**INDUSTRY INSIGHT CC**

Construction Business Intelligence

## Consulting Engineers South Africa (CESA)

# Quality Survey: June 2010

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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 totalling 7648 employees over the 6 months between January and June 2010. Majority of the firms employ between 20 and 100 people and earn between R1,5 million and R11,5 million per annum.

**Profile of respondents**

**Table 1: Profile of respondents**

| Employment | % of total number of firms in June 2009 sample | % of total number of firms in December 2009 sample | % of total number of firms in June 2010 sample |
|---|---|---|---|
| >100 | 23.3% | 27.3% | 34.3% |
| Between 20 and 100 | 34.9% | 45.4% | 40.0% |
| Less than 20 | 41.8% | 27.3% | 25.7% |
| Total | 100.0% | 100.0% | 100.0% |

Chapter

2

# 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*

At face value all participating firms included in the survey were satisfied with CESA services including the directorate, which is the best rating since the inception of this survey (December 2006) – in other words hardly anybody rated services as unsatisfactory. Looking closer, majority of firms found services to be of a good standard, with an increasing number of firms finding services to be at a level higher than satisfactory.

**Table 2: Question 1 and 2**

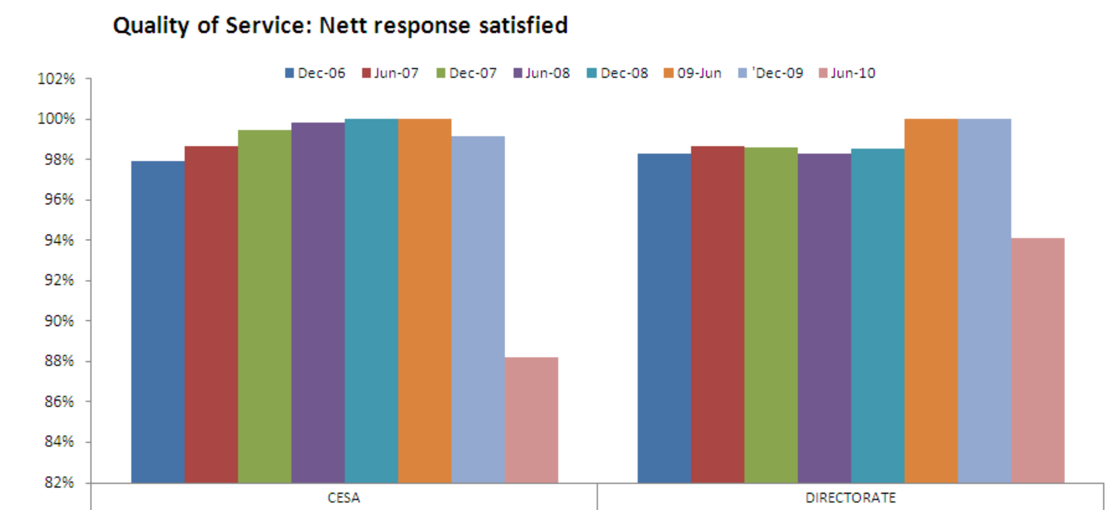
| | Unsatisfactory | Satisfactory | Good | Exceptional |
|---|---|---|---|---|
| **December 2006 Survey** | | | | |
| CESA | 1.0% | 21.3% | 73.12 | 4.4% |
| Directorate | 0.8% | 21.1% | 72.8% | 5.2% |
| **June 2007 Survey** | | | | |
| CESA | 0.7% | 22.8% | 71.3% | 5.1% |
| Directorate | 0.7% | 29.0% | 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% |
| **June 2009 Survey** | | | | |
| CESA | 0.0% | 45.2% | 54.6% | 0.2% |
| Directorate | 0.0% | 49.8% | 50.0% | 0.2% |
| **December 2009 Survey** | | | | |
| CESA | 0.4% | 14.0% | 85.6% | 0.0% |
| Directorate | 0.0% | 7.4% | 92.6% | 0.0% |
| June 2010 Survey | | | | |
| CESA | 5.9% | 32.4% | 58.8% | 2.9% |
| Directorate | 2.9% | 32.4% | 61.8% | 2.9% |

*Question 2*

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

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

There was a 88,2% nett response rate from firms satisfied with general services and 94,1% for directorate services, compared to 99,1% and 100% respectively in December 2009.




