



Bacheloroppgave

PET600 Petroleumslogistikk

Tendering in the petroleum sector

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Kristiansund, 01.06.15



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Preface

This Bachelor's thesis was written as a finishing of three fantastic years as a Petroleum Logistics Student at Molde University College dept. Kristiansund.

In this assignment, I got the chance to immerse into the profundity on how transactions and tendering works. The thesis has given me the chance to analyze complex transactions and procedures, which along the way has been challenging. By keeping my head in the game, I feel I have dealt with these difficulties in a good manner.

I would like to thank my supervisor, Per Engelseth, for great inspiration, ideas and comments along the way. I will also thank my parents for supporting, and motivating me through these three years, lastly I need to thank my interviewees for their help in this assignment.

Kristiansund, 01.05.15

Line Holten Bævre

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1.0 Introduction

1.1 Background for Choice of Theme

The theme of this Bachelor assignment is Tendering in the Petroleum Sector. The characteristic of the oil industry in Norway is complex projects with large financial assets and close collaboration between the players. After going through a tendering process with both operators and vendors, a contract will form. These contracts will establish the structure for in which communication will occur.

By choosing to write about tendering, I believe it is important to get a better understanding of how this process takes place in the petroleum sector and why it is so important. Collaboration is important for both provider and supplier to ensure ideal partners, and then to gain competitive advantage and a higher value creation within companies.

1.2 Thesis Statement

Tendering itself is a broad definition, and therefore a broad thesis to handle. When it comes to tendering in the petroleum sector, there is many thesis' that could have been chosen. The problem is not that there are not enough to write about, the problem is to limit oneself to answer only what should be answered.

Therefore, in this assignment I will focus on explaining how the tendering process takes place, and the relations between the tendering promoter and the vendors, which are an interesting fact to emphasize in the analysis.

2.0 Method

In this section of the Bachelors' assignment, I will portray the orderly methods used.

«Method, in Greek, Methodos intends to go after a certain way towards a goal»
(Christoffersen og Johannessen, 2012).

This section addresses the research outline which is chosen; how the information collection and analysis part is done, and at the end, the quality of the information will be considered. In this proposal I used qualitative research methods with centralization of words, content and oral data. A qualitative methodology gave me the chance to get a more profound comprehension of the topic.

2.1 Collection of data

Primary information is the data that has been collected by calling and conversing with people. (Sander, 2014). While secondary information alludes to the information effectively gathered by other different authors

The primary information gave me firsthand information on the subject. This was gathered using personal observations and as a part of expansion, a casual interview to supplement the secondary source. The fundamental reason with this was to gather a lot of data that was important to the topic chosen. Basically I exchanged emails so that the interviewees could answer the questions at whatever point they could see fit, and they could answer what they believed was necessary for these questions. I would get the answers I was searching for - and not everything else.

In this thesis I have decided to basically identify with secondary information. This implies that I have undertaken literature studies. I have read various books, articles and browsed website pages. I have additionally attempted to gather information which have validity for this thesis. How great this pertinence is can not be measured empirically, but by doing it like this, it is easier for others to control the sources used. By using secondary information I would get more profundity and more assortment in my data.

2.1.1 Selection and interviewees

To decide which companies to interview my supervisor steered me in the right direction – to stick with the nearby organizations in Kristiansund.

When interviewing someone it is critical to pick the ones whom can best highlight the issue - the ones that you ought to believe will give you the best information about what you are pondering. I would consequently underline that the choice has not been totally random when picking the interviewees. I chose them since I already knew them. With that, I knew they had some involvement with acquirement and open acquisition, and along these lines: with tendering.

Two interviews is a number that neither makes the task too demanding or too easy to implement. I got a great deal of good data and a decent understanding into their work routines, while making sure it didn't take much too long.

2.1.2 Implementation of the interview

The thesis is called *tenders in the petroleum sector*. Therefore I was searching for the various companies' experiences when it came to this, and would in this manner benefit myself of a qualitative interview with the ones who had the primary obligation regarding tenders in the chosen companies. Ahead of time of the interview I outlined a interview guide, see Appendix 1. This was made on the premise of the theoretical part and issue. There were relatively few questions since I was searching for something that was short and concise.

I mainly chose to do the interviews via telephone and email in light of the fact that it is a very busy period for these compaines and interviewees were occupied with other important meetings. The negative side with interviewing someone like this is that you get a more far off relationship and you generally get answers on precisely what you need. Nothing more, nothing less.

