materials specifications at the plot 8MD3, Precint 8, Putrajaya, Wilayah Persekutuan Putrajaya. Strategy in tendering is very important to ensure the company receive the letter award of the tender project among the competitive construction company. The objective of this report is to investigate the fluctuation of price item where may can be affecting the strategy of tendering or when pricing the tender. Observation through getting the quotation of the material from supplier can be one of the main points for quantity surveyor observe the fluctuation of price. By having the strategy, it can improve the skill in work, affirms an organization's mission and values, gives a future vision and established goals.

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## **CHAPTER 1.0**

### **INTRODUCTION**

#### **1.1 Background of Study**

Malaysia's construction industry is a key element in the Malaysian economy's growth besides playing a vital part in Malaysia's development, industrialization, and urbanisation from developing to develop nation status. The importance of the construction sector not only in terms of economic growth, but also in terms of increasing the quality of life and living standards of Malaysians (Khan et al., 2014). Therefore, the construction industry also helps in enable socio-economic development, giving a job opportunity and develop complementary industry such as tourism and industrial.

In construction industry, there will be a lot of parties will be involved to make sure the project is working and succeed. Starting with planning stage, analysis and design stage, management stage, construction stage and handing over stage. In management stage, consultant quantity surveyor will gather all information for preparations of tender document and call for tender. This will lead to tendering where it is procedure in which prospective contractors are encouraged to submit offers for specific construction projects. Besides, after the tender are open and been purchased from contractor, the tender's competitive element will be offered on the basis of price and quality. Throughout the bidding process, every tender has a several rules, regulation and contracts that must be followed by the bidder which is the prospective contractors. Once the tender has been purchased, these contract terms may be found.

#### **1.2 Objectives**

1. To explain the preparation of technical proposal and technical data.
2. To explain the impact of supplier and sub-contractor selection in the tender price
3. To explain the impact material price fluctuation on the tender price

### **1.3 Scope of Study**

The element in the objectives show the scope of study which will present and focused on the strategy in tendering for supplying labour, machineries and materials for all drainage works, sewerage works, and water reticulation works as per latest construction drawing and materials specifications at the plot 8MD3, Precinct 8, Putrajaya, Wilayah Persekutuan Putrajaya. The purpose of strategy in tendering is to ensure that work will be awarded and to show some important factor when interpreting the results of this study.

### **1.4 Method of Study**

Every data can be collected through different method which it can enhance learning quality. There is variety method of study can be used where it depends on how the case study was conducted. Therefore, there are several methods of study were used for the strategy in tendering. The method was classified into several types such as observation, interview, and document review.

#### **1.4.1 Observation**

The observation method was conducted by helping the company's quantity surveyor in completing the process of tendering such as preparing document and linking the bill quantities. This observation was conducted for three months. the observation was recorded by taking a picture and taking some notes from the all data given.

#### **1.4.2 Interview**

The interview method was conducted by interviewing the contract and commercial manager and the quantity surveyor staff at the company' office. This session occurs during completing the tender process and when the students ask an open-ended question to gain further knowledge. This method helps for better understand and get clear information.

### 1.4.3 Document Review

The document review was conducted by review and analyse the company profile and some of past document of the tender process such as technical proposal of the company for a better understanding. After reviewing and analyse the data, student shall take some notes by taking the picture and writing in order to proceed as a reference to the case study.

## CHAPTER 2.0

### COMPANY BACKGROUND

#### 2.1 Introduction of Company



**Figure 2.1: Logo of Mercu Company**

**Source: Mercu Company Profile (2021)**

MERCU DGSB SDN BHD (MERCU) has vast experience in various contract implementation methods which are Design, Build & Commissioning Open Tender, Direct Negotiation, Selective Design and Build Tender and Conventional Open Tender. This company is known as a private company that own by Dato’ Sri Ahmad Sukimi bin Ibrahim who is Executive Chairman of Mercu. Dato’ Sri Ahmad Sukimi has held a series of leadership, operational and management position throughout the nation over the course of his 30 years career. Dato’ Sri has more than two decades of proven leadership experience in the infrastructure, property, engineering, construction, oil and gas sectors.

Besides, Mercu provide services such as Infrastructure and Building Construction, Project and Construction Management, Mechanical and Electrical Services as well as Property Development. This company was rated as three-star company by The Construction Industry Development Board of Malaysia (CIDB) which was obtained through strict evaluation by the board of CIDB. Mercu DGSB Sdn Bhd has been registered 12<sup>th</sup> February 1995 with registration number 333521-V and it located at the KYM Tower Jalan PJU7/6, 47800 Mutiara Damansara, Selangor.

