

Business Management for Sustainability

Presenter: Dr Louis Grobler PrEng

Session 7b - 13h30 Wednesday 16 August 2017



About the presenter

Main professional interest:
*Sustainability through
infrastructure projects*

PhD (2004 Wits):
*“Employment and
Empowerment through
Public Works with the focus
on Transport Infrastructure
for Basic Access”.*

Dr Louis Grobler PrEng

Specialization:

Highways

Pavements

Qualifications:

BEng(Civil) 1988 UP, BEng(Hons)(Traffic) 1993 UP

MEng(Transportation) 2003 US

Employment: ACE, V3, Knight Piesold, Ilifa

Shareholder and Director: Lidwala, LEO

Current Employment: EVN Africa

Management involvement:

Internal Quality Auditor, Quality Rep, BMS development
strategic planning, corporate development

Fraternity involvement:

SAICE branch committee, CESA Quality & Risk Committee
Mentor for registration of graduates as well as New Entrant firms

Publications & presentations:

Transport Conventions, Framework Agreement, Employment Creation in Construction,
Infrastructure Maintenance

Sustainability defined

- Output that can be maintained without reducing natural capacity
- Ability to maintain or support an activity



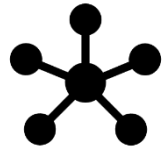
Sustainable Development is to
“meet the needs of the present
without compromising the ability
of future generations to meet
their own needs.”

(World Commission on
Environmental Development)

Sustainability cuts both ways

To others:

- Stakeholders



- Environment



- Society



To ourselves:

- Employees



- Resources



- Shareholders



Why a Sustainability commitment to others?

South Africa is signatory to the **Paris Agreement**.

“An organization is part of society in its own right. It can no longer be seen as existing in its own narrow universe.”

(King IV)

SA is unique in that Social and Economic Transformation is an integral part of Sustainable Development. We have **legislation** and regulations compelling and incentivizing companies and directors to enact Transformation.

Our Sustainability is in the interest of our Clients and Stakeholders

Opportunities provided by the new Sustainability Drive

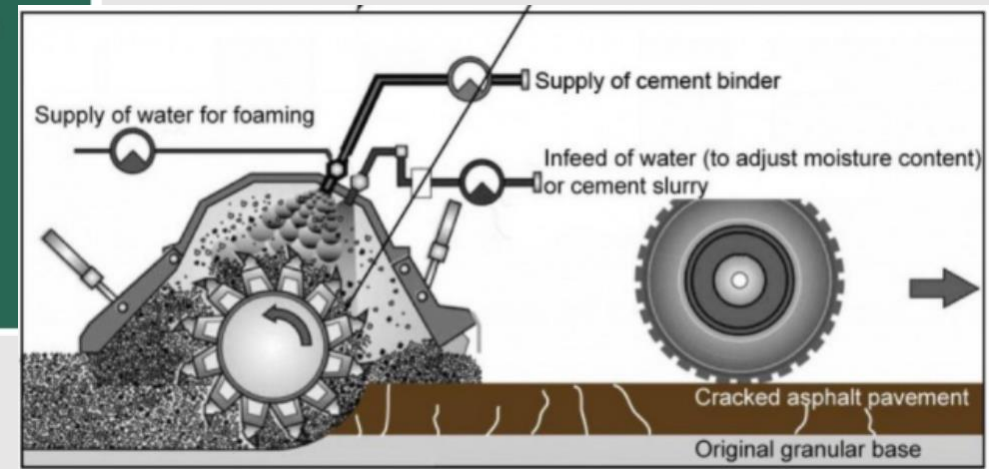
COP21: “The Paris Agreement, and what the INDCs imply in terms of overhauling the electricity and transport systems, surely creates one of the greatest business opportunities ever.”

- Energy: wind, solar, hydro, biomass, biofuel
- water recycling and use reduction
- materials recycling
- urban renewal
- Transportation and livable cities



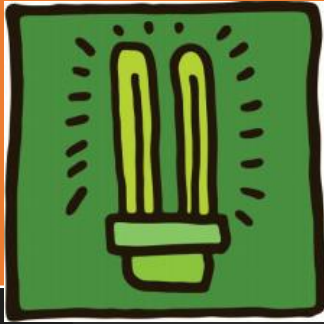
SANS 10400-XA Energy usage in buildings:

