

60 1952  
2012

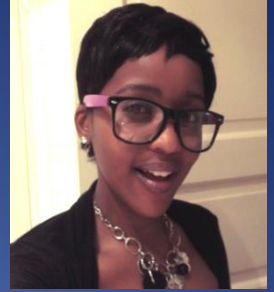
**GAUTENG SOUTH**  
ISSUE 3: 2 June 2014

Celebrating 60 years of Engineering  
Excellence



*SUSTAINABLE  
ENGINEERING*

“We may encounter many defeats, but we must not be defeated” wrote the late Maya Angelou. How fitting a statement when we see the country and engineering industry battling issues such as service delivery protests, strikes by miners, a low standard of education; creating a sustainable industry that has high moral and ethical standards entrenched in its core values, at a time when the country itself is seen to lack the very morals and ethics that we strive towards. It may cause us to feel like we have lost this battle, but it’s at this very time that we need to remain undefeated.



The South Gauteng (SG) region has again been a buzz of activity steadily working our way through, hopefully one day, all of CESA’s 500 member firms, or at least the few that are in the South Gauteng region. When Zitholele and Golder told us that they had opened shop in fancy new offices in Waterfall Park Estate we could not help but get ourselves invited. This showcase grew to become the first ever Great debate to be hosted by CESA YPF. The aim of the great debate was to test the ability of young engineering professionals to think on their feet (the topic was unknown to them until the evening of the event) and to analyse the impact that decisions made by industry leaders have on the industry, the country as well as the African continent. You can read all the arguments made for and against the motion from Pages 3 to 5.

Maya also wrote that if you don’t like something, change it and that if you can’t change it then you should change your attitude rather and not complain. This is what the SAICE Civilution congress set out to achieve, to facilitate dialogue that will evolve the industry. The key, however is to involve the very people who have the power to address our concerns and invoke change. If we fail to do that we become just another whining profession.

The month of April again saw a visit from the president of CESA (Abe Thela) who announced his theme for the year. This year the President focuses on how sustaining our industry is the key to growing our economy, a very interesting topic for all those who attended at the Bytes Centre in Midrand and one which is relevant particularly for our branch as we aim to learn more about the economy later on this year with our talk at the JSE. In an effort to sustain our industry we need to expose learners to the possibility of a career in engineering, which is the aim of the CESA Job Shadow initiative taking place from 1 June to 31 July. Make an effort to adopt a school and make sure you take part. The youth are the future.

Recently, we invaded yet another office and company, Jeffares and Green that we had not worked with before to successfully host about 40 YP’s with presentations from J&G’s very own YP’s who are doing great things. We laud them for their work. Through these successful partnerships we have been able to grow the committee with 4 more members, bringing it to a total of 8. We welcome Shati Phakoane, Adam Bogatsu, Cor Griffioen and Curtis Peens from Themba, Phumaf and SMEC respectively.

We hope that through their invaluable contribution we can grow this branch even further, incite more industry changes and build a strong voice for all the Young Engineering Professionals, and we will, because we refuse to be defeated. - KM

## CONTENTS:

PG

<i>Zitholele/Golder Consulting Great Debate</i> -----	3-6
<i>CESA Presidential Visit</i> -----	7
<i>SAICE Civilution Congress</i> -----	7
<i>Jeffares and Green Showcase</i> -----	8-9
<i>Future Events</i> -----	10-11

## THE GREAT DEBATE AT ZITHOLE/GOLDER CONSULTING:

"Africa is set to grow faster than any other continent in the world. This was picked up early by major international companies who have sought and continually seek to do business in Africa. This has been no different for the Engineering sector. In the past 5 years we have seen a lot of international companies merge and/or take over South African companies, some of which were very successful already in their own right. In the engineering sector, with the battles we face in our procurement process, it has made it easy for these larger firms to take over smaller firms as the smaller firms faced stiff competition in South Africa's current procuring climate."

Industry consolidation continues to shape the competitive environment for engineering firms. The biggest Giants are getting bigger. Which leads to the question, Is this good for our industry?

