
KEEP IN TOUCH WITH THE ASSOCIATION OF CONSULTING ENGINEERS, SRI LANKA

Annual General Meeting

The Annual General Meeting for the Year 2010 was held on 11th December 2009. The meeting was well attended and many important aspects pertaining to Engineering Consultancy Services were discussed. The Council Members were also elected. At the first council meeting held thereafter, the respective office bearers were elected as follows:

Council 2010

President	Eng. Dr..P.M.Gunasekera
Vice President	Eng. Malith Mendis
Secretary	Eng. J. Karunaratne
Treasurer	Eng. R M. A. Senarath
Council Member	Eng. A. C.Rasiah
Council Member	Eng. D P T Munasinghe
Council Member	Eng. K Suntharalingam
Council Member	Eng. H P R Gunawardena
Council Member	Eng. G E M Gomez
Council Member	Eng. S A U D C Siriwardena
Council Member	Eng. S R N de Zilwa

Council Meetings and Activities

The main item discussed at the Council Meeting held on 2nd February 2010 was the submission of the Proposed Activity Programme for the year 2010 by the president. The highlights of this programme are:

- ACESL Website
- Membership Drive
- Newsletter
- A Journal for year 2010
- Annual Technical Sessions
- Arbitration/Adjudication/Mediation Processes
- Seminars & Public Lectures
- Corporate Plan (3/5 Years)
- Liaison with Professional and Government Organisations
- Membership Directory.

President's Message

I was pleasantly surprised when I sat at the first Council meeting of the current session of the Association of Consulting Engineers, Sri Lanka on Jan 05th, 2010, and all Council Members unanimously requested me to take over the post of President. Therefore, first of all, I must say that, I am extremely grateful to the Council Members for the great honour and trust they have bestowed upon me by electing me as the President of the Association. I am fully aware of the responsibilities that are associated with this trust and honour. I will assure all Members of the ACE (SL) that, I will do my best to meet your expectations and also justify the confidence that has been placed in me.

As the President of the ACE (SL), it is indeed a pleasure for me to send this message to the ACE (SL) News Letter. As Consulting Engineers, we need to play a leading role in the industry, not only to ensure that our Members will get benefits from such a role, but also to have ourselves recognized by the stakeholders in the industry, as professionals who are taking a leading role to contribute to the development of the country. To do this, firstly, we need to organize ourselves.

In this regard, at the first Council Meeting itself, each Council Member agreed to undertake an important activity and complete it on a priority basis within this year, in accordance with the agreed time schedule. Some of the main activities that our Council has decided to start this year are: to develop a website, take steps to increase the membership, organize a technical session during the AGM, publish newsletters more regularly, print a journal and also to publish a membership directory. I have no doubt that all Members will help, in whatever way they can, to achieve our goals.

May I take this opportunity to wish ACE (SL), its Members and their families a very successful year. I know, from my personal experience, that when my family is well and successful, they add to my

strength. We, the ACE (SL), need everyone's strength and support and I count on all of us working together towards our common goals.

Dr. P. Mervyn Gunasekera

International News

ACE annual Conference 2010

Annual Conference 2010 of Association of Consulting Engineers UK (ACE) will be held on 14 April 2010 at Grange St. Paul's Hotel, London. Details are available in their website www.acenet.co.uk

The theme of the conference is 'Engineering the UK's Prosperity'

TCDPAP International Conference

Technical Consultancy Development Programme for Asia & Pacific (TDCPAP) International Conference is to be held from April 14 – 16, 2010 in Hanoi, Vietnam organized by Vietnam Engineering Consultant Association (VECAS). Details are available at the web site www.vecas.org.vn

The theme of the conference is "New Approaches & Solutions for Consultancy Business Innovation"

Interactive Lecture Series

First lecture will be held in last week of April on '**Hydropower Development in Sri Lanka**' by Eng. Tushara Wickremaratne, Additional. General Manager - (Water resources) CECB.

Eng. Malith Mendis Chief Executive/ Director, Lanka Hydraulic Institute will deliver the next lecture on '**Model Study on South Asia Gateway Terminal (SAGT)**'

Export of Engineering Consultancy Services – Sri Lanka has to catch up

Malith Mendis FIESL, MICE, CEng

General

Sri Lanka has made many strides in developing its consultancy business sector, and also strives to make new inroads in opening opportunities for its consultants in the global arena.