But with seeing each other face to face it would have been a more deeper connection with the interviewees and one could have gotten more answers than what you at first was looking for. The benefit of meeting the interviewees that the dialog is honest and open

hearted.

2.2 Preunderstanding

When I began working with this assignment, I started without any expectations at all. This thesis was thrown in my direction and I accepted it with my arms wide open. Since I did not have any knowledge on this subject, I needed to read a considerable measure to get a comprehension of what this really is, what risks are associated with it and the efficiency/inefficiency around it. This has been an exceptionally educational process, and I feel like I actually learned something from this.

2.3 Data quality

2.3.1 Validity

Validity in qualitative research can be defined as:

«Validity encompasses the entire experimental concept and establishes whether the results obtained meet all of the requirements of the scientific research method» (Shuttleworth, 2008).

At the point when something is proven correct, one can say that it has high validity. Laws are reliable sources for instance. Interviewees sees the case from their side, so it is important to interview two or more companies in the same profession to get a greater picture of how tenders procedure takes place and how various challenges can be met. Articles found on the internet or in daily papers ought to be viewed as critical, therefore it is the owner of these articles, which will decide whether the source is good, or not. Store Norske Leksikon, Doffin and Regjeringen is categorized as good and reliable sources.

2.3.2 Reliability

Reliability is about that the investigations done, and that the subject matter that are found are considered reliable. To enhance the reliability for the reader can be done by inform about the collection process and context data obtained (Svartdal, 2005-2007):

Submitting the interviews by email and let the interviewees take their time to answer increases reliability. By taking precautions, that there were not any challenges concerning various bias; such as my personal opinions, it was easier to send an email to ensure that the interviewee was comfortable during the process and that they were not compelled by any circumstantial opinions.

2.4 Limitation of the choice of method

The scope of literature in relation to the chosen topic is large and comprehensive. The fact that I here have chosen only a limited selection is making clear that this problem is not illuminated in all its totality. Furthermore, I cannot say with certainty, that the literature I have chosen is the most relevant to ascertain the topic.

2.5 Ethical consideration

In this task, it is not signed an NDA, but I chose to anonymize this assignment anyways in case I got some sensitive information from interviewees. I therefore wanted to protect them so their statements would have no negative consequences later. Such negative consequences can be statements that can harm business relationships with operators and put them in a bad light.

3.0 Theory

In this chapter the secondary data will be presented. This is the data concerning the tendering process.

3.1 Tendering

Tender is a binding offer to perform a specific job, deliver a particular service or of certain conditions specified by the person who wants the job done.

The purpose of this is to get the work or service carried out as efficiently as possible or to get the best terms. Tenders usually contains written specifications, and can go to whomever offers the lowest price. In some cases "bestanbudsprinsippet" will be used where price, delivery time and quality requirements will be weighed against each other. Then the tender promoter will select after what desired. Price, delivery time and quality requirements are usually based on a call for tenders, and related tender documents. (Hugsted, 2014)

All tenders begins with:

- A specification that describes the requirements for what the customer will purchase, and
- A description of the award criteria, which explains how to select a supplier among those who meet the requirements (Olsen, 2014)

3.2 Tendering Process

A tendering process will start by sending an invitation to the candidates based on the promoters' desired qualifications. The invitation will be sent directly to the tenderers, or it can be made public in the press. In the tender document, the vendors gets familiar with the condition of the contract, and the requirements for each specific tender.

In 2012 Statoil, Shell Petroleum and Olje- og Energidepartementet launched a website where every oil operator can announce their tenders. The websites' name is findcontracts.no and the first presentation of this website was at the Offshore Northern Seas, the world's second largest oil and gas exhibition in Stavanger. The website makes it easier for both operators and suppliers to find each other. Providers can monitor the plans

and contracts in this sector, and thusly they will get important updates on what is going on, and by doing it this way different companies will not miss opportunities that may arise (Statoil, 2012). According to the Public Procurement Law and “forsyningsforskriftene”, the procurement process should be conducted by open or restricted procedures, or by negotiations (Nærings- og Fiskeridepartementet, FOR-2006-04-07-402).



Figure 1: The Public Procurement Process

The vendors prepare their tenders based on the documents announced by the tender promoter. It is important to follow the deadline set by the promoter after receiving the invitation.

