



INDUSTRY INSIGHT CC

Construction Business Intelligence

Consulting Engineers South Africa (CESA)

Quality Survey: December 2008

QUALITY OF SERVICE SURVEY: DECEMBER 2008

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Background and Methodology

As part of the Association's bi-annual state of the industry survey, member firms were asked to comment on the services offered by the association.

Questions included in the survey pertain to:

- Level of service from the Association as a whole
- Level of service from the Directorate and personnel
- Relevance and quality of services offered pertinent to the firms' sector(s)
- Suggestions for improvement

Information was aggregated from the *sample* of surveys and weighted according to the total number of full and part time staff employed by the firm. It is important to monitor the responses from a consistent base of firms to accurately identify existing and possible changes to perceptions regarding the services offered by the Association.

Results are based on a reflective sample totaling 6696 employees over the 6 months between July and December 2008.

Profile of respondents

Table 1: Profile of respondents

| Employment | % of total number of firms in December 2008 sample |
|--------------------|--|
| >100 | 22% |
| Between 20 and 100 | 42% |
| Less than 20 | 36% |
| Total | 100.0% |

Of the 65 questionnaires used in the sample, 36% employed less than 20 employees, 42% between 20 and 100 and 22% more than 100. The majority therefore is represented by the smaller firms. All the responses have been weighted according to total full time and part time employment.

Larger firms were represented by a higher contribution in the December 2008 survey (22% compared to 16,9% in the June 2008 survey) which could have affected the weighted response rate.

Overall service of the Association and it's Directorate

Question 1

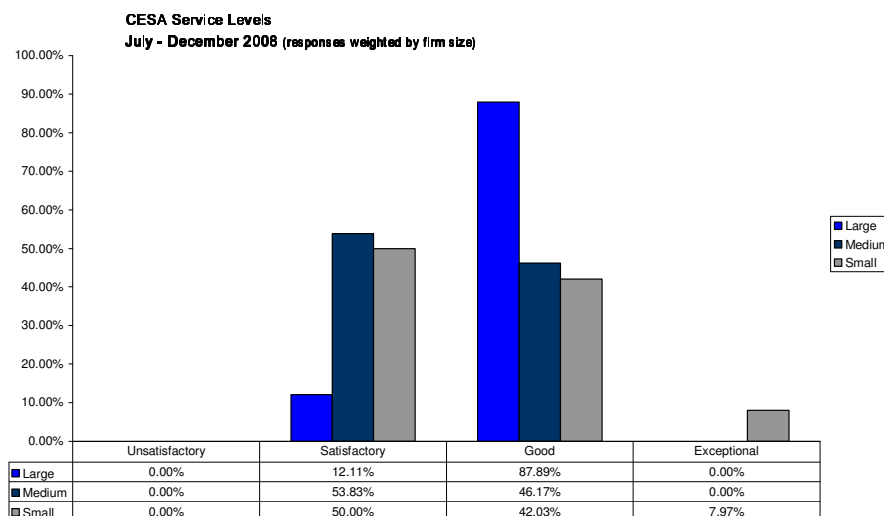
Do you consider the overall service you receive from CESA as a body to be:

- Unsatisfactory
- Satisfactory
- Good
- Exceptional

Table 2: Question 1 and 2

| | Unsatisfactory | Satisfactory | Good | Exceptional |
|-----------------------------|----------------|--------------|--------|-------------|
| December 2006 Survey | | | | |
| CESA | 1.0% | 21.3% | 73.12 | 4.4% |
| Directorate | 0.8% | 21.1% | 72.8% | 5.2% |
| June 2007 Survey | | | | |
| CESA | 0.7% | 22.8% | 71.3% | 5.1% |
| Directorate | 0.7% | 29.0% | 65.2% | 5.1% |
| December 2007 Survey | | | | |
| CESA | 0.3% | 26.0% | 73.4% | 0.3% |
| Directorate | 0.7% | 33.9% | 64.1% | 1.3% |
| June 2008 Survey | | | | |
| CESA | 0.09% | 31.6% | 65.9% | 2.4% |
| Directorate | 0.8% | 30.1% | 55.5% | 13.6% |
| December 2008 Survey | | | | |
| CESA | 0.00% | 16.28% | 83.53% | 0.19% |
| Directorate | 0.72% | 14.68% | 76.25% | 8.35% |

Overall, 100% of the respondents were satisfied with CESA Services in the December 2008 survey, with an equally impressive satisfaction rate with the CESA Directorate services. However, CESA should strive for a higher rating delivering either good or exceptional service. Larger firms seem to be more satisfied with CESA services compared to smaller firms. 87% of larger firms reported services as good or exceptional, compared to a higher 46% medium and 50% smaller firms. From the previous survey there has been an improvement in the satisfaction rate amongst medium and smaller firms.