Sri Lanka's investment in infrastructure has opened up opportunities for its consultancy sector within the country, and its relatively good connectivity via internet and telecommunication has opened doors for Sri Lankan consultants to engage in work on projects overseas, whilst based in Sri Lanka. Sri Lanka is keen to develop its export of professional services, and Sri Lanka's Export Development Board (EDB) has made several initiatives to help in this endeavour. EDB has formed an advisory

committee to help in export of professional services.

Consulting in Sri Lanka

The opportunities for consulting assignments for Sri Lankans were until now mostly within the Territory of Sri Lanka. A large number of Sri Lankans of technical expertise work abroad mostly in the Middle East, but working as full time workers for Overseas organisations. With project proponents realising that talent and skills required can come from anywhere in the world, widespread internet usage and hence better connectivity, Sri Lankan engineering consulting firms are increasingly working on projects overseas.

Sri Lankan engineering consultants are now working individually, or as a collective of individuals and or as organisations in overseas projects and enterprises. These consultants however are based in Sri Lanka and most work inputs are carried out in Sri Lanka

Exports from Sri Lanka

The Export Development Board of Sri Lanka (EDB) has taken initiative in promoting the export of professional services from Sri Lanka. Export of Engineering Consultancy Services is included within this programme. EDB assists in networking, promotion and implementation of export of services, and has formed an advisory committee to advise the Board and the Government on these matters. EDB subsidizes engaging in promotion including participating in exhibitions and marketing initiatives.

Service Sector in Sri Lanka

The Contribution of Services sector to the Economy has increased from 51% in 1998 to 60% of GDP in 2007. The services that mainly contribute are telecommunications, transport, banking and construction. Services sector employ 50% of total employment in Sri Lanka

Export of Services

The share of services export to GDP was 4% in 1998 and as a percentage of total exports was 19% in the same year. The share of services export was 5% in 2007 and 18% of total exports. Thus there is little or no growth in services exports.

Export of Professional Services

In the export of professional services, including engineering services, Sri Lanka has found that a professional approach to promotion and execution pays dividends. Having a Quality Management system with ISO certification gives a great advantage in

convincing clients the guarantee of a good and quality service. Developing Brand identity with a clear strategy and staying on message is important to achieve “top of mind recall” in your area of service

Sri Lanka has to do catch up in the export of professional consultancy services. For example, both Bangladesh and the Philippines contribute a larger volume of consultancy services to the Asian Development Bank (ADB) for projects in the region. Sri Lanka, with its backbone of Professionals lagging behind shows we have had no organized attempt at the export of professional services except allowing our professionals to work abroad for overseas organizations as individual employees.

We have many organizations with capability in export of its services who does so in a very meagre way or none at all. These organizations take a very negative attitude and do not make a concerted effort at exporting there services. The growth potential of these organization in going global are immense.

Use of the Internet and ICT

The growth of the internet has allowed easy, cheap communication between individuals and organizations that it really does not matter anymore where you are located. From basic levels of remote service provision as Call Centres to more sophisticated services such as basic accounting, secretarial services etc are now wide spread. The export of Professional Services is at the top of this pyramid and includes services such as Medical, Architectural, Legal, Technical etc.

The growth of the internet and broadband services has enabled the more sophisticated Professional services to be delivered which require more capacity and clarity. Medical Transcriptions, Architectural Drawings, Legal Documents, Technical Documents, Drawings and Reports which take large capacity can now be delivered at the click of a button.

Organisational Positioning and Differentiation

Organizations, including those in Technical Services, who intend going global has to be very concerned about Branding, Positioning and Differentiation of their services. Competitive advantages have to be built up. Branding has to be carefully considered, as changing half way down the road can have disastrous consequences and

wasted resources. It is best that a Professional Brand Consultancy is carried out with a view to following the outcomes for many years to come. The Brand Consultancy should cover the areas of proposed Brand image and brand building, chosen positioning of the brand and emphasis on getting attention to what is “different” that you have to offer. You must be able to offer added value, that may be tangible or intangible, which will compel your potential customer to come to you rather than go to any other.

Marketing of Services

Marketing and delivering a services is almost always more complex and difficult than delivering a product.