The promoters should relate to a non-discrimination principle of detecting any ambiguities or errors in the tender documents. This means that all bidders can access the same information. If the operator changes the perception of how the final product will be, for example, by demanding more advanced technology than planned, the company must inform all tenderers by post, e-mail or by calling in to a meeting. Everyone must submit their tenders within the same timeframe, and there is no possibility to expand the deadline, as this leads to violations of the equal treatment principle. (Nærings- og handelsdepartementet, 1997)

This whole process will vary from company to company and from the type of competitive tender which is chosen for each. (Enterprise Europe Network, u.d.)

3.2.1 Open Competition

In an open competition, every interested supplier can submit bids without any kind of pre-qualifications. However, they must hand in the requested documentation, which shows that they are qualified to handle tenders. The tendering promoter have to consider each offer

delivered. This can be a long and challenging process for this employee. Whilst in a competition it will not be allowed to negotiate with the promoting company (Fornyings- administrasjons og kirke departementet, 2007).

3.2.2 Limited Tendering

In a limited tendering process the only vendors involved are the ones the promoter has given permission to submit their tenders. No negotiations with vendors are allowed during this kind of tendering competition. To determine which vendor who will get invited, the promoter will go through the players on the field, and make sure they are pre-qualified for these types of processes. A vendor may have to meet several requirements before becoming a relevant tender (Fornyings- administrasjons og kirke departementet, 2007).

Moreover, the selected, eligible vendors will get the opportunity to submit their tenders. The promoter is required to inform the stakeholders on the requirements that underlie the reason for their election, and what screening method it is based upon. It is important that the number of vendors selected is not too low, so that it is still possible to maintain a real competition. Limited tendering is more demanding than open tendering, and this statement is based on the planning stage - since this stage is the one which takes up a fair amount of time. However, the oil operators will be able to save time in the later stages. When it comes to projects that are complex, a limited competition is often the best choice. Pre-qualification is also good for large projects to avoid vendors who do not have enough capacity for a project of that scale (Nærings- og Handelsdepartementet, 1997).

When there are few vendors in a particular market, it is best to use an open tender to ensure that the competition is most effective. To get a restricted tendering there must be a large range of suppliers on the selected market. The promoter can then limit the number of companies that supply the desired quality. The tenders who get elected can be affected by any type of project to be implemented. By a single project where tenders are easy to compare, it will for example be an advantage to open tender (Fornyings- administrasjons- og kirke departementet, 2007).

3.2.3 Negotiated Tenders

Negotiated tenders is implemented either by all interested vendors who gets the bid, or by the performer who makes a selection of which vendors who can participate before they are given the opportunity to bid.

It can then be several phases to reduce the number of vendors willing to negotiate. A first reduction may occur prior to the negotiations, but in the final phase, it shall nevertheless remain a sufficient number of offers that can ensure real competition. In this type of competitive tender, you are able to negotiate changes or additions of all aspects of deals, such as price and technical specifications. Negotiations must take place in accordance with the general rules concerning requirements for equal treatment and good business practices, as well as rules on confidentiality (Nærings- og Fiskeridepartementet, FOR-2006-04-07-402).

3.3 Changes in the Rules on Public Procurement

The state and districts have their own tendering rules that the companies must follow.

In the public sector tenders subject to EU rules on public procurement. The main rule for state and district contract allocation is at an EEA level – i.e. if the cost exceeds the so-called threshold value - competitive tendering will be chosen as the most efficient process.

Norwegian oil and gas industry is subjected to EU rules and the law of 1999, but apply to their own rules.

EFTA Surveillance Authority has decided that the exploration and extraction of oil and natural gas on the Norwegian continental shelf will be excused from the EU rules on the public procurement process in the utilities sector in Directive 2004/17. This decision took place in November 2012. This means that Norwegian authorities, public enterprises, or enterprises with exclusive or special rights within the oil and gas sector were excused from the detailed tendering rules of Directive 2004/17.

The Norwegian State or Norwegian industry can only apply ESA for exemption from the rules on public procurement for activities covered by the directive. Exemptions will be

granted if it is shown that there is unimpeded access to the market and that competition in the market works (Einarsson, 2013).

ESA decided in April 2013 that licensees within the petroleum sector in Norway will be exempted from the rule of tendering for government contracts. These regulations are constantly evolving and the reason for this exception is that this sector has already been sufficiently exposed as a competitive market (Kloster, 2014). The new rules were applicable in the EU from June 30, 2014.