A developer's guide
to compliance in
home design



Sustainable engineering

Smart energy



Green building



Environmentally sensitive designs



Renewable energy



Labour-enhanced
design & construction;
local resourcing;
contractor development

Recycling of asphalt & rubble





[Green village example](#)

CNU Build places people love

Highways to Boulevards / Road median development / Walkability projects / Urban Revitalization & Renewal / deadmall to downtown / Green historic preservation / Mass public transit / Livable cities /

The Sustainable business

Ownership equity;
Transformed status

Good governance;
Business Integrity;
Q&R management

Employment Equity;
Skills development;
Staff volunteering

Corporate social
responsibility;
Affinity programmes

Environmental
responsibility;
Greening our business;
Carbon neutral

Anti corruption;
Integrated reporting

[Sustainable business practice example](#)

What CESA says

“CESA ... represents for its members a body that promotes their joint interests and because of its standing, provides quality assurance for clients”.

“CESA commits to the promotion of excellence in the consulting engineering industry on behalf of its members and stakeholders.”

CESA’s “key focus areas”:

- driving Sustainability
- maintaining standards of Professionalism
- maintaining standards of Quality Management

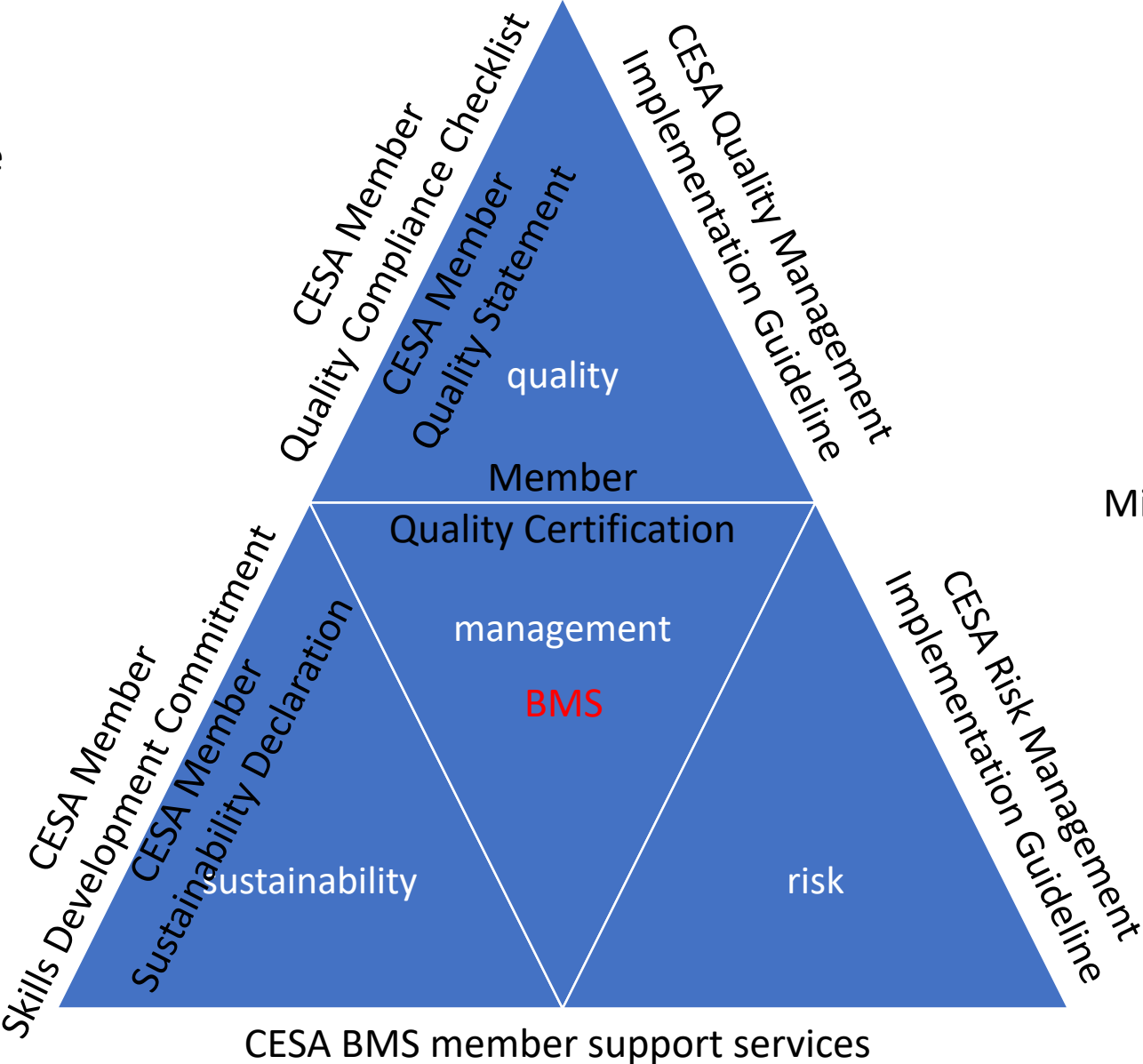
CESA now requires members to submit a Sustainability Declaration