## 2.2 Company Profile



**Figure 2.2: Mercu Company**

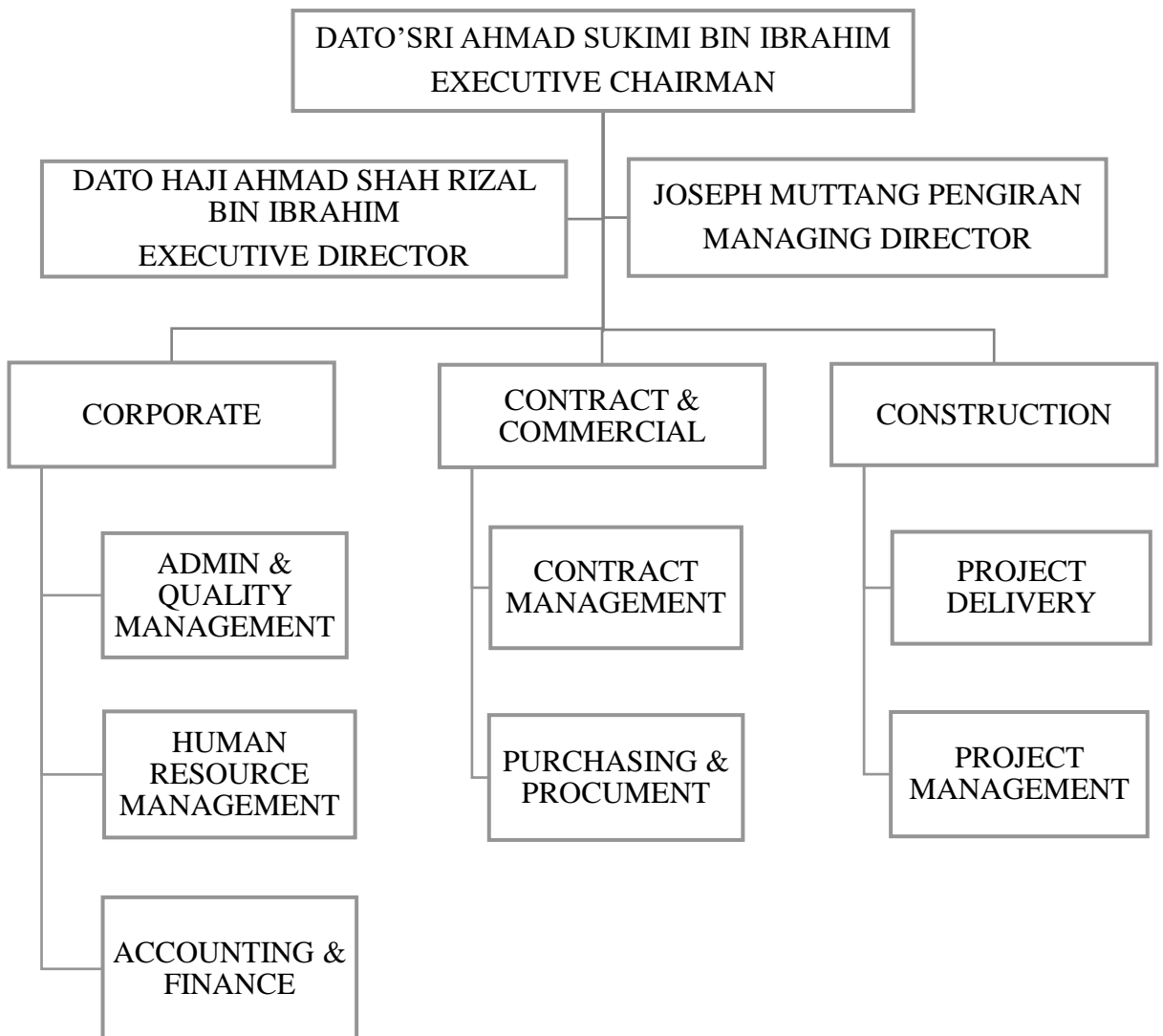
**Source: Photo taken in Mercu Company (2021)**

Mercu DGSB Sdn Bhd known as Mercu Dynamic Glory Sendirian Berhad was established on 12th February 1995 which owned by Dato' Sri Haji Ahmad Sukimi bin Ibrahim who is the Executive Chairman of the company and the shareholder which known as were Dato' Haji Ahmad Shah Rizal Bin Ibrahim (Malaysian/Malay) and Joseph Muttang Pengiran (Malaysian / Sarawak Bumiputera). This company business sector is based on Construction, Engineering, Property & Project Management

The company's grade in registration certificates by The Construction Industry Development Board of Malaysia (CIDB) is grade G7 and the categories are B (B02, B04, B12, B13, B14, B24), CE (CE01, CE06, CE13, CE21, CE30, CE31, CE34, CE36, CE42, CE43), and ME (M01, M02, M06, M12, M15, M22). Additionally, Mercu DGSB Sdn Bhd are also an ISO 9001:2015 certified Construction, Engineering and Project Management company. There several company of Mercu Group which are Mercu Development Sdn Bhd (1367044-W), Mercu Selia Sdn Bhd (762871-D) and Mercu Bina Sdn Bhd (1393894-P)

### 2.3 Company Organisation Chart

Organisation chart below show the corporate structure in Mercu DGSB Company where the executive chairman is Dato' Sri Ahmad Sukimi bin Ibrahim who have multitude of experiences and operations know-how, and expert in business and management stewardship. Next, follow with executive director, Dato Haji Ahmad Shah Rizal and managing director, Mr Joseph Muttang Pengiran. Lastly, there are three main head department which is corporate department, contract & commercial department and construction department.