The operator is at a competitive tendering process obliged by law to use at least three different bidders in the bidding process when the process is of a certain size. When the decision was to come into force it became easier for operators to choose fewer suppliers and it may be difficult for new suppliers to enter the oil industry. This exclusion leads perhaps to discriminatory behavior and downward revision of some vendors' rights. The reason is that operators want to be able to choose vendors based on established framework agreements or by habit. It is easier to enter into contracts with vendors that companies share good experiences with, and that they have good relations with without inviting new competition into the market. That is why it is very important to have good relations in this sector. Another interesting aspect is that this decision has opened for direct contracting means that negotiation and negotiation techniques will increase even more in the future. (Berg Nilsen, 2013)

Negotiations in the oil industry is important for several reasons. Firstly, there is great economic values that circulate when actors are included in various contracts. Costs and risks associated with implementation are large, and it can be justified by the work nature and that it often occurs unforeseen events. The actors play an important role when it comes to public procurement. These actors should contribute to increased value in society by ensuring the most efficient use of resources. The oil industry comprises the different actors who are largely dependent on each other. For operators, suppliers and subcontractors is important to have a good working relationship to be able to work together and to be most effective when it comes to handling materials and services. It is important that contracts and relationships are the building blocks for the excellent cooperation between companies, where contracts coordinate the joint work to performed, and the relationships linking the parties closer together.

3.4 The Identification, Assessment and Selection of Projects

The settled main activity when it comes to competing for tenders internationally is to select the "right projects." This involves the identification, assessment and selection of which projects that will compete. Generally, it is important with technological expertise and advantages in this type of tenders, since the tender process can be very resource-intensive. Firms therefore want to concentrate on the few projects where those with reasonable chance have the opportunity to obtain aggregates.

Identification and selection of the right projects going on takes place long before the project becomes a tendering option. Projects that you first become aware of are usually uninteresting. Other players have been involved for some time and will now have superior information about the project or related business and personal ties to the principal. More importantly, the competing companies have had time to assess their experience, expertise and its own advantages in relation to the project, have found the project suitable, perhaps influenced project design, and they may have established a trusting relationship with the client.

If the company identifies a project before it becomes public, for example, through an agent, it will be of interest for the contractor to submit a proposal before the announcement of this way to try to avoid the whole tendering process. The same applies to specific applications. By coming early in the process the contractor to tailor solutions that they become the preferred supplier before any tenders will be posted. The tendering promoter wishes to establish a cooperative relationship with the client, enabling access to a provider position. It is possible if we are able to develop or improve the project so that the builder can improve their profitability.

If they are successful with this, they will now achieve comparative advantage over their competitors. It can be about technical solutions, publishing amendments to the project, or long-term cooperation in terms of training and operations.

3.5 Risk

In many industries, there is a great risk attached to what the contractor delivers. This may be technical risks associated with the efficiency of a newly developed turbine or geological

risk associated with the transportation of oil and gas pipelines on the seabed. The risk is usually the same wherever you are, because of certain addiction to the conditions at the construction site.

Technical risk are emphasized as important, partly because this is a risk that is always central in preparing tenders, but also because technical risks can be difficult to manage in a foreign environment. For example the Goliat platform. ENI wanted to build the platform on the Norwegian continental shelf, but they could not find any shipyard that wanted to build it in Norway. Many companies submitted a tender, but none of the companies wanted to build all of it in Norway. That is why the Goliat platform got built at the Hyundai shipyard in South Korea.

Entrepreneurs meet country risk in all areas that are different from Norwegian conditions and this affects the project - it can be anything from the country's culture, lack of knowledge of how business gets things done, different attitudes towards agreements, climate, legislation, language, infrastructure, government regulations, competence the local labor etc.

It has been said that the Hyuandai shipyard in South Korea are at the top lists of countries to be employed when it comes to procedures and HSE (Kongsnes, 2015). The choice of building the platform was made on the basis of an overall assessment, but even though, it still resulted in three deaths.

Political risk can also be seen as a country risk. There are big differences between the various countries in which risk factors can be perceived as critical and how much influence they are considered to have. Government guarantee schemes and private insurance policies are seemingly always considered, if not always used. General considers one insurance to be costly. Local knowledge in the form of prior commitments, cooperation with experienced actors, and selection of local collaborators and supporters are seen as crucial.

All employers are allergic to the word risk. It involves price, delivery time, delays, quality of certain goods, actual delivery capability, compensation if something goes wrong.

You, as a provider, are contractually obligated to deliver what you have offered. But you have not committed to deliver *more* than you have offered. If the client interprets your offer for kind, it is he who made a mistake.

