

TOOLBOX: Improving financial stability

The challenge

A key challenge for professional engineering institutions (PEIs) in sub-Saharan Africa (SSA) is **securing financial resources** to implement activities, pay staff salaries, and achieve financial sustainability. Most PEIs do not receive public funding. They rely on membership fees, which are volatile, especially given the recent economic recessions in some SSA countries. Further, many graduates and engineers **do not see the benefits of becoming PEI members**.

Initiatives

Besides controlling costs and ensuring that planned activities reflect the resources available, diversifying income sources has proved to be the most successful way to achieve financial stability. Below you will find some of the approaches adopted by PEIs in SSA to diversify revenue sources.

Create a for-profit company

PEIs establish a dedicated company to run e-commerce and outreach activities

Outcomes: increased revenue from sales of branded products

PEIs: South African Institution of Civil Engineering



Grow membership base

PEIs encourage professional registration by improving membership benefits

Outcomes: increased revenue from membership fees

PEIs: Institution of Engineers of Kenya, Consulting Engineers South Africa, South African Institution of Civil Engineering, Institution of Engineers Tanzania



Organise courses and events

PEIs hold high-quality, internationally-recognised courses and events

Outcomes: increased revenue from attendance fees

PEIs: South African Institution of Civil Engineering, Association of Consulting Engineers of Kenya, South African Institute of Electrical Engineers



Attract external funding

PEIs strengthen relationships with government, donors, and companies

Outcomes: increased funding for projects and events

PEIs: Institution of Engineers of Kenya, South African Institution of Civil Engineering, Zimbabwe Institution of Engineers, Institution of Engineers Tanzania



Case study: How the South African Institution of Civil Engineering (SAICE) diversified its revenue streams


SAICE has created a for-profit company that manages the sales of books, for example, manuals providing guidelines for different kinds of contract work; history books relevant to the sector, etc.), and the organisation of training courses and events. It also **builds partnerships with companies** interested in sponsoring SAICE's activities and advertises SAICE's events on the SAICE website, which is used for e-commerce. A **public relations team conducts outreach activities** to ensure that the wider audience is aware of SAICE's offer. To update and improve the organisation's activities according to members' preferences and feedback and increase sales, the team regularly disseminates customer satisfaction surveys to SAICE members. A third of SAICE revenue now comes from the activities of SAICE's for-profit company.

Success factors and achievements

For each category of interventions, the table below identifies the implementation challenges and the success factors for these interventions. The table also highlights some of the strongest achievements.

| Interventions | Challenges | Success factors | Examples and achievements |
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| <p>Dedicated company running e-commerce</p>  | <ul style="list-style-type: none"> → Identifying products that members are interested in → Constantly improving the offer based on members' needs → Setting up a dedicated team focused on improving and marketing the offer | <ul style="list-style-type: none"> → Establishing a public relations team responsible for outreach activities, including social media strategy, newsletter, and publications → Regularly collect feedback from members (for example, via surveys) to gather their views on the current offer and how to expand it → Engaging with national and international experts to keep the offer up to date and attractive → Setting up a consultancy and advisory arm to offer additional paid services to members | <ul style="list-style-type: none"> → Kenya – Institution of Engineers of Kenya (IEK): 2019–2023 Strategic Plan The document sets out IEK's plans to further develop its revenue streams. The plan focuses on growing the membership base and income from conferences, but also on requiring a subscription fee for the Kenya Engineer magazine. The publication is currently paid for by IEK and is freely accessible online. IEK is considering leveraging public financial support from relevant ministries to reinvest in the magazine. IEK is also planning to set up an online shop for IEK merchandise and publications. Other plans include creating a peer-reviewed technical publication showcasing best engineering practice from industry and setting up an IEK consultancy and advisory arm. → South Africa – South African Institution of Civil Engineering: Bookshop See case study on page 1 |
| <p>Growing the membership base</p>  | <ul style="list-style-type: none"> → Low visibility of PEIs among potential members → Making membership attractive | <ul style="list-style-type: none"> → Offering discounts on books, publications, and training courses → Offering mentorship and networking opportunities → Regularly collecting feedback from members to gauge their needs | <ul style="list-style-type: none"> → Kenya – Institution of Engineers of Kenya (IEK): 2019–2023 Strategic Plan As outlined above, IEK is planning to attract new members and increase the retention of existing members by improving its membership benefits. → South Africa – South African Institution of Civil Engineering (SAICE): Discounts for members SAICE has been successful in increasing its membership base by offering discounts on products, such as books, training sessions, and member-only events. As mentioned above, the Public Relations team regularly collect feedback from members through customer satisfaction surveys, to update the offer to reflect members' interests and needs. → South Africa – Consulting Engineers South Africa (CESA): Diverse benefits for members CESA's membership benefits include: consulting and advisory services, provision of information about national and international business opportunities, access to a database where members can find potential partners or recruits, a repository of practice notes, and mentoring and networking opportunities for young graduates. CESA's offer is continuously growing and has helped the organisation to secure a substantial list of loyal members. |