**Figure 2.3 : Organisation Chart of Mercu Group**  
**Source : The Mercu Group Company Profile (2021)**



## 2.4 List of Project

### 2.4.1 Completed Projects

**Table 2.4: Completed Projects of Mercu DGSB Company**

<b>BIL</b>	<b>PROJECT</b>	<b>COMPLETED YEAR</b>	<b>OWNER</b>	<b>CONTRACT VALUE (RM)</b>
1.	Cadangan Membina Dan Menyiapkan Bangunan Sekolah Rendah Agama Denai Alam Serta Kerja-Kerja Yang Berkaitan, Daerah Petaling, Selangor Darul Ehsan (Sub-contractor).	January 2021	Majlis Agama Islam Selangor	10,160,342.00
2.	Construction of 99 units Terrace House (Phase 1A) At Taman Mutiara Gading, Mukim Simpang Kanan, Batu Pahat Johor (Sub-contractor).	April 2019	(Johor Land Berhad)	21,400,000.00
3.	Design And Build) Membina Dan Menyiapkan Bungalow Mewah Termasuk Kerja Interior Design Di Mukim Morak, Wakaf Bharu, Tumpat Kelantan.	January 2018	Private Owner	10,000,000.00
4.	Menaiktaraf Kemudahan Bekalan Air Estet Negeri Semenanjung – Kelantan (Zon 5)	September 2012	Kementerian Kemajuan Luar Bandar & Wilayah	1,373,282.20

5.	Projek Menaiktaraf Bangunan Akademik & Asrama Di Politeknik Kota Bharu, Kelantan.	April 2009	MMY Resource Sdn Bhd	2,891,250.00
6.	Plumbing Works at Kem PGA Batalion 8, Kg. Kubang Sadak, Kuala Terengganu	September 2011	Jusoh Enterprise Sdn Bhd	2,191,498.54
7.	Mechanical Work for Weststar Aviation Services Sdn Bhd. Helicopter Hangar, Kota Bharu	September 2011	Weststar Construction Sdn Bhd	480,000.00
8.	Mechanical Works for SMK Padang Enggang, Kota Bharu, Kelantan (KPM/PEM/60/2009)	August 2011	Kementerian Pendidikan Malaysia	363,280.00
9.	Mechanical Works for SMK Kubang Golok, Bachok, Kelantan (KP/BPP/PEM/96/2007)	December 2011	Kementerian Pendidikan Malaysia	553,410.00
10.	Construction Of 10 Units Semi Detached Houses at Mukim Kemubu, Ketereh, Kelantan	October 2006	Dream View Enterprise	753,950.00
11.	Maintenance Works for Petronas Services Station (Eastern Region)	April 2007	Petronas Dagangan Berhad	350,000.00

**Source: Mercu DGSB Company Profile (2021)**

## 2.4.2 Project in Progress

**Table 2.5: Project in Progress of Mercu DGSB Company**

<b>BIL</b>	<b>PROJECTS</b>	<b>COMPLETED</b>	<b>OWNER</b>	<b>CONTRACT VALUE (RM)</b>
1.	Infrastructure Work at 8MD3, Presint 8, Putrajaya	On-Going Project	Putrajaya Holding Sdn Bhd	1, 861, 381 .00
2.	Construction of 96 Units Terrace Houses Type B (Phase 1C) At Taman Mutiara Gading, Mukim Simpang Kanan, Batu Pahat, Johor (Contract 1) (Sub-contractor).	On-Going Project	Johor Land Berhad	21,216,000.00
3.	Penyiapan Baki Kerja Projek Universiti Malaysia Pahang (UMP) – Pembinaan Pusat Islam & Pembangunan Insan Dan Masjid (Sub-contractor).	On-Going Project	JKR Negeri Pahang	11,900,000.00

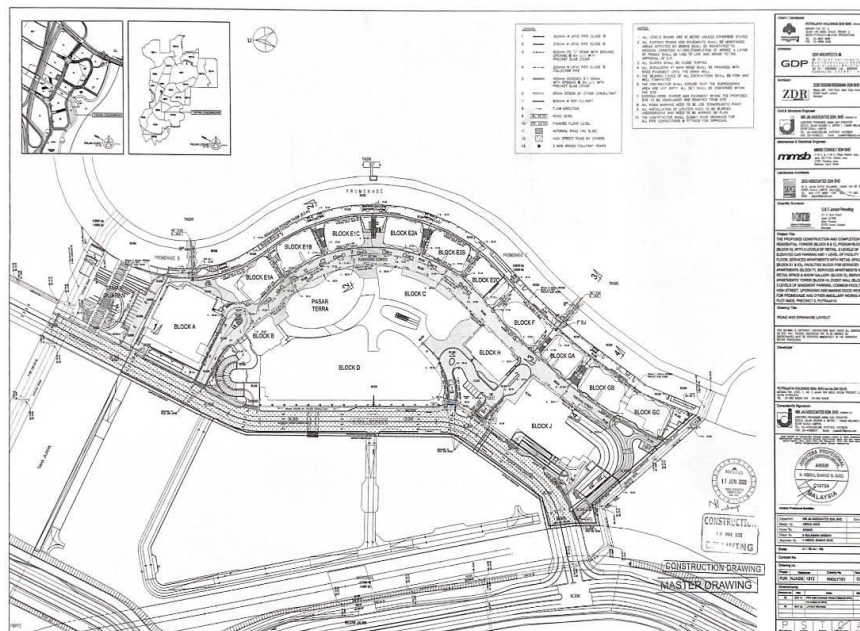
**Source: Mercu DGSB Company Profile (2021)**

