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#FIDIC_GAMA2018

**Development of the Consulting industry in
Africa – Professional and Business Imperatives**

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"ALIGNING THE CONSULTING ENGINEER'S ROLE TO THE
VISION OF AFRICA'S INFRASTRUCTURE DEVELOPMENT "



Development of the Consulting industry in Africa – Professional and Business Imperatives



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- **The Consulting Industry in the GAMA region cannot be said to be in its infancy. Within GAMA**
- **SAACE is over 65 years**
- **ACEZ is over 58 year**
- **ACEN is over 45 year**
- **Performance with respect to Project Delivery been variable but not always consistent**
- **Sustainable Growth and Profitability of Consulting Firms has been less so.**

Ability to compete in the Global Business Environment has been limited.



Size Matters

Why have firms remained relatively small?

- **Varied and Multifarious**
- **Driven by External and Internal Forces**
- **External Forces:**
 - **Lack of Government Patronage**
 - **Poor Remuneration from Clients**
 - **Reluctance to use of National Consultants**
- **Internal Forces**
 - **Self Inflicted?**



Internal Forces

We can blame others but have we not failed for not having focused on:

- **Forward/Succession Planning**
- **Deliberate Efforts at Business Development**
- **Deliberate evolution of Internal Governance Guidelines**

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MA	<5	6 - 10	11 - 25	26 - 50	51 – 100	> 100	Total
GCEA	3	7	4	3	2	1	20
SUDAN *			1				1
ACEN	58	103	114	39	7	1	322

* This response is not very clear

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- **Majority of firms have less than 25 employees**
- **Most firms despite, their size, try to offer a wide variety of services, rather than specialise in specific areas and grow specific skills**
- **Ability to take on more than a few commissions is hampered due to lack of human and material resources**
- **Consequently unable to devote the time and resources required to grow Human, Professional and Economic Capacity**



This is the Conundrum

- **Small Firms can't afford the time or Resources to train Juniors. They are too busy worrying about Project delivery and chasing Fees.**
- **Lack of adequate and constant training means human resources are not being groomed in order to be part of the growth of the firm and also to compete with larger firms**

A Suggestion

- Small firms may choose to work together on a case by case basis
- Look at mergers and/or acquisition of smaller firms to build bigger one.
- The aim should be to grow firms that will be able to deploy the resources that will enable them handle bigger and more complex projects and engender an organic growth of capacity.



Business Growth

- A more complex issue is how we develop our firms into viable businesses.
- Principals tend to be responsible for general management, marketing and Business Development Efforts
- Is this why many firms have not grown beyond the level that the Original owner(s) are able to achieve?
- There is only so much that only or two persons can do.

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- **A big issues that has affected growth in the industry has been the lack of institutional processes to guide business integrity**
- **This would have engendered a more responsive governance structure and enhance the prosperity and viability of the firms in the industry.**
- **The ability to build effective structures that will enhance Governance issues cannot be over-emphasized.**



YPF Empowerment

- **Young Engineers are hardly involved in the general management of firms**
- **Many feel that the path to promotion is:**
 - **Do a great job on projects**
 - **Liaise internally and externally with other members of a design team**
 - **Hone their skills in solving projects' problems**
 - **Be able to communicate clearly with and dazzle Clients.**

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- Many feel that they are not expected to focus on securing Client work and would generally ignore business development efforts.
- This is a failure of the company and would demonstrate a failure of the leadership in growing successors.
- A clear vision of long term goals of the firm is needed and the needs to be propagated throughout the firm.

One way of bringing the business interests of the firm into focus is going through an ISO Certification process.



Conclusion

- **Growing the Consulting Industry in Africa needs urgent attention**
- **We can enhance our ability to overcome external forces by ensuring that we overcome the internal forces that hold us down.**
- **We must ensure that we acquire the knowledge required to be competitive**
- **Build structures that will ensure that all members of staff are involved, to the best of their capabilities, in managing the Business aspects of the firm.**

Thank you

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