

Insights Consulting Engineers SA – Celebrating 60 Years

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At the forefront of transformation and positive change in the industry

Cesa's decision to create a charter back in 2000 has helped to ensure equitable growth, writes ANDREW GILLINGHAM

CONSULTING Engineers SA (Cesa) was born in 1952 as a collection of individuals who wanted a mechanism through which they could collaborate, network and also foster an environment that was conducive to successful business.

Graham Pirie, CEO of Cesa, says this focus was later emphasised still further when it evolved from a group of individuals to one whose membership was made up of consulting engineering firms.

"Becoming a business organisation in which the firms are the members was a decisive move in the right direction and allowed us to concentrate more on the business component of our industry," says Pirie.

He says Cesa has a proud history of always being at the forefront of driving positive change in the industry, and in 2009 it went through a renaming exercise as it evolved from the South African Association of Consulting Engineers to Cesa.

"Having been founded in

1952, we are celebrating our diamond jubilee, highlighting 60 years of service to the industry."

The strength of Cesa's representation is demonstrated by its membership of about 590 firms which between them account for 80% to 90% of the market in the country.

"Today, nearly all of the large firms and most of the smaller organisations are members," says Pirie.

Cesa initially focused strongly on advocacy, being the industry's voice with its private and public sector clients.

At the same time, SA was facing major challenges, particularly between 1994 and 1995, which presented the

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industry with a change in client bodies as well as a different business climate.

"Although the industry was never a supporter of apartheid, we had to face up to the challenge of having been historically a white male dominated organisation that now wished to communicate with a new set of decision makers," says Pirie.

Cesa has been at the forefront of transformation and it created a charter long before other industries had recognised the need to take this step.

"Our charter was approved and sent out to members in 2000. We were ahead of the game as it was only thereafter that other industry players became 'charter conscious' and industry transformation charters became the topic of the day.

"Closer co-operation was initiated with kindred associations in the built environment, including the South African Federation of Civil Engineering Contractors, the South African Black Technical and Allied Careers Association, the Association of South African Quantity Surveyors and the South African Institute of Architects.

"This group of organisations



Graham Pirie ... proud history.

provided a platform for discussion around a specific industry charter and began more than six years of intensive lobbying and negotiations with organised labour and the government. The culmination was promulgation under Section 9 of the BBBEE Act of the Construction Sector Codes of Good Practice and Scorecard, providing at last a realistic and relevant measure of broad-based black economic empowerment in engineering and construction.

"The signing of the charter bound all involved in construction activities to meet

specified transformation targets and to ensure equitable growth and democratisation of the industry. In the management of Cesa itself, more than half the staff are black, and two-thirds of the staff positions are occupied by women," he says.

In response to the new environment, challenges and opportunities, in 2002 Cesa established its school of consulting engineering which focuses on developing the business skills that engineers need to be successful.

The launch was modest with a number of one-day courses offered in Johannesburg on topics relevant to the consulting engineer. However, the school's programme soon grew to more than 50 courses countrywide, and by the end of last year it was generating a turnover of R5m a year.

"We launched the Business

of Consulting Engineering Certificate Programme this year and the programme is designed to equip future leaders in the business and management of consulting engineering companies.

"We will be following up with the more advanced Certificate in the Management of Consulting Engineering next year.

"In a country short on skills and with an ageing engineer population, these courses will go a long way to ensuring skills development and the retention of skills within the consulting industry," says Pirie.

The school also trains personnel from the industry's clients. Cesa also set up the International Business Development Platform, which later evolved into Built Environment Professions Export Council (Bepec), a cross-profession body that includes all the disciplines such as architects, quantity surveyors and engineers who are involved in the built environment.

"Bepec focuses mainly on opportunities in the rest of Africa, with a particular emphasis on work done by Nepal and the African Union in terms of Africa's future development," says Pirie.

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Having a strong sense of ethics leads to success

ETHICS and integrity are the fundamental cornerstones on which SA's economy needs to be built and fighting corruption is essential for healthy, sustainable economic growth.

Naren Bhojaram, president of Consulting Engineers SA (Cesa), says when it comes to ethics and transparency, SA ranks 4.1 out of 10 on Transparency International's index (zero being the worst and 10 being the best), showing that there is much room for improvement.

"As a consequence, people are often sceptical about investing in this country as we are not showing ourselves as being particularly trustworthy and we are on the back foot when it comes to attracting direct foreign investment," says Bhojaram.

He says ethics and integrity have a direct influence on the environment in which consulting engineers operate.

The projects on which consulting engineers are employed have an impact on the society they serve. Not only are health and safety paramount but, given the limited resources that can be allocated, projects must also be cost effective. All South Africans unknowingly rely on this country's community of engineers and their ethics and integrity.

"The influence consulting engineers have on each project is significant and while our fees might be 10%-12% of the initial project value, over the life cycle cost of the project those fees are about 2%.

"Therefore, the consulting engineers' work must be optimised right from the

beginning. The work we do is based on our professional qualifications, experience and our code of conduct and we have to design and oversee projects that are built to perform," says Bhojaram.

He says corruption leeches away resources that should go into SA's infrastructure projects.

"Policies are in place throughout the private and public sectors, but business integrity issues still arise as each person has his or her own ethical balance and people often allow themselves to justify their actions."

Cesa has a zero-tolerance policy with regard to corruption and it is a condition of Cesa membership that firms abide by its code of conduct.

