



The **best-kept** secret
in **procurement**

Integrated document, tender, contract &
project management on a single
collaborative platform

www.remy-is.com



Background:

iSpec is a fully integrated seamless solution for collaborating & managing:

- Master documents and templates
- E-tenders
- Automated Tender evaluations
- Reverse auctions
- E-bidding
- Contract drafting and negotiations
- Contract and project management
- Quality management of projects
- Cost tracking on contracts
- Bond tracking on contracts

with a comprehensive audit trail of all activities including configurable approvals and automated workflows and alerts. This allows for a completely paperless process of tender, contract and/or project management in a single online solution.

“Transparency, traceability and keeping the communication/negotiations together are a huge benefit for both parties. The only reason that we can manage so many projects so effectively is because the negotiations and communications are recorded against each item/clause for anybody to read and see what has been discussed and negotiated. That is also valid for the Vendor because they pass the documents from Tender team to Engineering/Project management team.”

Paul Jordaan,
Senior Manager - Strategic Equipment
Projects & Development

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www.remy-is.com or sending an
enquiry to pbshoff@remy-is.com

 iSpec

Library Management

Master Library and templates

Each tender or contract can be “built” from a master library that contains documents that are either pre-approved and not subject to amendment without approval, or those that require “re-purposing” specific to the tender or a tender/contract can be built up from scratch. Depending on the governance structures of each organisation, participants are allocated levels of authority to participate/contribute. These levels can be from limited contribution to selected documents to full access to all documents and the ability to amend/modify. Access and editing rights are governed by a comprehensive role and permission management system.

The strength of the master library and template information is due to its “granularity”. In other words, each template or master “document” is managed at a “clause” level. Consequently, each clause, statement or requirement is a template in itself. For example, the contractual terms and conditions is not one single template. Rather the contract is a compilation of individual “template” terms; some of which may be modified to suit each specific tender’s requirements (for example, the term, scope etc.). The others are “locked down” or “secured” in order to uphold the



organisation’s governance and risk management policies (for example indemnity, IPR and insurance) and are not able to be modified by the tender team.

Templates can also contain selectable items (options) which need to be selected during tender/contract preparation. This means these options are locked-down but the user can select which option(s) they require. During tender/contract preparation the user is forced to select the required options before the document can be published.



Communication

One of iSpec's key features is the email facility included in the system. This allows collaboration both internally or with suppliers, external legal council and other parties not only during master document creation but also during tendering or contract negotiations or project management. This feature has a number of significant benefits, including:

- All collaboration during master document/template creation is recorded.
- All communication from the date tender/contract is established in iSpec until

contract award through final delivery, is controlled and contained within iSpec. This includes both internal emails between internal team members and external emails with the tenderers and external parties;

- Compilation of documentation in the event that the agreement relies on the RFT and all prior representation;
- Ease of access for tender evaluation, clarifications and negotiations;
- Full traceability;
- Ease of audit and probity;
- Ease of retrieval in the event of discovery or Official Information Act requests



Tender Management

Tender Participants

All participants, given access to work on the tender/contract, are not required to be domiciled in any particular location. In other words, participants (and tenderers) may be in any location worldwide in order to participate and contribute to the tender. This includes your staff members and any approved third party contributors, for example external legal counsel and/or subject matter experts. The only requirement is that a participant has access to the internet and has the ability to log onto the secure website.

Variables

Templates can contain variables for quick automated data insertion for items such as Names, addresses, prices, and more.



Vendor pre-qualification

Templates can be created for vendor pre-qualification purposes or RFIs, and other formats. Before publishing a tender/contract the customer can publish a Pre-qualification RFI. Once the vendors have responded with the requested information, they can be evaluated (scored) and can then be invited to respond to the actual tender. Vendors can also be flagged/tagged for quick identification or grouped for automatic addition to a tender.

Prompt feature

Users can prompt each other with cryptic to-do messages that help keep things moving and ensure nothing falls behind. These are not stored as part of the audit trail.





Tender Preparation

Each tender is prepared by the tender/project team nominated and authorised to access and work on the tender that has been set up in iSpec. Numerous tenders can be simultaneously processed and each tender's team/project members must be set up individually to each respective tender. This means that some people may be allocated to and can work on numerous tenders and secondly, each team member can have varying levels of authority set for each tender. For example, a team member may only have contributing rights on one tender, but have full approval rights on another.

Based on each team member's role and authority, the various aspects of the tender are prepared by using the appropriate templates drawn from the master database. These draft elements are populated in accordance with the scope of supply of the project and/or organisation requirement. The draft elements and documents are only updated to their respective final approved form once they have been approved by the authorised approvers. BoQs (Bills of Quantity) spreadsheets can be imported directly into iSpec.

Tender Approval

A select number of team members are authorised to approve those elements and documents that have been prepared by the project team. It is generally not advisable that the approvers are also assigned to compile the tender, but this hierarchy of authority is

determined by each organisation. The review of the tender's draft documents can go through as many iterations of review as deemed necessary by an approver. Request for review and notification of re-work/approval is done by means of the iSpec email system; details of which are set out above.

Tender Publication

A tender cannot be released and published until all of the elements and documents have been completed, approved and formally released to be published.

All tenderers are sent an email advising them that the tender has been published. They are invited to consider whether they wish to respond or not, and advise the tendering party accordingly.

Auction Options

iSpec also contains iSpec Auction and iSpec Reverse Auction Modules.

These modules further accelerate the tendering and procurement processes, but are best utilised where the client is requiring fully compliant responses to prescriptive requirements and wishes to promote/leverage keen pricing and terms out of a highly competitive and elastic market. The modules are integrated into the above workflow diagram, but are marketed and sold as separate modules that are complementary to the core iSpec product.