| Interventions | Challenges | Success factors | Examples and achievements |
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| <p>Paid courses and events</p>  | <ul style="list-style-type: none"> → Obtaining international accreditation can be complicated and expensive → Venue costs, transport allowance, and international speakers can be costly | <ul style="list-style-type: none"> → Gaining international accreditation to improve reputation and credibility → Securing national and international speakers from different backgrounds → Online tools offer cheaper ways to hold courses and reach a wider audience → Debates, competitions and networking opportunities make courses and events more attractive → Focusing on a range of topics, including technical and soft skills, and targeting both the young and adult audience | <ul style="list-style-type: none"> → Kenya – Association of Consulting Engineers of Kenya (ACEK): Accreditation from the International Federation of Consulting Engineers (FIDIC) ACEK is an accredited provider of FIDIC training, which has helped it grow its reputation for professional expertise, offer a valuable service to members, and strengthen its finances. Since 2012, ACEK has been organising FIDIC contract training modules on different subjects, which has been an additional source of revenue for the organisation. → South Africa – South African Institution of Civil Engineering (SAICE): Awards and Civil Talks The number of SAICE's paid events has increased over the past years, and attracted growing participation from members. For example, the institution organises the Industrial Awards at the regional and national levels. SAICE also organises the 'Civil Talks': debates that are held quarterly on hot topics in the industry such as gender, and result in calls to action. Other activities include competitions focused on innovative solutions or events targeting youth and industry members. All these events favour networking opportunities. → Ghana – Ghana Institution of Engineering: Engineering Excellence Awards The aim of the Engineering Excellence Awards is to celebrate engineering practitioners who have shown great integrity in their practice. The awards encourage innovation among students and practitioners, and generate interest in engineering issues among the general public. Existing members are encouraged to apply, and this initiative is also used to attract new members. → South Africa – Consulting Engineers South Africa (CESA): School of Consulting Engineering The School offers a wide variety of courses to Consulting Engineers, their staff, their clients (Government and private sector) and other interested parties in the Infrastructure and Built Environment. The annual training programme comprises of seminars, workshops, in-house and online courses, short courses and skills programmes, which are developed to meet the specific requirements of the construction and engineering industry and are held all over the country. Beside more technical topics, courses focus on soft skills such as Project and Team Management (including from remote), Problem Solving, Presentation Skills, Power and Politics, Business Ethics, Conflict and Negotiations, |

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| <p>External funding</p>  | <p>→ Allocating dedicated staff for effective fundraising</p> | <p>→ Offering corporate sponsorship packages that give companies access to benefits</p> <p>→ Applying for donor funding</p> <p>→ Making mutually convenient agreements with the government, to increase alignment with the government agenda, as well as the private sector</p> | <p>→ Tanzania – Institution of Engineers Tanzania (IET): Memoranda of understanding with key manufacturers</p> <p>To increase its income and reduce the number of training events delivered, IET sought to pursue partnerships with engineering manufacturers (big players in the market). IET developed a list of key players, set up meetings, and established memoranda of understanding. The memoranda are designed to assist IET with financial processes, event sponsorship, airtime, key conferences, and training events. As a result, IET’s membership base and income have increased.</p> <p>→ Kenya – Institution of Engineers of Kenya (IEK): Corporate sponsorships to support activities and events</p> <p>To increase corporate sponsorships, IEK offers businesses structured conference sponsorship packages, including exhibitor spaces and speaker slots at events. As a result, companies gain visibility and networks, while IEK gains financial support.</p> <p>→ South Africa – South African Institution of Civil Engineering (SAICE): Corporate sponsorships to support activities and events</p> <p>SAICE seeks to find partners, such as legal, investment, and insurance companies, who can sponsor and advertise its activities in exchange for exposure to its members.</p> |