A key element of the code of conduct is Cesa's business integrity management system developed by the International Federation of Consulting Engineers. The system provides some high level do's and don'ts and looks at internal and external issues, such as the manner in which firms bill for their time and their working relationships with clients.

"Our system provides our members with objective guidance that warns them when they might be stepping over the line," says Bhojaram.

Turning to the progress SA is making in developing fair and honest public sector procurement processes, he says SA has come a long way, but some areas still need work.

For example, the government has gone a long way in separating powers and functions in local government with tender and bid evaluation committees. However, the committees are made up of local authority employees and in some cases they do not have sufficient knowledge and experience to carry out their evaluation tasks.

"As a result, some committees end up being quite weak and open to outside influence and business integrity issues continue to occur.

"On other hand, there are municipalities, government departments and parastatals that have strong committees with good financial, technical and legal skills and expertise and their decision making is of a high quality."

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Raft of obstacles hamper infrastructure creation

VISION 2030, developed by former finance minister Trevor Manuel's planning commission, is dependent on a solid infrastructural foundation to develop the economy, create jobs and reduce poverty.

The government's New Growth Path also recognises the role infrastructure will play in SA's future development, and it outlines 17 national strategic infrastructure projects.

Creating the necessary infrastructure is a test for the whole country and facilitating the creation of this infrastructure is the challenge facing SA's consulting engineers.

Graham Pirie, CEO of Consulting Engineers SA (Cesa), says: "The ingredients are there and we see a great future for the industry. But there are obstacles

and bottlenecks as well as friction in the system that need to be addressed, mainly related to a lack of internal capacity in government, particularly at a local municipal level.

"Often key decision makers do not have the capacity to engage with us, make the best use of our services, ensure delivery and understand the process of development.

"Other challenges include ensuring integrity and eliminating corruption; making an appropriate quality weighting in all tenders so that professional skills do not become commoditised; the continuing process of transformation in our industry; and creating a separate procurement channel through legislation for built environment services," says Pirie.

He says the industry really needs policy certainty from the government so that it is able to make investments in its businesses and its people.

Another obstacle is an atmosphere of distrust that seems to exist between the government and the private sector as a whole.

"Achieving the goals we have for this country means that we have to all work harder to nurture a spirit of trust so we can develop strong relationships and partnerships.

"The industry has the skills and capacity that is often lacking at a public sector level and, by working together, we can ensure delivery.

"The government is in the position of being able to create the framework, environment

and policy certainty for business to flourish."

Cesa is acting on its desire to develop stronger ties throughout the public and private sectors and it is making greater use of the media as a vehicle to communicate with all stakeholders.

"We are seeking to create awareness within the government that our industry is one of the major infrastructure development players and that together we can help each other to develop viable infrastructure solutions and ensure delivery," says Pirie.

He says Africa is widely recognised as the next big development opportunity. As companies move across the continent to open up its abundant resources so spinoff

development takes place across a wider spectrum of activity.

Mining houses are not the only ones interested in Africa. The continent's 1-billion consumers are proving attractive to a wide range of consumer companies interested in selling their products and services into what is a larger undertraded market.

"As South African businesses, what is good for Africa is good for us. We will all benefit if we can open up the continent through proposed development corridors, raise the standard of living and create markets.

"SA stands to gain significantly from the growth that will follow, and our industry is well positioned to play a key role in this development path," says Pirie.

He says feedback from Cesa's members is that while there are risks, increasingly it is easier doing business elsewhere in Africa.

"The local slowdown is serving to focus more interest across our borders," he says.

Naren Bhojaram, president of Cesa, says that SA, along with other nations around the world, faces the challenges of increasing stress on the supply of potable water as well as ensuring both food and energy security for its citizens.

"How we deliver those services will change fundamentally. Cesa and its members need to be on the cutting edge of change so that we can thrive in this rapidly evolving market," says Bhojaram.

CESA

GOBA ENGINEERING

GOBA congratulates CESA and member colleagues on reaching this important milestone of 60 years. GOBA has been a proud member of CESA since 1952 and has been involved first-hand in many achievements that CESA is celebrating as part of its Diamond Jubilee this year.

We have been at the forefront of transformation and use of opportunities within the industry especially since the merger of Goba Masholi and Keeve Steyn Inc. Through its founding companies therefore GOBA carries its own proud heritage of 60 years of success in the industry.

Rooted in this proud history GOBA continues to evolve and to ensure that we provide sustainable solutions to our clients and to create an enabling environment for our staff and stakeholders.

As we continue on our journey, we look forward to celebrating many more positive changes in our industry driven by this "Voice of Consulting Engineering" - CESA.

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- Q** Quality
- U** Ubuntu
- I** Integrity
- P** Professionalism

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Reward for those who stand out

THE Cesa Aon Engineering Excellence Awards is a celebration of innovation, quality, outstanding workmanship and professionalism. Cesa proudly hosts this annual event as a platform to showcase the outstanding achievements of its member organisations. The awards focus on consulting engineers and their clients who participate in or initiate projects that promote the advancement of the nation and the people of the continent. This year's ceremony will take place at The Dome, Vodacom World, Midrand, on August 15.

Some of last year's winners included:

Best International Project: BKS, for the Omdurman water treatment works for Biwater.

Projects Less than R50m: SSI Engineers and Environmental Consultants for the Blackburn pedestrian bridge for Sanral.

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