## CHAPTER 3.0

### TENDERING STRATEGIES FOR INFRASTRUCTURE WORKS AT PLOT 8MD3, PRECINCT 8, PUTRAJAYA

#### 3.1 Introduction to Case Study

According to the objectives, the case study will discuss and analyse the strategy of tendering to obtain project from client by competing against other companies. As shown on the figure below, is one of the key plans and site plan of the project that obtain which is the project involved in The Proposed Construction and Completion of Residential Towers Block (B & C). Podium Block with 2 Levels of Retail, 3 Levels of Elevated Car Parking and 1 Level of Facility Floor (Block D), Serviced Apartments with Retail Space (Block E1, E2). Facilities Block for Serviced Apartments (Block F), Serviced Apartments with Retail Space & Show Gallery (Block G), Serviced Apartment Tower (Block H), Event Hall (Block J) 3 Level of Basement Parking, Common Facilities, High Street, Upgrading and Making Good Works for Promenade and Other Ancillary Works at Plot 8MD3, Precinct 8, Putrajaya.



**Figure 3.1: The Key Plan of The Project**

**Source: Project Document Mercu DGSB (2021)**



**Figure 3.2: The Site Plan of The Project**

**Source: Project Document Mercu DGSB (2021)**

The contract was awarded as a sub-contract for Infra-structure Works Including Sewerage, Drainage, Water Reticulation which cost RM 1,861,381.00 (One Million Eight Hundred Sixty-One Thousand Three Hundred Eighty-One Ringgit Malaysia Only) in contract sum. The project was performed beginning 3 December 2020 and according on the schedule, the project will complete on 3 December 2022 where it consists 104 weeks in contract term.

The tendering contractor's selection is a critical aspect of the tendering process since the quality of tender returns is only as good as the tenderers on the list. This tender project was chosen through open tendering, which allows anybody to register an interest in tendering and contractors were chosen from a short list of contractors, the negotiating process began. In this case study is to investigate innovative pricing strategy, the technical documentation and issue that give an impact while pricing the document.

## 3.2 The Preparation of Commercial Proposal and Technical Proposal

### 3.2.1 Commercial Proposal and Technical Proposal

In tender document consist general, particular terms and conditions, specifications, a copy agreement, pricing schedule, submission period, objection period and the projected scope of work. This document should be prepared and circulated at a cost where the minimum being RM 50. In participate in local tenders, all contractors must be registered with the Government. The tender document contains two important proposal such as commercial proposal and technical proposal. Figure below show the documents that contain in every proposal.

No.	Item
<b><u>Volume 1 - Commercial Proposal</u></b>	
SECTION 1	INSTRUCTIONS TO TENDERER
SECTION 2	BRIEF DESCRIPTION OF WORKS
SECTION 3	FORM OF TENDER
SECTION 4	CONDITIONS OF CONTRACT
SECTION 5	GENERAL CONDITIONS REQUIREMENT
SECTION 6	GENERAL SUMMARY OF TENDER
SECTION 7	BILLS OF QUANTITIES
SECTION 8	SCHEDULE OF TECHNICAL DATA
SECTION 9	SCHEDULE OF DAYWORK RATES & SCHEDULE OF UNIT RATES
SECTION 10	FORM OF CLARIFICATION
SECTION 11	PREAMBLES TO BILL OF QUANTITIES

**Figure 3.3: The Documents in Commercial Proposal**

**Source: Tender Briefing Document (2021)**

In commercial proposal contain the specifications of the project to provide the bidders a clear understanding of what necessary or required in the project. For example the document of the bills of quantities where the document need to inking by quantity surveyor contractor after finalize the price of tender. The document very important in tendering strategys because it play a vital role to show the total price of the tender to the client.

VOLUME 2 - Technical & Financial Requirements	
SECTION A	WORK PROGRAMME CHART
SECTION B	OUTLINE TENDER METHOD STATEMENT
SECTION C	PROPOSED ORGANISATION CHART FOR THE WORKS
SECTION D	KEY SUPERVISORY STAFF
SECTION E	QUALITY ASSURANCE AND CONTROL PLAN
SECTION F	ENVIRONMENTAL MANAGEMENT REQUIREMENT
SECTION G	SAFETY AND HEALTH PROGRAMME
SECTION H	PLANT AND EQUIPMENT
SECTION I	LOGISTIC PLAN
SECTION J	FINANCIAL INFORMATION
SECTION K	FINANCIAL STATUS
SECTION L	PROPOSED BUMIPUTERA STATUS CONTRACTORS PARTICIPATION
SECTION M	CURRENT CONTRACT IN HAND
SECTION M1	PROJECT ENGINEER REPORTS ON TENDERER'S CURRENT WORKS PERFORMANCE
SECTION M2	LIST OF PAST WORK EXPERIENCE FOR THE LAST FIVE (5) YEARS
SECTION N	LITIGATION (CURRENT & LAST FIVE (5) YEARS)
SECTION O	NON - DISCLOSURE AGREEMENT
SECTION P	CONSENT AUTHORIZATION
SECTION Q	SAMPLE OF INTEGRITY PACT

**Figure 3.4: The Documents in Technical Proposal**  
**Source: Tender Briefing Document (2021)**

Other than that, in technical proposal contain a lot of documents such as background of company document, financial information, and certificate form. The example of document can refer to figure 3.3 above. When completing the technical proposal there are some of the documents required the requirement from the client such as registration with CIDB. In Malaysia, according to Act of Parliament it is mandatory for all contractor who are dealing with the construction industry.