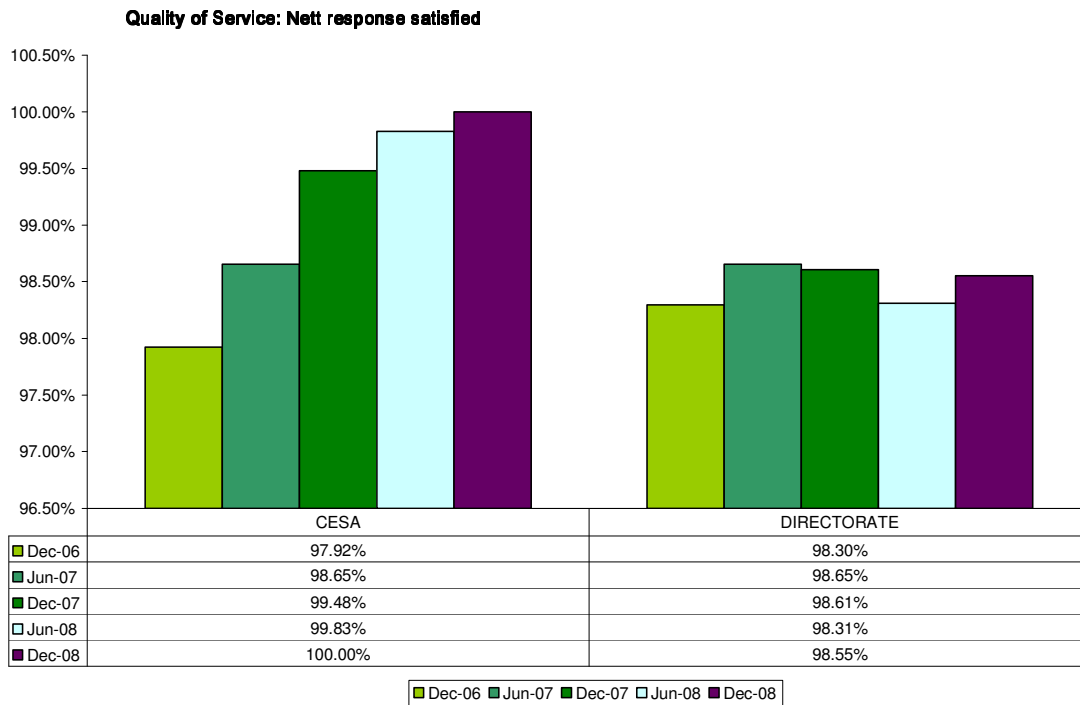


Question 2

Do you consider the service you receive from the Directorate and personnel to be:

- *Unsatisfactory*
- *Satisfactory*
- *Good*
- *Exceptional*

An overwhelming percentage of respondents were satisfied with the services received from the CESA Directorate. The nett improvement in the CESA's overall satisfactory level increased from 97,9% in the June 2007 survey to 100% in the December 2008 survey, while satisfaction rate with the Directorate remained at between 98,3 and 98,6%.



Relevance to industry needs

Question 3a

Does the Association focus on addressing the needs and issues pertinent to your **sector** of the industry:

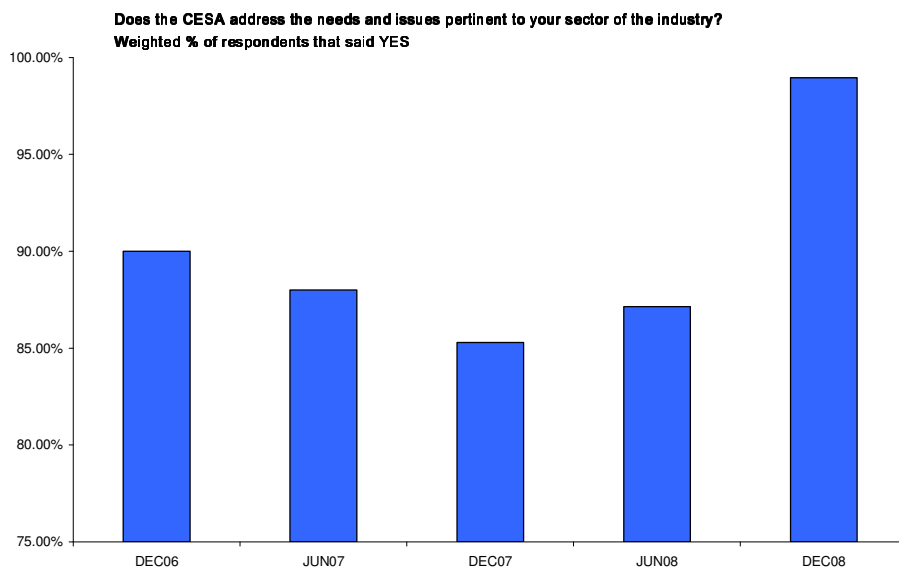
- Yes
- No

Table 3: Question 3a

| Responses | June 2007 | | December 2007 | | June 2008 | | December 2008 | |
|-----------|-----------|-------|---------------|-------|-----------|-------|---------------|------|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| Weighted | 88.0% | 12.0% | 85.3% | 14.7% | 87.1% | 12.7% | 98.9% | 1.1% |

needs of the medium size and smaller firms as well as those of the larger firms. The satisfaction rate amongst medium firms was 88% compared to a 100% satisfaction rate amongst larger firms. Medium and smaller firms requested more focus on electrical and mechanical services as well as offering support services to address private clients in the mining industry.

