



SAFCEC

READY TO DELIVER

SAFCEC Industry Indaba

**ISO9001
CERTIFIED**

31 October 2024

Programme



Time	Item	Presenter
10.00 am	Opening	Mr. Dave McIntosh – Programme Director/EC Regional Manager
10.05 am	Welcome	Ms. Marina Dumakude – SAFCEC President
10.15 am	Status of Industry	Ms. Elsie Snyman – Industry Insight CEO
10.55 am	Feedback – Meeting with the Minister	Mr. Rudolf Murray – Acting Finance Manager/WC Regional Manager
11.15 am	Status of the Organisation and Turnaround Strategy	Mr. Andile Zondi – Acting CEO/KZN Regional Manager
12.00 pm	Questions & Answers	
12.30 pm	Constitutional Amendments	Mr. Rudolf Murray – Acting Finance Manager/WC Regional Manager
13.00 pm	Way Forward / National AGM	Mr. Andile Zondi – Acting CEO/KZN Regional Manager
13.25 pm	Closing Remarks	Mr. Sakkie Hartman – SAFCEC Deputy President



SAFCEC

Feedback – Meeting with the National Minister of Public Works and Infrastructure

presentation by Acting Finance Manager, Rudolf Murray

Background



- ❑ Meeting requested by Industry Role Players and facilitated by SAFCEC
- ❑ Not much time to prepare
- ❑ Took place at the Capital Hotel in Cape Town on 16 October 2024

Participating Industry Stakeholders

- ❑ Master Builders SA (MBSA)
- ❑ Master Builders WC (MBWC)
- ❑ Consulting Engineers South Africa (CESA)
- ❑ Black Business Council in the Built Environment (BBCBE)
- ❑ Bargaining Council for the Civil Engineering Industry (BCCEI)
- ❑ Tirisano Trust
- ❑ The South African Forum of Civil Engineering Contractors (SAFCEC)
- ❑ Western Cape Property Development Forum (WCPDF)

Programme of the Day

- ❑ Welcome and purpose – SAFCEC President Marina Dumakude
- ❑ SAFCEC Turnaround Strategy and State of the Industry – SAFCEC Acting CEO Andile Zondi
- ❑ Industry Transformation – Charles Wright - CSCC
- ❑ Industry Concerns - BBCBE President Bafana Dube
 - ❖ Foreign Construction Companies
 - ❖ 30 % Targeted Spend
 - ❖ Delays in Project Implementation

Programme of the Day Cont ...