### 3.2.2 The Important of Technical Proposal and Commercial Proposal

In tender document evaluation normally will be done by two different committees, which are Technical Evaluation Committee and Financial Evaluation Committee. Technical Proposal and Commercial Proposal play a vital role in preparation of the tender document because it can affect to the tender strategies, if any error happened in preparing tender document, the bidder or contractor can be eliminated among other contractor who submitted their tender.

Document in technical proposal is simple to prepare, however the contractor should be aware when providing the data. For example, the form of tender must be sign by an authorized company contractor which the name of the contractor must be identical in CIDB certificate and the CIDB certificate's expiry date cannot expired before the tender submission deadline. Besides, past project experience also can give huge impact in tendering strategies, The cost of past project can affect the evaluation, the evaluating committee will look at the cost of previous project experience whether it over or lower than the tender price submitted by the tenderer. Aside from that, the evaluating committee will look at prior project experiences to see if the projects have ever been delayed due to having an issue. That are an example of an error in document technical proposal, the error can cause the contractor eliminated from the contractor's company short list.

However, to enhance the technical proposal document's in improving the tendering strategy, contractor can put the professional energy certificate to gain the trust from the client and took as the advantages in preparing tender documents. For example, having a Water Serviced Industry Act 2006 Certificates from National Water Service Commissions and License Certificate from Petronas Group.

Next, in commercial proposal documents, bill of quantities is important document for contractor estimates the total cost of project. According to JKR Malaysia the reasonableness of the tender price is determined by comparing it to the client's budget where they will compare through the percentage of price. Below show the percentage of the JKR Malaysia provided for their tender. In the figure, they evaluate by the average of the price whether it will over or less then the percentage. Every client has their own proportion that they use to calculate the fair price of the tender; for example, UPM in Malaysia specified their percentage at 5%, and the tender price cannot exceed or fall below that percentage.

a) Kurang dari (-)18% dari AJ : <b>RENDAH</b>
b) Diantara (-)18% hingga (+)15% dari AJ : <b>MUNASABAH</b>
c) Melebihi (+)15% dari AJ : <b>TINGGI</b>

**Figure 3.5: The Percentage of Tender Price by JKR Malaysia**  
**Source: JKR Document (2021)**



### 3.3 Investigate the Supplier and Subcontractor

In bidding the tender, there are stage where the contractor needs to deal with supplier or subcontractor where the contractor needs to investigate or analyse the price of building material, labour wages and machinery. In this stage contractor will bring out the material list from the bill of quantities of the tender project, where the material list will list out the projects materials which consists the building material and the specialist work.

Tender - Prolintas	
<b>Quarry</b>	
hardcore	130 m3
imported earth	6865 m3
sand	150 m3
crusher run	2248 m3
<b>Premix</b>	
ACBC28	520 M3
ACWC 14	550 m3
prime coat	18 drum
tack coat	18 drum
<b>Concrete</b>	
G15	180 m3
G20	250 m3
G30	896 m3
G35	25 m3
G40	50 m3
<b>Specialist works</b>	
<b>piling works</b>	
Anti termite	1858 m2
gypsum board ceiling	277 m2
laminated gypsun board ceiling	14 m2
fascia board 230mm x 9mm	351 m2
railing	bill 3 pg 17,18,19,43

**Figure 3.6: The Example of Material List**

**Source: Mercu DGSB tender file (2021)**

Figure above show example of the material list, the purpose of the material list is to guide the contractor to contact the supplier or subcontractor to get the quotation following the item listed. In tendering strategies, it is important to analyse the price of the project's material and labour wages, by requesting quotation from the supplier it helps the contractor to know the latest price in the market for them to analyse and estimate. There are some factor the contractor need to consider before requesting the quotation from the supplier. Below shows the factor need to be consider when requesting the quotation.

### 3.3.1 Location of The Site

Location of the site play important role for contractor to find the quotation. A huge gap between the site location and supplier location can impact the price, for example when the site project is located in Selangor and the supplier location located at Perak, it will affect the labour rate and delivery rate which resulting in price rises. The answer to this difficulty is to identify a supplier near to the project's site to ensure that the pricing is reasonable. Above show the figure of transport charges of material quotation where the tender project is in Perlis and the supplier is in Kepong, Selangor.