The 1<sup>st</sup> Inaugural Great Debate hosted by Zitholele Consulting and Golder Associates took place on 26 March 2014 with the motion for the day being:

### **Mergers and Acquisitions are GOOD for the Consulting Engineering sector.**

The debate started with the introduction of the debaters and the judges by the vivacious MC for the evening from Zitholele Consulting , Nevin Rajasakran.

Teams FOR the motion: Mergers and Acquisitions (M&A) are indeed GOOD for the consulting engineering industry and AGAINST the motion: Mergers and Acquisitions are NOT GOOD for the consulting engineering industry were drawn from a hat in front of the audience.

FOR the motion Team	AGAINST the motion Team
Anna Cassa – Golder Ngoni Gandiwa – Phumaf Daniel Cloete – Hatch Goba	Aj Singh – Gibb Adam Bogatsu – Phumaf Simon Chambert – Golder

Both teams made compelling arguments which could have swayed the audience in either direction irrespective of initial stance.

Summary of the "FOR" argument:	Summary of the "AGAINST" argument:
<ul style="list-style-type: none"> <li>· Improves economic viability of companies due to:             <ul style="list-style-type: none"> <li>○ Broadening service offering – leads to conserving jobs on larger scale (companies may not have survived at all without merger) and provides access to experience which may otherwise have been confined to small business.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>· Mergers and acquisitions aren't primarily about two companies coming together with the intention of growing the other company as it has been sold. It is primarily about the self-preservation of the company that initiates the M&amp;A dialogue.</li> </ul>

## THE GREAT DEBATE AT ZITHOLE/GOLDER CONSULTING CONT.:

Summary of the “FOR” argument:	Summary of the “AGAINST” argument:
<ul style="list-style-type: none"> <li>○ Competitiveness in larger markets</li> <li>○ Globalizing – take advantage of currency differences (at the moment – offer cheap services)</li> <li>· African companies that are exploited it is due to their own inability to negotiate for better terms. If we’re as good as we say we are, we won’t be taken advantage of.</li> <li>· The unique “African flavour” won’t be diluted because there will always be a need for it. So, smaller companies must and will continue to spring up so as to fill the market that exists for them. Mergers and acquisitions are a part of the organic growth of companies.</li> </ul>	<ul style="list-style-type: none"> <li>· Yes, capital is increased but M&amp;A's often take place at the cost of the identity of the separate companies.</li> <li>· The smaller companies often lose their identity as they get swallowed up by the larger partner.               <ul style="list-style-type: none"> <li>○ The company name is changed to incorporate that of the larger partner or take over the smaller partner.</li> <li>○ The larger partner's operational structures get enforced on the smaller partner.</li> <li>○ There is less freedom to express and implement ideas or new ways of doing things.</li> </ul> </li> <li>· The success of the company that arises from M&amp;A's does not necessarily trickle down the development of employees. Employees tend to get stuck in a certain department or responsibility and take longer to become exposed to a broader variety of work.</li> <li>· The result of M&amp;A's is often that profit becomes the bottom line, which means that other priorities that might have been held up by the separate companies. Ideas such as the triple bottom line become less important.</li> <li>• The accelerated growth that comes with M&amp;A's is not sustainable. To the point where the only way to make it sustainable is to keep merging and acquiring. When and where does it stop? During this accelerated growth does the success trickle down to the local economy where this growth takes place or does it happen so quickly that there is not depth in terms of lasting development? In most cases, the answer is that there is often no lasting development outside of that of the companies.</li> </ul>



## THE GREAT DEBATE AT ZITHOLE/GOLDER CONSULTING CONT.:

In closing, the “FOR” team closed their argument as follows:

What’s driving this consistent level of merger among firms? For any deal to happen there must be a willing buyer and a willing seller who see a strategic or business fit in the marriage and who can agree on a price. A well-established company will always go for a company that is doing well in its own right. Skilled and motivated acquirers use Mergers and acquisitions as a growth strategy in all aspects of the industry (financial, experience, etc.). This means the big get bigger and the small get “eliminated”.