CESA QUALITY & RISK FRAMEWORK FOR MEMBERS

CESA Quality & Risk
Management Committee

- CESA Member
Recognition Levels:
- New Entrant member
 - Developing member
 - Advanced member

CESA Member
Minimum Requirements



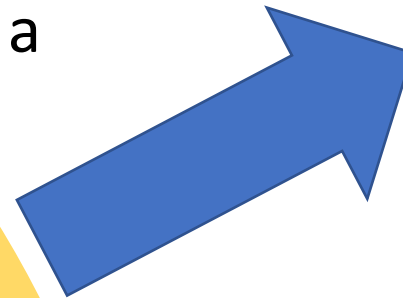
Setting up our business for sustainability

We must consider:

- Who are we?
- What do we stand for?
- What are our objectives?
- What is our horizon?
- What are the opportunities?
- How do we ensure we achieve?
- What are the impacts of our strategies?

- To be Sustainable you need to continuously manage your Risks, consider Stakeholders, and don't run out of steam
- To manage your Risks, you need to manage your Quality
- To manage your Quality, you need to manage your Business
- To manage your Business, you need a Business Management System

BMS



quality, risk,
sustainability

Business Management System



Set of policies, practices, procedures, processes and structures used in developing and deploying strategies, their execution, and all associated management activity

Goals



BMS



Results

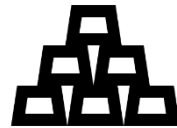


The goals of business

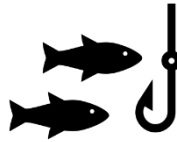
- Growth



- Wealth



- Impact



- Sustainability



The elements of business management

- Control



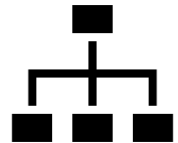
- Lead



- Plan



- Organize



- Monitor (TQC)



Business environment

- Sustainability compliance is increasingly valued.
- Certification of your BMS will become a critical success factor.
- Radical Economic Transformation has taken effect in the new PP and BEE regulations, creating vast new opportunities for EMS's and QSE's, especially those owned by priority target groups. It will change our industry's landscape radically.
- Specialization in sustainable technologies and solutions will be in high demand.

Worked Example of a EME managed for sustainability and geared for a changed environment

New Entrant

EME

Level 1,
100% Black Women owned

BMS under development

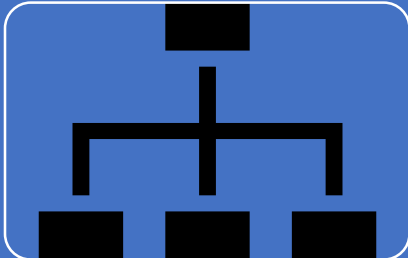
CESA membership – pending

Fully compliant to do business with
Government



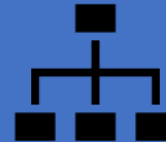
Leadership

- **Ownership:** Shareholding according to Key Staff Rating, target > 51% Black
- **Control:** Small Board, includes and executive director, an independent industry expert, and a professional company secretary



Management

- **Executive:** CEO, CFO, CCO
- **Key Professional Staff:** Discipline Managers
- **Support Staff:** mostly outsourced
- **Organizational Structure:** supporting the business model



Goals

- **Mission**
- **Objectives**
- **Values**
- **Financial & growth target**

Design sustainable infrastructure
Develop thriving communities
Deliver quality projects

Preferred employer
Priority business partner
Player of note in Southern Africa



Branding
website, company docs



Strategy

- Services
- Disciplines
- Specialties



BMS: under development
Sustainability Declaration: in place
Skills Development Commitment: in place



Operational collaborations: JV's, Targeted Enterprise Agreements



Operational compliance: CSD, BEE Certificate, VAT, CESA membership, ECSA registrations, PI