**TET TAFSA FENCE & MESH SDN. BHD.**  
 (CO. No. 581401-D)  
 HQ: 240-A, Lot 1113 (9859), Kg. Chim Lee, Batu 61/2,  
 Jalan Kepong, 52100 K.L.  
 03-6258 9957 / 6251 5001(KPG) / 03-6157 7705(SBG) / 03-8733 8866(KJG)  
 www.tettafa.com | tet.tafa@gmail.com

**QUOTATION**

**Quotation:**  
 Site Length: N/A

Item	Qty	Description	RM/unit	Total (RM)
1	1trip	Transport Charges to Perlis	RM2,300	RM2,300.00
<b>Grand Total:</b>		<b>RM2,300.00</b>		

**Figure 3.7: The Example of Transport Charges of Material Quotation**  
 Source: Mercu DGSB quotation document (2021)

### 3.3.2 Project Period

One of the elements to consider when seeking a quotation of material from a supplier is the project period. Because the price of the material fluctuates throughout the year, the duration of the project will determine by the price of the material. Everything is subject to market circumstances and the time of year. The chances of building materials sufferings inflation over the projects time are considerable, which will have an impact on the tender budget. To overcome the problem, strong communication with the supplier while requesting a quotation is a good approach, as the contractor may analyse the pricing by asking questions to the supplier.

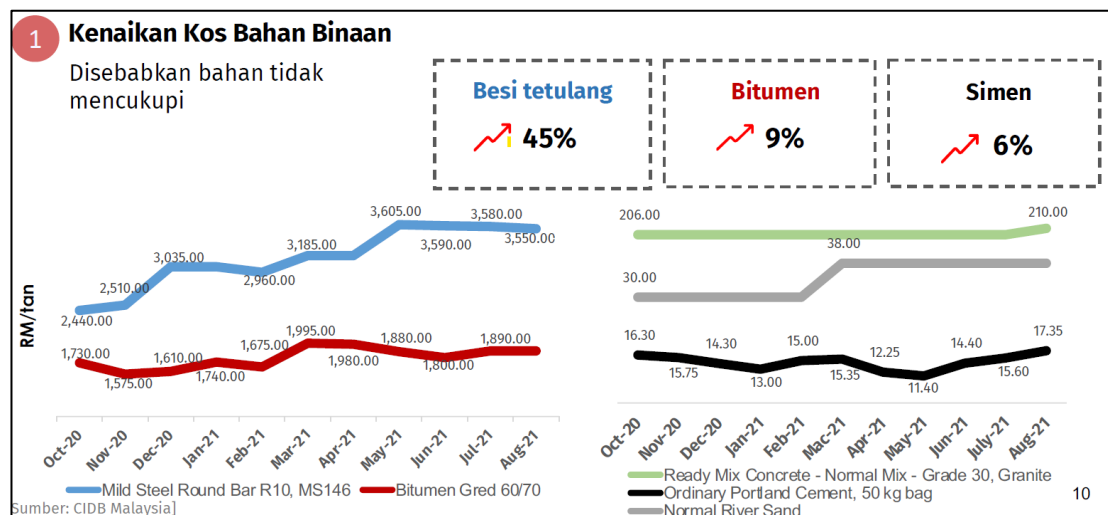
### 3.3.3 The Impact of Investigate the Supplier and Subcontractor for the costing work

The process of costing work is when a contractor calculates the cost of materials in order to determine the overall cost of the tender. All the estimates are depending on the quotation price from supplier. Quotation price are important for the contractor analyse and estimates the reasonable price for the tender projects. If the contractor lacked the quotation and information of the supplier, they will face difficulty in analyse and estimates the cost of the material. It very important to ensure the price is robust and accurate throughout the bid process, so that no additional expenditures are incurred.

### 3.4 The Fluctuation of Price

Pricing the document can be inconsistent workflow in an estimating department. It consists in cost estimating and elemental cost planning when pricing the document. In planning the strategy of tendering, one of the causes that can interrupt is the fluctuation of price. Fluctuation can occur when inflation rate increases or deflation rate decreases. However, based on estimating department work in one of the construction companies stated from 2020 until 2021 the inflation rate of the building material increasing which it can cause from the economy.

#### 3.4.1 Inflation Rate



**Figure 3.8: The Graph of Inflation Rate of Building Material In 2 Years**

**Source: JKR Document (2021)**

The estimators should alert with the fluctuation of price because it can effect on strategy of tendering and construction industry. Fluctuation of price can give a consequence to project estimated budget which may lead to cost overrun. As an example, inflation can occur and have significant impact in the price increase of materials, labours and machinery (Musarat er al., 2021). Inflation can cause from demand- pull inflation where the excess aggregate demand for goods and expands at an unsustainable rate which this will give effect in increased pressure on carce resources (Musarat er al., 2021).

Other causes are cost-push inflation where the firms raise prices in response to growing expenses in order to retain profit margins (Musarat et al., 2021). For example, wage costs in labour market can rise and as the exchange rate falls, import prices may rise (Mishkin, 1984). Administered prices can cause inflation because of changes in taxes, subsidies and regulated prices such as water and electrical bills (Musarat et al., 2021).