Whilst the “AGAINST” team closed their argument as follows:

There are many negative aspects about mergers such as people who had built their careers at a particular firm leaving soon after it was sold because they didn’t like the new work environment for various reasons (e.g. too impersonal, too different, too financially focused, or the new parent firm killed the family-friendly culture that they were used to). Contrary to popular belief, we do need the capital to keep our companies alive and profitable as this can be achieved through other forms of partnerships not necessarily through M&As.

The idea of Africa “needing” help to solve its own problems - technical or otherwise - is perpetuated by the Mergers & Acquisitions that are taking place. During colonialism, Africans were being brought up to a higher level of humanity. Now, we are being brought to a higher level of technical ability. The truth is we DO have the skills we need and we CAN come up with our own unique solutions.

In the African context, how many landmark projects will continue to have finger prints of non-African companies? When all is said and done, when the "accelerated growth" has had its way with our continent, will we be able to say that: We built our own continent? Mergers and acquisitions also force the smaller company to adopt the larger company’s procedures and management style, this ends up stifling creativity and growth – due to more international red tape and policies that need to be dealt with.

In conclusion, mergers and acquisitions can be good for the Consulting Engineering sector as they have the potential to make the merged companies more competitive due to increased resources, improved financial standing and reputation, especially if the merging companies have good reputations prior to the merger. However, mergers and acquisitions can have the negative impact of the merged companies losing their individual identity and uniqueness, slow employee development as a result of increased staff with similar skills thus leading to little job satisfaction amongst other things.

In the end however it was the team that was FOR the motion (‘Mergers and Acquisitions are GOOD for the consulting engineering industry) that came up with a more compelling argument as to why Mergers and acquisitions are good for the industry. This team comprising of Dr. Amanda Cassa (Golder), Ngoni Gandiwa (Phumaf) and Daniël Cloete took home the prize winners as the First ever Great Debate Champions. All-in-all, the Inaugural Great Debate was a success with arguments from both teams that kept the audience involved and captivated from the start and set the benchmark for future debates. - EB

## THE GREAT DEBATE AT ZITHOLE/GOLDER CONSULTING CONT.:



The brave debaters (left) of the 1<sup>st</sup> Inaugural Great Debate and judges (right).



Debaters delivering their arguments to the judges and audience



YPF committee members Eliane Balegamire, Erick Mulaudzi (Deputy Chairperson) & Keamogetswe Mmekwa (Chairperson)



Welcome by YPF SG Chairperson, Keamogetswe Mmekwa

## CESA PRESIDENTIAL VISIT:



On the 16<sup>th</sup> of April 2014, CESA held the Gauteng North and South Presidential visit in conjunction with the School of Consulting Engineering (SCE), where a number of YP's were awarded their certificates for completing a course in the Business of Consulting Engineering. The event took place at the Bytes Conference Centre in Midrand.

The guest speaker was Trevor Fowler, City Manager of Johannesburg. His topic was on ***"Steps and Actions towards Joburg 2040 Growth and Development Strategy"***. In short, what is Johannesburg doing to ensure that the city serves the needs of its residents. The 4 major outcomes that the city aims to achieve by 2040 include; improving the quality of life and development, providing a liveable and sustainable urban environment, an inclusive economy and a high performance metropolitan government to name but a few.

The full report can be obtained at the following link:

[http://www.joburg.org.za/index.php?option=com\\_content&id=7343%3Ajoburg-gds-2040-strategy&Itemid=114&limitstart=1](http://www.joburg.org.za/index.php?option=com_content&id=7343%3Ajoburg-gds-2040-strategy&Itemid=114&limitstart=1)

CESA President Abe Thela then gave a presentation on ***"Sustaining Consulting Engineering is Key to Growing the Economy"*** which is the President's theme for this year. This builds on the previous year's theme ***"Sustainability is Everyone's Business"***. The theme addresses the socio-economic context within the consulting engineering industry, the consulting engineering elements in the NDP, provide answers to the question on What government should be doing to enhance the role of consulting engineering to contribute to the realization of the objectives of the NDP. The President's full speech can be found on the link:

<http://www.cesa.co.za/sites/default/files/20140212%20Presidential%20Message%201.pdf>

Finally, we are proud to have listened to a Young Professional Address by Mosa Tsoai, CESA YPF Chairperson, North Gauteng who delivered an interesting presentation titled ***"Sustaining YPs is Key to Growing the future"*** which touched on what companies need to do to attract YPs to choose and to remain within the Consulting Engineering Industry - EM

---

## SAICE CIVILUTION CONGRESS:

In early April SAICE held its first Civilution Congress. The aim of the congress was to motivate engineers from all disciplines to conduct business differently. The aim was also for engineers to play the role of history makers, to bring about transformation, leadership and evolution in our local and global society; through the collaborative effort of communities and government.