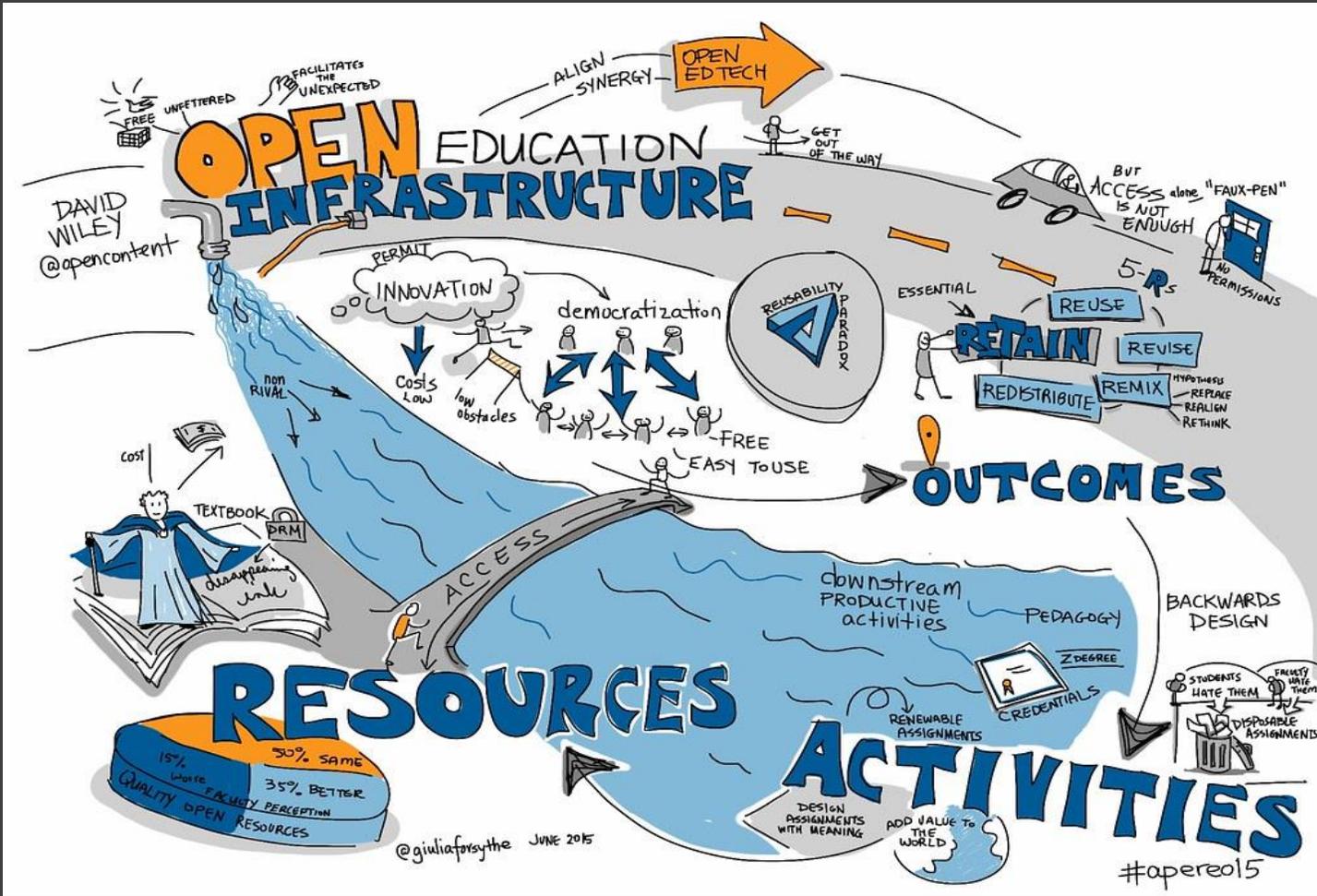
- Public Procurement – Francis Chemaly - H & I Construction
 - ❖ Uncertainty in the market
 - ❖ Unintended consequences of Legislation

- Job creation in Construction Industry – Werner Jerling -ASLA Construction
 - ❖ Challenges
 - ❖ Short term and long-term solutions

Closing remarks by Minister Dean McPherson



- ❑ Welcomed invitation and meeting with Industry
- ❑ Would want future engagements
- ❑ Acknowledged challenges facing Industry – amongst which extortion and the 30% set aside
- ❑ Wanted to see solutions
- ❑ Sustainable Industry of great importance
- ❑ Partnerships – also with foreign Contractors – part of the future
- ❑ Wished to see the Country as one large Construction site



