

Unethical Bidding Practices



By
Mr. Earl O. Myler
Chairman/CEO.

It is not unusual to have General Contractors or Trade Contractors express that they will not submit a bid to a church. When asked why, they always state that in the past they have been treated unethically during the bidding process. Most church building committees are made up of lay people that have never been involved in building programs of any kind. Thus, it is easy for them to fall into doing unethical things simply because they do not know any better. The bidding process is a typical area where lots of churches end up doing things unethically.

First of all, it costs contractors a great deal of money to bid a job. For a church committee to knowingly have a bid submitted from a contractor that it has no intention of awarding the contract to regardless of the bid results would be considered to be an unethical practice. It is considered to be unethical to award a contract to a "favorite" bidder who did not submit the lowest bid. It is considered to be unethical to let a "favorite" bidder get the last look at the bids of others so as to enable the favorite to submit the low bid. It is considered to be unethical to have preselected the contractor, and then have other contractors bid the project to keep the preselected contractor honest with his bid numbers.

No bidder would ever incur the trouble, expense, and time of bidding the project if he did not have a chance of getting it. Knowingly doing any of the above is in essence "stealing" from the bidders who do not have a chance at getting the job. And, obviously a church wants to be above reproach in any of its dealings.

To avoid any practice that might look unethical, here are some guidelines to be used for bidding out a project. First of all, do not put anyone on the bid list that you know will absolutely not get the job, regardless of the bid submitted. Secondly, set a time for all bids to be opened and have all the contractors that submitted a bid there for the bid openings. This will let the bidders know that there was no "hanky panky" behind closed doors.

As a side note, the same unethical practices can occur in hiring architects, design/build firms, construction management firms, etc. It costs a great deal of time and expense for these firms to prepare for and go through the interviewing process. Approach this process as you would like to be treated in similar circumstances and you will do it correctly...and ethically.