The congress saw the attendance of many leaders in business and the engineering fraternity, with the likes of Public Protector Thuli Madonsela, currently regarded as the country's moral compass, uncompromising in her ethics, the Mayor of Ekurhuleni as well as SANRAL CEO Nazir Allie. There were a couple of presentations held on the opening night by Young Professional's such as Wiebke Toussaint, one the leaders at Engineer's without borders, CESA YPF South Gauteng Chair, Phuti Seopa from SAICE's Young Member Panel who got together to form one united voice of Young persons working in the field. All in all, a great event, well organised, but would have had more impact if the government were there to listen to the plight of Engineers. - KM



## JEFFARES AND GREEN SHOWCASE:

Jeffares & Green Johannesburg had their turn to host a CESA YPF Gauteng South company showcase evening on the 15<sup>th</sup> May 2014. The theme for the showcase was “A day in the Life of a Young Professional”. The preparations began weeks in advance where representatives from each department at Jeffares & Green (J&G) were chosen to give a presentation on their respective departments. The volunteers then practiced many times before, honing their presentations and jokes to perfection. On the actual day there was the usual last-minute rush to set everything up in-between work and the event, which went off without a hitch.

With the preparations safely completed, the young professionals at J&G awaited the arrival of the guests. Among the guests were many young professionals from other engineering companies, (some who drove all the way from Pretoria to make it to the event), along with department heads and directors. Paul Olivier, the Johannesburg branch manager began the evening with a presentation about Jeffares & Green. With an impressive audience, the pressure was on, but the young J&G pulled it off without a hitch.



The showcase attendees

The talks were interesting and engaging without being overly technical. Presentations came from the roads, municipal, aquatics and pavement departments as well as the traffic and transportation division and the geotech division. For the roads department, Emma Day spoke about the work behind the detailed geometric design, and mentioned her enjoyment in working in roads due to its challenge and variety of locales. Also presenting for the roads department was Peet Strydom, who spoke about the work and challenges involved in road paint markings and road signs. He mentioned the unexpected level of involvement in road paint markings design, as well as its importance at the end of road construction. For the municipal department Jeremy Peirson spoke about his work in Linbro Park, and the advantage of exposure to a variety of civil engineering disciplines, as well as the importance of



Emma Day gives her presentation

municipal engineering in everyday life. For the pavement department Dr Elsabe van Aswegen spoke about the application of pavement design and the tools used in the trade to analyse the different layers. The doctor also mentioned the interest involved in performing a pavement “autopsy”, and she stressed the importance of logic and not trying to apply a recipe for pavement design. For the traffic and transportation division Thato Mariti spoke about the importance of traffic analyses on new developments, and she spoke more in detail about the Rea Vaya bus system and its effect on access to schools in the Central Johannesburg area. She brought up the importance of traffic analysis and proper transportation and its real-world effect on South African roads.



