

# The Challenge for Consultants in Developing Economies

## WORKSHOP NO. 3

**“To understand the challenges facing consultants,  
come and visit the Cradle of Humankind”**



# The Challenge for Consultants in Developing Economies

- Introduction
- Developing Economies
- Assumptions about consulting engineers
- Business development
- Operational risks
- Growth and sustainability
- Financial risks
- Key challenges
- Examples of Professional Associations
- Meeting the challenges
- Conclusion



# The Challenge for Consultants in Developing Economies

**ROAD K146, KATLEHONG**



**MAPHIKE ROAD**



**MOOKI STREET: ORLANDO EAST AND KLIPSPRUIT SIDE**



**ZOLA,  
PIMVILLE/KLIPSPRUIT  
AND NALEDI, SOWETO**

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## PLANNING & DESIGN & GUIDELINES FOR PUBLIC TRANSPORT INTERCHANGE IN GAUTENG

GAUTENG DEPARTMENT OF HOUSING 7TH ALL AFRICA GAMES ATHLETES' VILLAGE



Joburg

INTEGRATED TRANSPORT PLAN  
2003/2008



ESIKHAWINI HOUSES,  
FLATS & HOSTELS

CITY OF JOHANNESBURG -  
ROSEBANK TAXI RANK

FIDIC 2004



goba moahloli keeve steyn  
consulting engineers & project managers (pty) ltd

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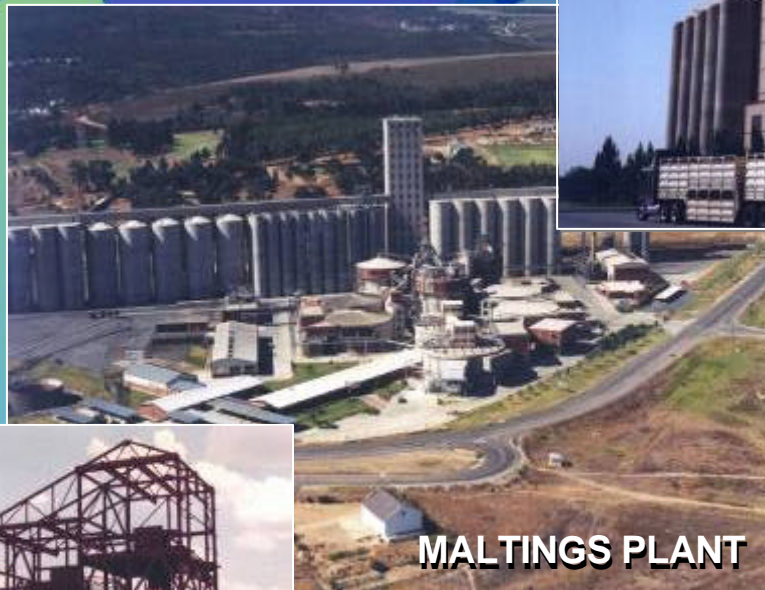
**STACKER/RECLAIMER**