Thank You



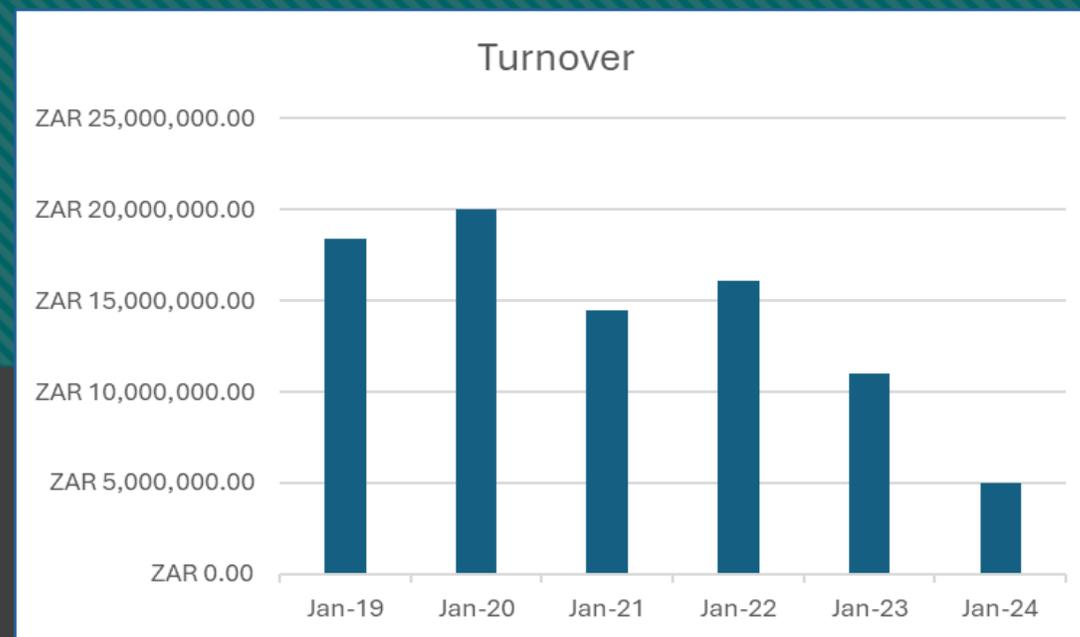
SAFCEC

SAFCEC Status update

presentation by Acting CEO, Andile Zondi

The Current Status

- Membership Exodus: 450 in 2015, 320 in 2020, 148 in 2024
- Financial Decline: R20million in 2020, R16million in 2022, R4,99million in 2024
- Industry Sentiment: “What is the value of SAFCEC?”
- Leadership Void:



The Challenges

Membership Decline

- 54% Membership drop from 2020 to 2024
- Growing gap between Industry needs & SAFCEC offerings results in member disengagement and withdrawals
- Members perceive SAFCEC as no longer providing adequate value in advocacy, training, or industry support
- Previous leadership acted against the better interest of the Members and Industry.
- Industry competitors like CEOSA became attractive to Members.

Offer more tailored or cost-effective services.



The Challenges..

Internal Inefficiencies

- Poor leadership = SAFCEC's failure to service its members.
- Outdated organizational structures, processes, resources
- Lack of responsiveness to industry changes.



Reputation & Advocacy

- Lost traction with key stakeholders
- Limited influence in policy and securing project pipelines for the industry.



The Challenges..

Economic Pressures

- Civil Engineering sector has been severely impacted by reduced government infrastructure spending, economic stagnation, and global supply chain disruptions.
- Small to medium sized contractors either going out of business or merging with larger firms.
- These factors led to reduced demand for SAFCEC's services and support.



Goals of the Turnaround Strategy



- ❑ **Financial Stability:** Boosting Revenue through Membership Growth.
- ❑ **Revenue Diversification:** Partnerships, Training, Sponsorships, and Grants.
- ❑ **Operational Efficiency:** Reducing costs, Streamlining Operations,
Upgrading Technology.
- ❑ **Enhanced Advocacy and Industry Leadership.**



Strategic Initiatives

Key Initiatives for Change



Membership Revitalization:
Targeted Marketing, Referral Programs, Fee Structure Reviews.



Revenue Diversification: New Fee-based Services, Industry Reports, Sponsorships.



Operational Restructuring:
Cost-cutting Measures, Technology Upgrades, KPI's.

Communication Plan

Engaging Members and Stakeholders

- ❑ Internal and External Communication Strategies to keep Members and Staff Informed.
- ❑ Key Messaging to Rebuild Trust and Ensure Transparency.
- ❑ Feedback Mechanisms to Ensure Responsiveness to Member needs



Risk Management Plan

Managing Potential Risk

- ❑ **Member Attrition:** Retention Campaigns and Proactive Communication.
- ❑ **Resistance to Changes:** Stakeholder Engagement, Gradual Fee Adjustments.
- ❑ **Operational Disruptions:** Phased Restructuring, Staff Training.