## JEFFARES AND GREEN SHOWCASE:

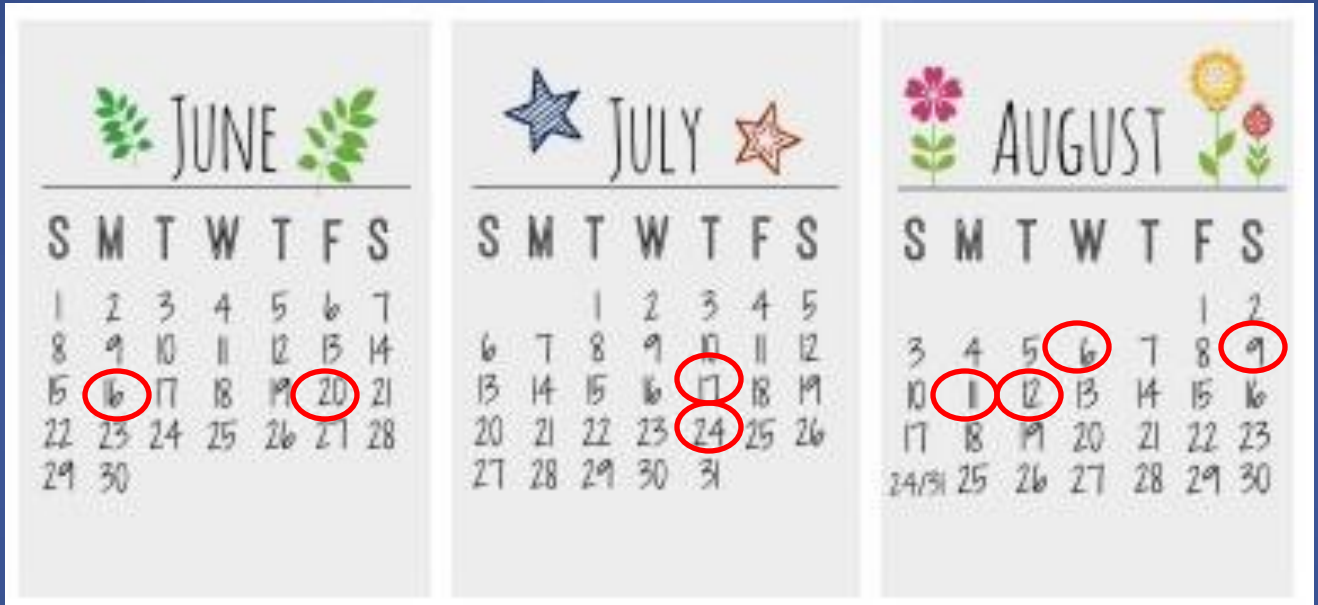
Presenting for the geotech division was Dewald Kruger and he discussed the process of a geotech investigation, from a desk study all the way through to in-site investigations and the potential mishaps that accompany any site work, but finished off on a light-hearted note of all the pros of working in the field. Presenting for the aquatic/environmental department was Dr Martin Ferreira. The doctor spoke about the specifics of analysing water bodies to determine the potential impact of engineering activities, as well as interesting ways to determine the extent and quality of a body of water/wetlands.

- ED



Following the successful talks was a light-hearted evening of conversation and networking amongst the engineering peers along with some refreshments.

Jeffares and Green would like to thank everyone who attended the event and we look forward to meeting you at future CESA events.

JUNE*16 June: Public Holiday (Youth Day)**20 June: School Visit**1-30 June: Job Shadow Month*JULY*17 July: JSE Visit**24 July: Site Visit Elster Metering**1-31 July: Job Shadow Month*AUGUST*6 August: Tax Season Talk**9 August: Public Holiday (National Women's Day)**11 August: CESA Sustainability Imbizo**12 August: CESA AON Excellence Awards***TALK TO US:****TWITTER: @YPFSouthGauteng****FACEBOOK: CESA-YPF****EMAIL: [YPFSouthgauteng@gmail.com](mailto:YPFSouthgauteng@gmail.com)****JOIN YPF: <http://www.cesa.co.za/node/105>**

*"Everything in your life is there as a vehicle for  
your transformation. Use it" – Ram Dass*

## CESA JOB SHADOW:



## Engineering Job Shadowing Initiative and Poster Competition

1 JUNE – 31 JULY 2014

*"A Day in the Life of a Consulting Engineer"*

Consulting Engineers South Africa (CESA) and their Young Professionals Forum (YPF) invite all member firms and schools to participate in the Annual Engineering Job Shadowing Initiative.

**CLICK HERE**  
for more info

**CESA**  
Consulting Engineers South Africa

**YPF**  
Young Professionals Forum  
Consulting Engineers South Africa

All entry forms for the Job Shadow initiative must be in by the **13<sup>th</sup> of June 2014**.