Therefore it is important that you convince the client that it is perfectly safe to choose you as their supplier (Olsen, 2014)

3.5.1 Definition

It is important and explain what risk is.

There are many definitions of risk, but risk means primarily a potential deviation from the expected or potential deviation from our objectives. Therefore, risk is formally defined as a combination of possible consequences and associated uncertainty or just that the risk is the combination of consequence and probability.

In addition to the impact and probability, we describe risks often by referring to potential initiating or triggering events. This gives an overall picture of risk covering both the triggering (possible event) and the actual risk (possible consequence and its likelihood). Although the definition states that risk can be both negative and positive, it is mostly common to focus on the negative. (Difi, u.d).

3.5.2 Risks in the Tendering Process

In an economic perspective, the identification of various risks among the most important work you are doing in the evaluation of projects. It can never be done thoroughly enough, but time and resources puts limitations if one wishes to participate in the tender procedure.

The risk assessment is initially basis for the decision whether to enter the tender. The assessment is also crucial for the financing of the project and form the basis for the selection of contract formats and contract content between the involved parties. At first identification of a project risk assessment in practice be of a superficial character, based on previous experience (Arntzen, Bolseth, Bjørvoll and Edvartsen, 1999). Once the company has decided to prepare a tender, the assessment will delve. It is important to note that risk involves opportunities for both loss and gain. Any risk is seen only as a risk of loss and is

taken as a rule through price premiums. The developments we have described earlier toward total deliveries suggests that project providers increasingly must be willing to accept risk and look at risky projects as opportunities for good investments (Arntzen, Bolseth, Bjørvoll and Edvartsen, 1999).

3.6 Complaints

The submitted tenders are final and cannot be change in the time between the deadline and the final agreement. It is at this stage not possible to negotiate on price or delivery place for example.

When it comes to rejected of dismissed vendors you can apply to “Klagenemnda for offentlige anskaffelser”

In Norway, if you feel that you have been wrongly treated, you can send an injunction to the district court of where the contract was signed. If this contract already is assigned to another, one has the opportunity to claim compensation for the cost associated with the preparation of the tender, and lost profits by not getting the contract. However, this is a long process, and you can only win if you go through a lawsuit.

Another possibility is to complain to the ESA/European Commission who will consider the matter and talk with the government. Most government agencies will adequately take into consideration the ESA / Commission assessment. The advantage of this appeal is that it is free and relatively quickly, but there are also some of the national complaint schemes. (Krüger, 2014).

4.0 The Interviews

In the following chapter, the interviews with the two chosen companies included in this assignment will be presented. These companies are two altogether different companies; Company 1 declares tenders, while Company 2 is answering to tenders. By doing it along these lines you get answers from both sides on how a tendering procedure takes form from each side of the tendering procedure, and with this gets somewhat more extensive point of view on what tenders truly are, and how these companies work with this. The first company are a large company, which means a lot to the petroleum sector in Kristiansund and across the country. While the second company is a much smaller company who work with heavy lifting. This business is not as large as Company 1, but this does not imply that they are not of any significance.

Since there are major contrasts between these two companies, you may see a huge distinction in the answers.

4.1 Company 1

Company 1's tender process will be presented here, there will not be a big difference between their process and the one presented in Chapter 4.

The purchasing department receives a requirement within the company. In theory, all projects are requested with a *competitive* tender, where potential vendors will receive a "Request for Quotation" with detailed information on the requirements desired. Then it will be provided a contract they should relate to within the deadline. Deadlines can vary from several days to several months depending on the complexity of the project. The interviewees department works with a two day tender deadline in the most common projects.

The request is sent to two or three vendors when requesting a competitive tender. Often the vendor will have questions regarding the service/material to shall be delivered.

When the vendors has a clear understanding of what they will provide they send the document by e-mail to the offering company. This will allow them to control their underlying conditions given - this can be delivery time and cost.

The decisive criteria for which provider is chosen is usually cost, quality and delivery time. When the vendor is selected, the interviewee will send a "Purchase Order" (PO) to the vendor. The vendors' who gets turned down will get a "Quotation Rejection"-

The process continues with a vendor confirmation – then the goods are sent out – and the paid for.

In many projects the original manufacturer of the material needed are cheaper than if you have to start a tendering competition. This is the only reason for not announcing a tender.

There is much talk about efficiency in large companies like this. This is because it is very hectic most of the time, and therefore it is important that things go smoothly. The interviewee is mentioning an efficiency program that automatically sends out request to the vendors who already have signed a contract with this firm. This is a development that has improved in recent years and helps the company making purchases easier and more effective than before.