| | CESA | DIRECTORATE |
|---|---|---|
| Dec-06 | 97.92% | 98.30% |
| Jun-07 | 98.65% | 98.65% |
| Dec-07 | 99.48% | 98.61% |
| Jun-08 | 99.83% | 98.31% |
| Dec-08 | 100.00% | 98.55% |
| 09-Jun | 100.0% | 100.00% |
| 'Dec-09 | 99.1% | 100.00% |
| Jun-10 | 88.2% | 94.12% |

**Figure 1**

# Chapter 3

# 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**

| | Jun-07 | Dec-07 | Jun-08 | Dec-08 | Jun-09 | Dec-09 | Jun-10 |
|---|---|---|---|---|---|---|---|
| Weighted | 88.0% | 85.3% | 87.1% | 98.9% | 94.8% | 96.9% | 90.9% |

Although majority members are confident that CESA is addressing their industry needs, the rate has dropped from 96.9% satisfied in the December 2009 survey to 90.9% in the current survey, the lowest rate since the June 2008 survey.

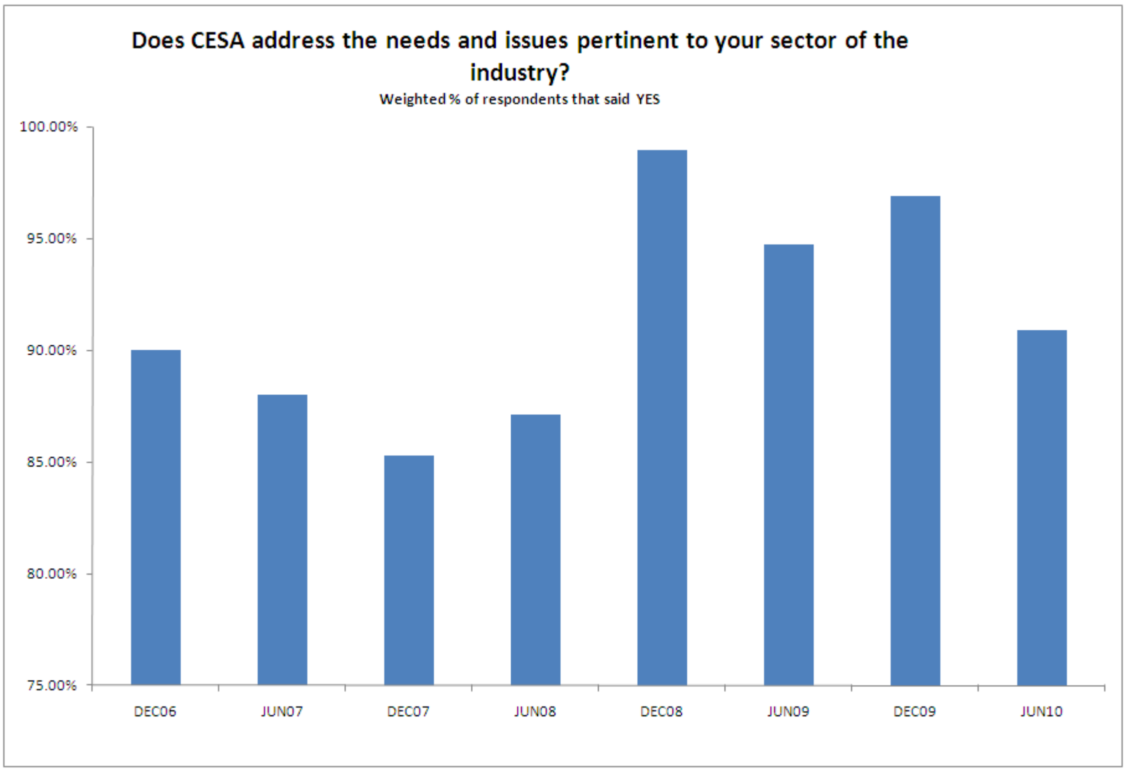



**Figure 2**

*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% |
| June 2009 | 4.9% | 40.3% | 54.8% | 0.1% |
| December 2009 | 2.9% | 74.5% | 22.2% | 0.4% |
| June 2010 | 9.1% | 33.3% | 57.6% | 0.0% |

Although most members continue to be satisfied with the manner in which CESA is addressing their specific sectoral needs, the "higher than" satisfactory rate has dropped from 69% in the December 2008 survey to 22% in the December 2009 survey, but increased to 57,6% in the current survey. There has been an increase in the number of firms that reported the services as unsatisfactory, up to 9,1%, from 2,9% in the Dec-09 survey. With 20 different disciplines in the engineering industry, it is extremely difficult to cater to all the industry needs, especially for the smaller to micro firms. However, CESA has managed to maintain a good overall satisfaction rate.

