

E-BIDDING FOR LANDSCAPE CONSULTANCY SERVICES

We refer to the above subject.

It has come to our attention of an emerging trend in the Consultant appointment process called **e-bidding**.

What is e-bidding?

Consultants are invited by a prospective Client or Developer to participate in a live, real-time bidding exercise online to secure a position for a particular project. Participants are put on an online platform, where their asking fee can be seen by all present. The e-bidding process is limited in the form of a countdown timer, and during the course of this diminishing timeframe, participants may adjust and lower their asking fee based on the response of other participants (i.e. when a fellow competitor lowers their fee to stay competitive). Once the time expires, the bidder with the lowest fee is deemed to have successfully secured the consultancy position for the project.

Why is e-bidding a concern to our industry?

The act of e-bidding pits fellow members in a cutthroat, boiler-room setting, resulting in impulsive, split-second decisions in the name of getting the job no matter the cost. Members may have a particular reason for participating in such exercises, be it the perceived profile related to the job, or the sheer desperation of securing a job to simply survive.

However the outcomes of such e-bidding exercises are never rosy, and are extremely detrimental to our industry as a whole. Past participants have admitted of slugging through the bidding process and successfully securing the bid with a mere 4.5% professional fee. Our simulated fee projections utilising man-hours indicate that such a low percentage of professional fee is impossible to satisfactorily service a project, let alone sustain a practice.

What should I do if I am approached to participate in an e-bidding exercise?

It should be noted that other professional bodies such as Persatuan Arkitek Malaysia (PAM) have circulated memos urging its members not to participate in any e-bidding exercises. ILAM is of the similar position that e-bidding is an unscrupulous and unethical means to attempt to obtain the most competitive landscape fees and services by prospective Clients at the expense and detriment of the landscape architecture industry. As such, members are implored not to encourage, entertain or enable such exercises from further plaguing our industry by not participating in such exercises in the first place.

We would like our members to immediately contact our Professional Practice Committee should they be approached by any prospective clients to participate in an e-bidding exercise.

“STEWARDS OF THE LAND”

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