When it comes to cooperation with the suppliers, there are many frame agreements for

them to cooperate well and have a good relationship with each other. They have meetings several times a year and they know their vendors very well. Even though the relationship with their vendors are good, it can always improve. When the interviewee talks about this he mainly means the major vendors they use most of the time. The small vendors they are using are more challenging, these vendors are not used to working at the pace this company work at, and therefore, timing of deliveries will vary.

4.2 Company 2

For this business, it is only in rare cases that they announce a tender - they use own personnel and own equipment. When they announce a tender it has to be complex and comprehensive projects – with few vendors to ensure that the project will be done at the time said. This company is relatively small so they do not have many big projects. That is why a tendering process for them are usually waste of time.

"If an activity involves significant risks and huge costs it is important to have good documents to maintain control of the vendor that wins the tender"

This company mostly buy by negotiations for each activity that needs to be done. It is easier to focus on their own expertise within the company. They exploit their own material and hires only in unique circumstances.

If this business would have changed anything with their way to work with with tendering, it would have been a standardization and simplification of ERP programs so that tendering procedures could fit for all activities. This would have been a positive improvement for all parties.

When it comes to the question of good relations, they claim to cooperate on a good and mutually beneficial way. It is important that contracts are designed to develop efficiency, competence and quality, and "to create an understanding of that the chain is not stronger than the weakest link".

5.0 Analysis

Size of projects varies. Some are complex and require a couple of vendors, while others are less complicated where vendors with a smaller portfolio will appear. How many who are invited to a tendering process varies from project to project and from vendor to vendor in the petroleum sector, but it is important to have enough so a competition will form.

A project can last from days to years, and the reason behind it is the size and scope of the project. Depending on whether the project is complex or easy with multiple vendors or just one vendor. The operator work together with many vendors simultaneously and must plan far ahead. As negotiations go via mail or other communication channels the number of qualified vendors will reduce. The tendering promoter needs to communicate with many vendors at once, and therefore lacks the time capacity to meet all the vendors face to face. Operator try to limit the physical meeting to the lowest possible number because of the time constraints mentioned.

The tendering process is structured and applied in practice with internal company rules, and external rules that exist in the petroleum sector.

Through analyzing respondents' perception of cooperation and contracts, I have drawn the conclusion that personal relationships and trust is essential for contracts in the oil industry. This underlines that good relations characterize this industry. By reading about tendering I have seen examples that confidence in a company will grow when cooperation exist within an industry.

The vendors are mostly dependent on the promoter than vice versa, but the vendor can increasingly determine the contractor's behavior through contractual relationships.

6.0 Conclusion

Because of the thesis' limiting scope, it will be perspectives on this subject that I have not had preconditions to explore. In the following section, I will try to make suggestions for further research that may help to identify any vendors' influence in negotiations and tenders. A natural next research project could be to focus on the tendering promoters views on negotiation with the vendor. To elucidate the operator side in tendering can help to provide a more comprehensive picture of the balance of power in the oil industry and the vendors' influence.

Another option might be to explore more companies from a single vendor industry. This can be an important contribution to research on vendors' influence, since this seems to vary from vendor to vendor in this sector. Research like that might reveal in what industry vendors have the most influence. It will in the coming years be essential to examine the impact of ESA's decision on the exemption from the rule on public procurement. The decision may have positive, negative and challenging consequences for vendors. It is therefore interesting to investigate this.

Trust and personal relationship is vital for contracts in the oil industry. Mostly it is a focus on long-term relationship where confidence and trust is central. It seems that my interviewees focus on good relationship more than anything in specific contracts.

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APPENDIX 1.

SPØRSMÅL TIL INTERVJU

1. Hvordan ser en anbudsrunde/-prosess ut for deres bedrift? I detaljer.
2. Hva er kriteriene deres for at noe skal på anbud?
3. Hva er alternativet til en anbudskonkurranse? Har det blitt vurdert å tatt i bruk den metoden i stedet for anbud?
4. Føler dere at deres måte er effektiv eller ineffektiv? Forklar.
5. Hvis dere kunne ha endret noe på deres måte å foreta anbudsrunder, hva ville det vært?
6. Hvordan er forholdet mellom dere og eventuelle kunder og/eller leverandører? Er det et nært forhold med mye samarbeid, eller føler dere at det kunne vært mer?

Takk for at du tok deg tid til å svare på dette.