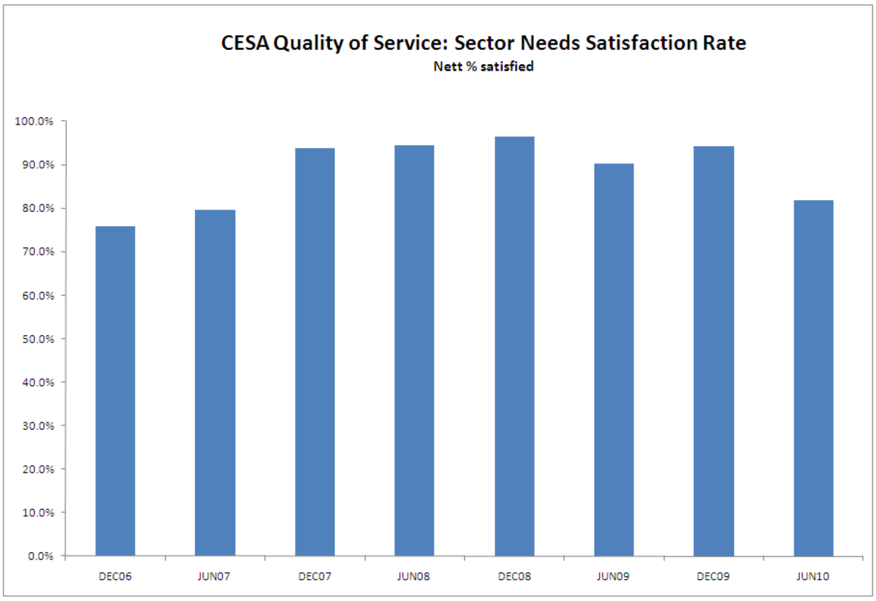



**Figure 3**

Chapter 4

# Suggestions

*Question 4*

*Any suggestions for improvement?*

- Fee scales don't give guidelines for calculating of Green Building Design fees. Functions held at a cost should not be for selling programmes but should be for acquisition of knowledge.
- Interventions with clients and members on excessive fee discounting and the knock on effect on quality of services.
- More attention must please be given to Electrical/Mechanical Sector.
- Kindly provide greater assistance to smaller firms.

No Suggestions or comments were received.

- Every time I try to submit (the questionnaire on-line) the following message is received: "A script on this page is causing Internet Explorer to run slowly. If it continues to run your computer may become unresponsive..... and it does! So now I am forced to print and fax.
- Implementation of a QA system continues to be difficult due to lack of trained staff.
- It takes very long to receive answers on questions or if advice is requested.

Chapter

5

# Conclusion

With a stable record of providing good overall services including those provided by the directorate, CESA faces the challenge to maintain its service level above the satisfactory mark. Adhering to the different needs, which includes catering to the needs of around 20 different disciplines, and with a diverse member base, CESA has accomplished a reliable record thus far. Rapidly changing working conditions may have however affected the demands from members, resulting in a lower rating for overall service in this survey. The needs of smaller firms may still be marginalised to some degree, while a changing environment in terms of demands from clients related to green buildings, may require a faster more proactive approach from CESA The issue of discounting was raised again, and it is clearly expected that CESA should address the potential negative impact of excessive discounting on the quality of services. Tighter cash flow also means the priorities and objectives of functions held by CESA will be under the spotlight and will demand greater "benefits for members.

Tougher working conditions are expected to continue in 2010, as confidence levels have already started to deteriorate. Whilst the outlook is uncertain, it will certainly not be business as usual. The need to address critical strategic issues such as pricing, improved procurement processes, client education, fee scales and greener designs will remain key "value add" contributors to members.