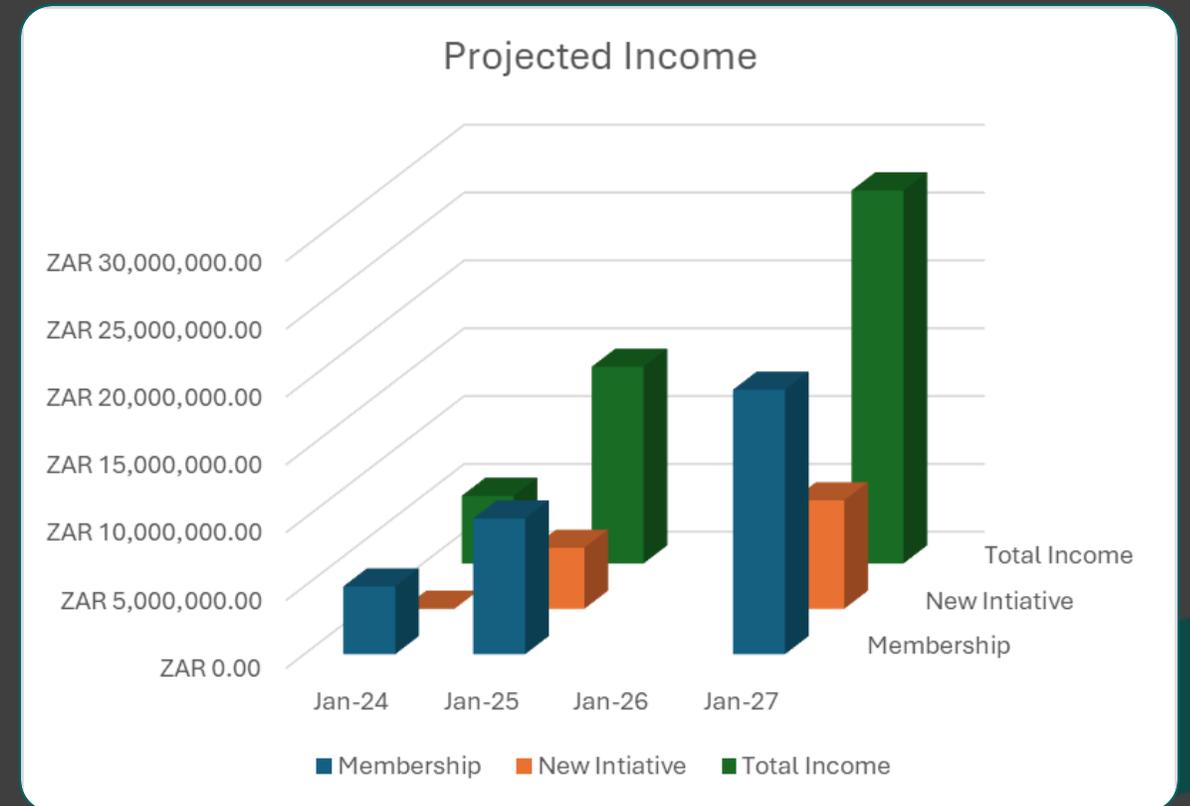
Financial Projections

Financial Roadmap

Revenue Growth Projections:

- ❖ 2025: Turnover = R10M
- ❖ 2027: Turnover = R27.5M

Expense Management: Operational Efficiency & Reduced Operating Costs.



Implementation Plan



Action Plan and Timeline

- ❑ **Timelines:** Phases for Membership Growth, Revenue Diversification, and Operational Restructuring.
- ❑ **Roles and Responsibilities:** Clear Accountability for each Team.
- ❑ **Monitoring and KPIs:** Regular Evaluation to Track Progress.

Conclusion and Next Steps



Path to a Stronger SAFCEC

- Reaffirm Commitment to Members and Industry.
- Immediate actions: Membership Campaigns, Partnerships, and Technology Upgrades.
- SAFCEC is ready to reclaim our Position of Leading Industry Body in Civil Construction



Thank you

Together we can build an inclusive industry body, which is humanised, harmonised and democratised

#ReadyTo Deliver



SAFCEC

Q&A





SAFCEC

Proposed Amendments to the Constitution

presentation by Acting Finance Manager, Rudolf Murray

Background



- 2024 - SAFCEC is 85 years old
- SAFCEC Constitution is the guiding principle on which the organization is built

Previous Amendments



- 2 November 1998
- 26 July 2001
- 17 October 2011
- 15 October 2012
- 14 October 2013
- 25 October 2022

Reasons for Amendments

- Modernizing and streamlining
- Contentious previous amendments e.g., Clause 7.2.4 in 2022 Constitution granting CEO and Executives full rights as Council Members

Proposed Process to Follow

- Request written input and suggestions from Members
- Present and deliberate at forthcoming AGM
- Put to a vote
- Submit to Registrar for ratification

Thank you



ACEO/KZN Branch Manager
Andile Zondi



PA
Martha Gaeje



WC Branch Manager/AFM
Rudolf Murray



EC Branch Manager
Dave McIntosh



National Advisor/HR
Dazerene Du Plessis



WC SHERQ Advisor
Lalie Louw

#ReadyTo Deliver



EC Administrator
Jane Murcott



KZN Administrator
Shamila Moodley



NB Administrator
Brenda Gogwana



WC Administrator
Marion Mathews



Tender Administrator
Cleo Letshwenyo



KZN SHERQ Advisor
Marilyn August

Together we can build an inclusive industry body, which is humanised, harmonised and democratised