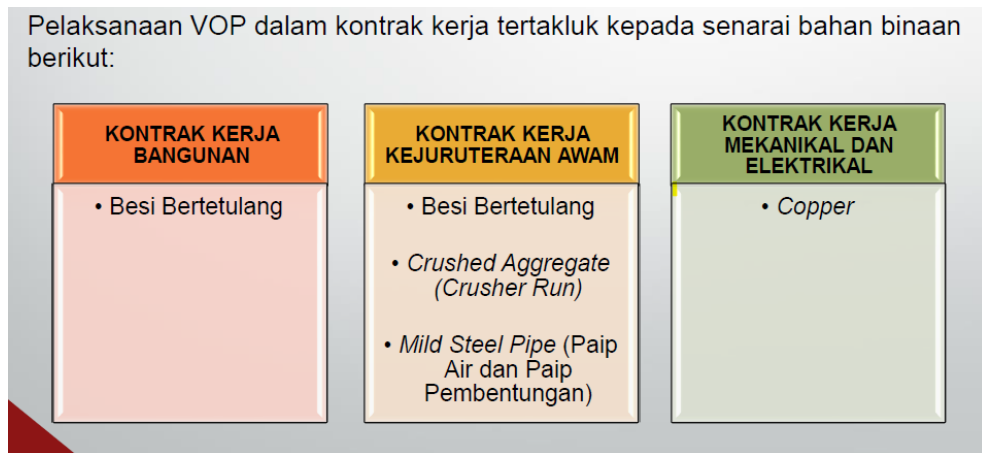
In cost estimating, variation in price occurs which could be positive or negative, if it is positive it can lead to cost overrun (Musarat et al., 2021). The biggest cause of cost overruns is inflationary increases in building material costs according to Oghenekevwe et al. However, labour wages and machinery could be affected by inflation and could give an imprint on final estimating cost.

#### 3.4.2 Overcome the Fluctuation of Price

To overcome the problem of cost overrun, a strategy for generating the budget at the outset of the project while taking inflation into account must be developed before the budget estimate is finalised. Other than that, the contractor can use the initiative provided by government which is VOP. VOP stands for Variation of Price, which is a condition included to a contract to tackle the inflation of building material costs, ensure cash flow, reduce contractors' burdens and assure project completion on schedule.

A VOP clause is one of the precautionary measures that allow a contract's pricing to be changed where it generally relates to the price of building materials. This clause would not be ideal under normal circumstances because it adds to the agreement's worth, without the VOP the construction project may have additional factors adding to completion delays. Figure below shows the list and category of building material in implementation of VOP.

The three categories indicate the list building material which are covered by VOP. VOP does not cover all materials, such as precast items.



**Figure 3.9: The Category and List of Building Material That Covered By VOP**

**Source: JKR VOP Document (2021)**

## **CHAPTER 4.0**

### **CONCLUSION**

Tendering strategies play vital role in bidding the tender in construction sector when it comes to bidding on contracts. Devise a plan for managing the tenders so that the contractors can submit the highest-quality bid while still reaching the deadline. Other than that, having a strategy will makes tendering more efficient and prevents panic at the final minute. Every company has their own strategies in bidding a project, have an enough experienced and good in analysing are very important skill needed.

Benefit of having a robust strategy is that it will make the tender process less stressful and more focused and efficient to ensure the document can deliver against all of the tender requirement. The other benefit that can take as a positive view is having a strategy in tendering can assist to prevent overestimate in the bid budget, running out of time to submit the tender, and forgetting to include vital information.

To summarise, in tender strategies, the outcome of the evaluation is determined not only by how the company costing the budget, but also by how the document prepared, the company's background, and the firm's capacity to handle the projects. Thus, allow time to finalise the tender, there are mistakes that may be made when spending a long hours and days in preparing the tender document. Thus, do a quality check and double check the document especially on the mandatory information. A good document is a direct reflection of the company.

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## APPENDICES

### APPENDIX A: CERTIFICATE OF REGISTRATION (CIDB)



## PERAKUAN PENDAFTARAN

Adalah dengan ini diperakui bahawa kontraktor yang dinyatakan di bawah ini telah berdaftar dengan Lembaga mengikut Bahagian VI Akta Lembaga Pembangunan Industri Pembinaan Malaysia 1994. Pendaftaran ini adalah tertakluk kepada syarat-syarat yang telah ditetapkan bersama perakuan ini.

**No. Pendaftaran** : 0120010904-KN065320  
**Nama Kontraktor** : MERCU DGSB SDN. BHD.  
**Alamat Berdaftar** : LOT 26B, TINGKAT 2, TAMAN SRI LUNDANG BINARAYA JALAN SULTAN  
YAHYA PETRA, LUNDANG  
15200 KOTA BHARU  
**Daerah** : KOTA BHARU  
**Tarikh Mula Berdaftar** : 04/09/2001

<u>GRUP</u>	<u>KATEGORI</u>	<u>PENGKHUSUSAN</u>
G7	B	B02 B04 B12 B13 B14 B24
G7	CE	CE01 CE06 CE13 CE21 CE30 CE31 CE34 CE36 CE42 CE43
G7	ME	M01 M02 M06 M12 M15

**Tarikh Mula Berkuatkuasa** : 03/07/2021  
**Tarikh Habis Tempoh Perakuan** : 10/07/2023

**STATUS: AKTIF**

Ketua Eksekutif  
Lembaga Pembangunan Industri Pembinaan Malaysia  
Tarikh: 03/07/2021



## APPENDIX B: GOVERNMENT PROCUREMENT WORKING CERTIFICATE



### SIJIL PEROLEHAN KERJA KERAJAAN

Adalah disahkan syarikat/Firma ini adalah berdaftar dengan Lembaga Pembangunan Industri Pembinaan Malaysia dan tertakluk kepada syarat-syarat termaktub bersama sijil ini.