CESA has been criticized for not addressing the needs of the different sector including the smaller sectors for example electrical services. In the December 2008 survey, however, a higher percentage of respondents (98%) were satisfied that CESA is addressing the needs pertinent to their respective sectors. A breakdown of the firms highlight that CESA is not addressing the sectoral



Question 3b

....and in a manner which is

- *Unsatisfactory*
- *Satisfactory*
- *Good*
- *Exceptional*

Table 4: Question 3b

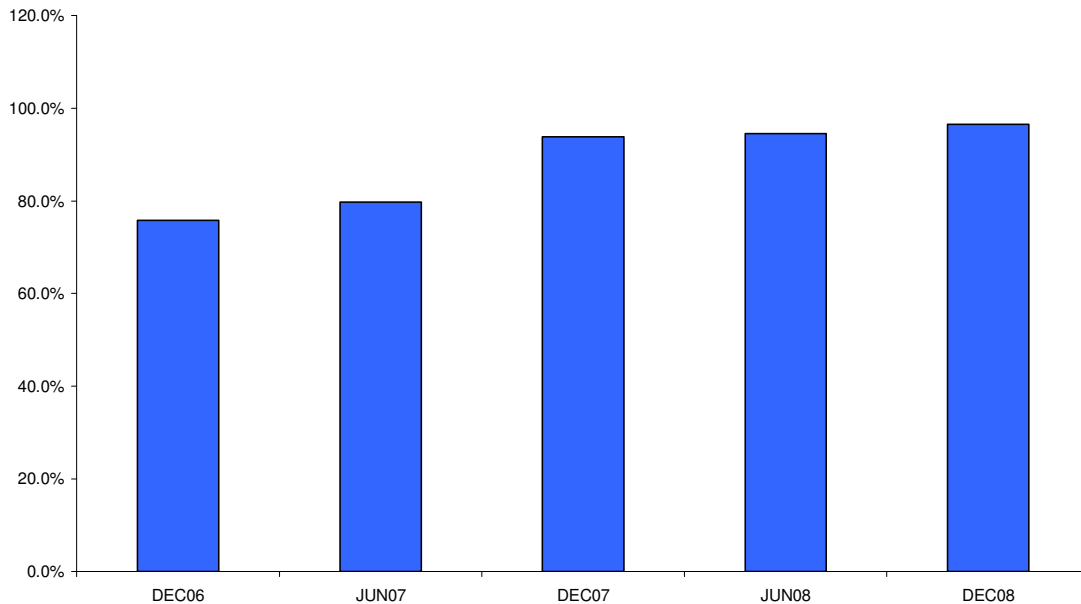
| Weighted responses | Unsatisfactory | Satisfactory | Good | Exceptional |
|--------------------|----------------|--------------|-------|-------------|
| December 2006 | 12.1% | 22.5% | 63.1% | 2.3% |
| June 2007 | 10.2% | 22.2% | 66.8% | 0.9% |
| December 2007 | 3.1% | 57.6% | 38.2% | 1.1% |
| June 2008 | 2.7% | 23.9% | 72.2% | 1.1% |
| December 2008 | 1.8% | 28.4% | 69.6% | 0.2% |

There has been a gradual improvement in the number of respondents that are unsatisfied in the manner which CESA is addressing their sectoral needs, down from 12% in the December 2006 survey to 1,8% in the December 2008 survey

However, medium size firms have shown greater dissatisfaction, with 20% of the firms not believing that their needs are not appropriately addressed.

The nett percentage of those satisfied (deducting those that were unsatisfied) improved marginally from 93,8% (December 2007) to 96.5% in the December 2008 survey.

**CESA Quality of Service: Sector Needs Satisfaction Rate
Nett % satisfied**



Suggestions

Question 4

Any suggestions for improvement?

The December 2008 survey did not include any comments or suggestions other than the ones already mentioned in this report.

Conclusion

The overall satisfaction rate improved in the December 2008 survey, although the higher contribution of larger firms in the current survey could have impacted on the nett weighted percentage. CESA is challenged by the lower than average satisfaction rate amongst medium and smaller firms to balance the needs of all their member firms, including those that have a lesser bearing on total income from membership fees. Medium and smaller firms are in dire need of industry representation, and look to CESA as a watchdog on their behalf to ensure industry standards and integrity is maintained.

In the December 2008 survey there has however been an improvement of the satisfaction levels amongst medium and smaller firms that the CESA is addressing most of their sectoral needs, although perhaps not in the manner that they would like. More work therefore still needs to be done to ensure all disciplines are catered for and that the needs of smaller firms are not overlooked. Tougher working conditions are expected during 2009, as confidence levels slipped in the December 2008 survey. The need to address critical issues such as pricing, improved procurement processes and client education will escalate in coming months.