**CRUSHER**



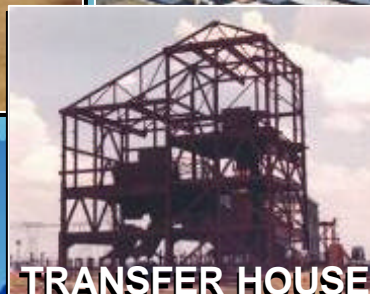
**RAIL WAGON TIPPLER**



**MALTINGS PLANT**



**WHEAT MILL**

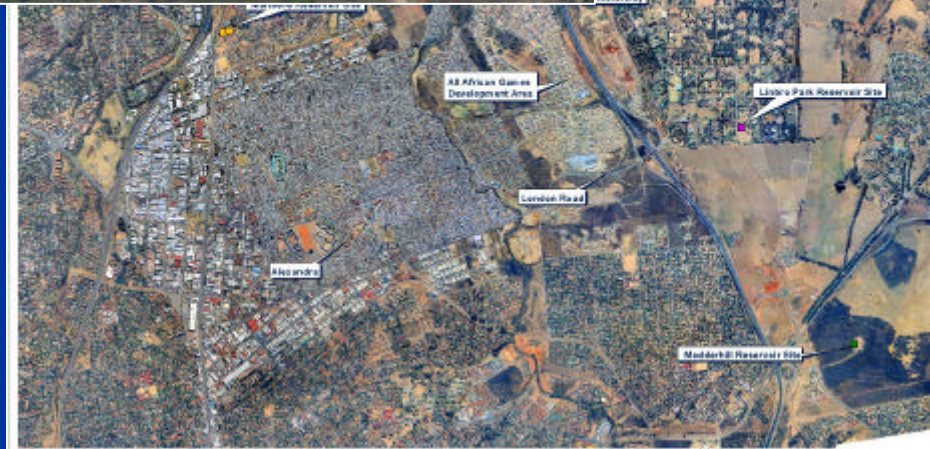


**TRANSFER HOUSE**



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## AGUGA DAM, SWAZILAND



## CITY OF JOHANNESBURG - ALEXANDRA RENEWAL PROJECT : BULK WATER SUPPLY INVESTIGATION

## DURBAN METRO WATER SERVICES - WATER SERVICES DEVELOPMENT PLAN



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**NELSON MANDELA BRIDGE**



**M1/CARR ST INTERCHANGE**



**NANDI DRIVE  
INTERCHANGE  
KWAZULU- NATAL**



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## Map of SA





# The Challenge for Consultants in Developing Economies

## ASSUMPTIONS ABOUT CONSULTING ENGINEERS

- capability
- “successful image”
- high fees
- professionalism
- different interests



# The Challenge for Consultants in Developing Economies

## **BUSINESS DEVELOPMENT**

- **Procurement policies**
  - **Legal framework**
  - **Political risks**
  - **Economic risks**
  - **Client's own abilities**
- **Competition**



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## **OPERATIONAL RISKS**

- **Staffing and structuring of one's company**
- **IT (Hardware, Proman, ACCPAC, Autocad, Prokon, etc)**
- **Quality management**
- **Performance monitoring and action**



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## **GROWTH AND SUSTAINABILITY**

- **Policies and procedures**
- **HR skills development - / appraisals**
- **Potential staff**
- **Empowerment**



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## FINANCIAL RISKS

- Own capital
- Borrowings
- Fees, WIP
- Debtor
- Creditors



# The Challenge for Consultants in Developing Economies

## KEY CHALLENGES

### 1. Normal challenges

- Staffing
- Fees
- Financing turnover
- Financing staff and IT

### 2. Environmental challenges

- Poor client capacities and capabilities
- Lack of transparent procedures
- Lack of fair competition



# The Challenge for Consultants in Developing Economies

## EXAMPLES OF PROFESSIONAL ASSOCIATIONS

### Voluntary Associations (individual members) (e.g. SAICE, SAIEE, SAAE etc)

- Professional and ethical matters
- Relations with other bodies
- Career guidance
- Social events
- Journals and magazines
- Policy influence
- Capacity building programmes
- Encouraging excellence

### FIDIC members (Company/Association membership) (e.g. SAAE, GAMA)

- Code of Conduct
- Client liaison
- Marketing
- Policy influence
- Guidelines for fees, selection of consultant
- Encouraging excellence
- Identifying opportunities
- Professional Indemnity Insurance

### Legislated Councils (Appointed individuals) (e.g. ECSA, CBE)

- Professional registration
- Legal matters
- Investigations
- Guideline International recognition of qualifications
- Engineers Mobility Forum
- Fees
- Generation of standards
- Accreditation of tertiary educational programmes



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## MEETING THE CHALLENGES

- **Institutional capacity building**
- **Investment in education and training**
- **Skills transfer**
- **Performance benchmarking**





# The Challenge for Consultants in Developing Economies

## CONCLUSION

- **Developing economies will see huge change**
- **Opportunities for winning contracts**
- **Business opportunities and rewards for the long term**



# The Challenge for Consultants in Developing Economies

## Issues for Workshop Discussions:

1. How have various firms dealt with the various challenges? During tender stage, and post tender?
2. How can local and foreign firms cooperate for long term mutual benefits?



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## Issues for Workshop Discussions (contd)

3. How successfully have firms worked in Joint Ventures or through sub consultancy agreements and how equitably did they share risks?
4. How can local and foreign firms act jointly on lack of transparency and unfair competition?