Marketing and delivering a product has four factors, known as the four P's (Kotler):

Product

Price

Place

Promotion

Marketing and delivering a service has seven factors:

Product (Service)

Price

Place

Promotion

People

Process

Physical evidence (for example: frequent traveler miles programmes by airlines

– acts as a reminder of the service)

Websites

The use of websites to bring your services to the attention of a wider audience and to offer services via the website has enabled many organizations to gain access to a wider market.

A well thought out, well presented and a well managed website can do the same for engineering services organizations. The website must be easily accessible (downloadable), must be clear and concise in saying what service is provided, but at the same time should not contain too much technical jargon. The website should be pleasant to see, possibly with people in every page, so that the page is not too technical and does not appear a “dead” page. The site should be concordant with the style as decided by the Brand consultancy.

A “Contact” page should provide contact details so that a potential client can easily contact the organization.

Marketing Material

The Marketing Material, in addition to the website,

should be clearly thought out, be in concordant with the style decided by the brand consultancy study, and should be of an international standard of quality. The Brochures, name cards, handouts, newsletters, letter heads, envelopes, report covers, report pages, drawings etc should be as above and no compromise must be accepted as possible clients judge your concern for quality by the standards you keep.

Overseas Agents and Overseas Representative Offices

Appointing Agents of your organization in overseas countries and opening up representative offices can give you an edge in exploiting the market in that country. Costs and Legal aspects of appointing agents and Representative offices vary from country to country, but they should not be a discouragement for doing so.

Appointing agents overseas

An agent in an overseas country can be an individual or an organization. An agent must be familiar with your area of business, but it may be better that the agent is not also in the same area of business as you and therefore you can compliment each other. The local agent can provide local logistics, follow up on tenders and payments and should be thoroughly conversant with the local conditions and peculiarities. A percentage of contract price for any contracts won can be paid as an agents fee, so that cost is connected to success.

Overseas Representative offices

An overseas representative office on the other hand gives a you a legal foothold in that country. However, the regulations vary from country to country. This may be in the area of legal registration and share holding, tax liabilities etc. Most clients will welcome your presence in the country as this gives them an impression of long term commitment by the organization in that country.

Conferences and Exhibitions

Any organization hoping to bring their services to the world market should attend and engage in identified Conferences and Exhibitions. The mere presence of an organization gives the impression of having arrived at the global market place and can open up the global market for the organization. Maximum participation, presenting of papers, good exposed location of the exhibition stall, availability

of reading / publicity material, available staff for answering inquiries at all times is important to make a maximum impact at these opportunities for reaching out to a wider but specialist market.

Targeted advertising

Advertising has to be very carefully thought out. Engineering Services are very specialized and therefore advertising has to be carefully targeted to the potential clients. Advertising in specialist magazines, newsletters and websites can be done. At the same time an organizations own marketing Newsletter (not internal newsletter) can be developed targeted at potential clients which has to reach them at regular intervals. This is most useful in reminding your potential and existing clients about you at regular intervals.

“Top of Mind Recall”

At the end what we are trying to achieve is “Top of Mind recall”. Your organization must first come to your potential clients mind when he requires the services offered by you. This recall can be on a global scale or on a regional scale. You have to move away from being a local service provider to a global or regional service provider.

The Global Market

The opportunities for Engineering organizations in the global market are almost infinite. Therefore, an Engineering Services organization entering the area of export of its services has an almost unbound growth potential. Sri Lanka’s Engineering organization must be encouraged to export its services and enter the global market.

Lanka Hydraulic Institute Ltd

The Lanka Hydraulic Institute (LHI) is a good example of venturing global in pursuit of engineering consultancy business. LHI is a wholly Sri Lankan owned consultancy firm specializing in Coastal Engineering, Water Resources and Urban water. It has capabilities in Field investigations, Mathematical Modelling and Physical modeling and owns a model basin at its facility in Moratuwa, Sri Lanka. LHI was engaged in projects mostly in Sri Lanka till 2003, when the company decided to take their services global. Now, its work load is more than half on projects abroad.

LHI improved its internal business processes and professional input was sought in its marketing ventures abroad which have borne fruit. It now engages in projects from Algeria in the West to South Korea in the east. LHI’s turnover has increased by 400% in the last 5 years. It is currently engaged in the study of the sedimentation problem at Kolkata harbour, India.