Tender Q&A and Submission

A tenderer is provided with a unique access code for entry into the system enabling access to the appropriate tenders and can therefore commence immediately with on-line completion of the tender documentation and communicate with the tender team regarding any clarifications that may be deemed necessary. The organisation has the option (depending on the nature of the clarification/query received from a tenderer) of replying to all tenderers or the individual tenderer that raised the clarification. All fields/documents that require completion by the tenderer are “flagged” red in the tender. The flag turns black (neutral) when the tender information required has been populated in the required fields and in a format predetermined by the organisation. iSpec allows the tenderer to complete the required information in stages and at their convenience by automatically saving newly uploaded information each time iSpec is accessed.

Part of the tender publication process is setting the tender closing date and time. This allows for the tender to automatically close on-line and those tenders not complete cannot be submitted as those outstanding “red flags” will prevent a tenderer’s partially completed tender from being submitted.

The flexibility of iSpec also provides for supplementary information to be attached in specific areas of the tender where it is appropriate that additional information is required to support/clarify the primary/compliant information required to effect evaluation.

Tender Evaluation

The online approach to iSpec tender management makes tender evaluation far easier and more efficient for the project team. iSpec provides for immediate price/compliance evaluation and identifies those aspects of non/partial compliance where further clarification is required before evaluation can be completed. Separate evaluation teams can be assigned for technical and commercial evaluation. Evaluations can be structured to be a simple process or include more complex weighted-score evaluation criteria.

This is an area where, again, iSpec’s internal email / communication tools become material to the evaluation process.

Upon completion of all price affecting and non-price affecting clarifications with the tenderers, the organisation can make a final assessment of the price and remaining risk elements with the aim of selecting preferred tenderers and commencing negotiations.

Upon the selection of preferred tenderer(s), tender status letters can be sent to all tenderers via iSpec.

Tender Negotiation and Award

Where appropriate, elements of negotiation can be progressed on-line, and where necessary face-to-face meetings can be held to conclude outstanding matters. It is advisable, however, to conclude all matters in writing in iSpec so that a fully conformed agreement can be produced by iSpec for execution by the respective parties’ executives.



Contract & Relationship Management

iSpec's contract management (post-tendering and contract award) key features and benefits can be best summarised in the workflow diagram set out above. Whether the tender is for manufacture, construction, supply or services the basic principles remain the same. Also if it is a single contract awarded without going through a tendering process.



Delivery tracking

All deliverables as defined in the contract are tracked by delivery and or commissioning dates and vendor performance is recorded and reported against KPIs that have been set up in the system. Once the contract date has been agreed and captured in the system, all contract "milestone dates" and/or activity durations (e.g. delivery dates, commissioning dates, payment dates, lead times etc.) are set in the system or calculated (by the system) to actual calendar dates against the "baseline" contract date. This functionality allows for regular and automated reminders to be sent by the internal email system to both the vendors and internal users to promote timely delivery.

Performance tracking

When deliveries are not made in accordance with the contractual obligations, and those obligations are "attached" to financial, or other, KPI's, then

iSpec will automatically calculate those financial adjustments needed to be made.

These may be in the form of liquidated damages, legally binding penalties, service level credits or other forms of financial rebates that are liable by the seller for non performance. It is then up to the client to determine whether these financial adjustments are effected:

1. Automatically in accordance with the rules set up in the system, and in accordance with their rights under the Agreement;
2. Manually after engaging with the supplier to satisfy itself that the adjustments are appropriate (as a function of relationship management);
3. Or not for whatever reason deemed appropriate at that time.



Project planning

iSpec has the capability to interface to Microsoft Project and can therefore generate a project plan from those milestones and deliverables set up in each on-line agreement. This plan can then be distributed amongst both vendor and client project team members for project planning and monitoring purposes.

Quality Management

iSpec contains an optional inspection module that can be used for statutory inspections, certifications, performance and acceptance tests and also ad-hoc inspections. All data is kept within the system with a full audit trail. Issues arising from tests can be linked to various user-defined “hold-points” or milestones and in this way it is easy to track issues that need to be cleared before payments or next phases can be executed.

KPI – Vendor Performance assessment

The combination of the KPIs and milestones set up in the system results in those key activities being tracked and reported against. This forms the basis of the vendor management and performance management capability of iSpec. This performance reporting allows for compliance to timeline, quantity and quality matters to be monitored and assessed for the appropriate action to be taken. Given that the “hold points” can be set up, or “triggered” at the supplier’s place of manufacture or supply, all non-compliances can be addressed at the earliest opportunity, thereby alleviating faulty supply and unnecessary re-work (and consequential time delay).

The above processes are all supported by the solution’s internal email functionality enabling all procurement communication to be contained in one common database.

Conclusion and summary of iSpec Benefits

The above explanation only sets out the principles of iSpec and does not provide the full capability iSpec offers. In summary, iSpec benefits are:

- Tender prices - iSpec resulted in an average reduction of 3% in tender prices
- Tender Management cost reductions – 68%
- Productivity - iSpec results in 300%+ improvement
- Accountability through iSpec’s comprehensive audit trail
- Improved Risk Management
- Transparency - iSpec audit trail and easy user access
- Tender evaluations - Highly automated - completed in hours or days rather than weeks
- Improved TCO (Total Cost of Ownership)
- Average time to tender on large complex tenders reduced by 50%
- Multiple users geographically distributed can work on the same document at the same time without loss of data or conflict (unique to iSpec).



Learn more by visiting
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