No. Pendaftaran : 0120010904-KN065320  
Nama Kontraktor : MERCU DGSB SDN. BHD.  
Alamat Berdaftar : LOT 268, TINGKAT 2, TAMAN SRI LUNDANG BINARAYA JALAN  
SULTAN YAHYA PETRA, LUNDANG  
15200 KOTA BEHARU  
KELANTAN  
Daerah : KOTA BHARU  
Tarikh Mula Berdaftar : 04/09/2001

<u>GRED</u>	<u>KATEGORI</u>	
G7	B	(Pembinaan Bangunan)
G7	CE	(Pembinaan Kejuruteraan Awam)
G7	ME	(Mekanikal dan Elektrikal)

#### PEGAWAI SYARIKAT YANG DITAUJAHKAN

JOSEPH MUTTANG PENGIRAN  
ANIMAD SHAH RIZAL BIN IBRAHIM

#### NO. K/P

800222135337  
771104035829

Tarikh Mula Berkuatkuasa : 03/07/2021  
Tarikh Habis Tempoh Perakuan : 10/07/2023

Ketua Eksekutif  
Lembaga Pembangunan Industri Pembinaan Malaysia  
Tarikh: 03/07/2021



## APPENDIX C: BUMIPUTERA STATUS CERTIFICATE



### **PUSAT KHIDMAT KONTRAKTOR**

KEMENTERIAN PEMBANGUNAN USAHAWAN DAN KOPERASI  
SIJIL TARAF BUMIPUTERA  
KONTRAKTOR KERJA

Adalah dengan ini syarikat tuan seperti tercatat di dalam Sijil ini dikiraf sebagai kontraktor kerja bertaraf Bumiputera. Pemberian pengiktirafan ini adalah tertakluk kepada syarat-syarat termaktub di belakang sijil.

<u>NO. SIJIL PENDAFTARAN</u>	<u>GRD. PENDAFTARAN</u>	<u>KATEGORI</u>	<u>TEMPOH SAHLAKU</u>
0120010904-KN065320	G7	B	DARI : 13/07/2021
	G7	CE	HINGGA : 10/07/2023
	G7	ME	

NAMA DAN ALAMAT BERDAFTAR

MERCU DGSB SDN. BHD.  
LOT 268, TINGKAT 2, TAMAN SRI LUNDANG BINARAYA JALAN SULTAN YAHYA  
PETRA, LUNDANG  
15200 KOTA BHARU  
KELANTAN

PEGAWAI SYARIKAT YANG DITAUJAHKAN

	<u>NO. K/P</u>
JOSEPH MUTTANG PENGIRAN	800222135337
AHMAD SHAH RIZAL BIN IBRAHIM	771104035829

(MARLINA BINTI RAMLY)  
Pengarah  
Pusat Khidmat Kontraktor  
Kementerian Pembangunan Usahawan dan Koperasi  
Tarikh: 13/07/2021



**APPENDIX D: CIDB SCORE 2021**



## *Certificate of Achievement*

This is to Certify that

**MERCU DGSB SDN. BHD.**

**0120010904-KN065320**

**Grade Registered : G7**

has been evaluated according to the SCORE criterias set by the Board and

has achieved the rating of



**(3 Star)**

for the year

**2021**

**(Valid until 30/05/2023)**

*Good management and technical capabilities, compliance to best practices and good project management.*

**Ketua Eksekutif**

**Lembaga Pembangunan Industri Pembinaan Malaysia**

**31/05/2021**



**SC058240**

APPENDIX E: ISO 9001: 2015



# Certificate of Registration

This certificate has been awarded to

**Mercu DGSB Sdn. Bhd.**  
**199501004326 (333521-V)**

Unit L10-02, Level 10, KYM Tower 8, Jalan PJU 7/6 Mutiara Damansara  
 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia

In recognition of the organization's Quality Management System which complies with

**ISO 9001:2015**

The scope of activities covered by this certificate is defined below

**Provision for Building, Mechanical, Electrical and Infrastructure Construction,  
 Engineering and Project Management**

Certificate Number		115846/A/0001/UK/En	
Date of Issue of Certification Cycle	Issue Number	Certificate Expiry Date	Certification Cycle
11 May 2021	1	10 May 2024	1
Revision Date	Revision Number	Original Certificate Issue Date	Scheme Number
11 May 2021	0	11 May 2021	n/a

For detailed explanation for the data fields above, refer to <http://www.urs-holdings.com/logos-and-regulations>

Issued by

On behalf of the Schemes Manager



If there is any doubt as to the authenticity of this certificate, please do not hesitate to contact the Head Office of the Group on [info@urs-holdings.com](mailto:info@urs-holdings.com). URS is a member of the Registrar of Systems (UKAS) Ltd. (UKAS) and is a member of the International Accreditation Forum (IAF) and the International Register of Certificated Registrars (IRCA).