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AAQS

Africa Association of
Quantity Surveyors

SETTING UP AND OPERATING QUANTITY SURVEYING PRACTICE SUCCESSFULLY

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ASSOCIATION OF QUANTITY SURVEYORS'
WEBINAR. *THEME: "QS BUSINESS DEVELOPMENT
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AYODELE FALEYE

DIP (QS), BSC (QS), MSC (PM), MNIQS, RQS, PMP.

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SETTING UP AND OPERATING QUANTITY SURVEYING PRACTICE SUCCESSFULLY

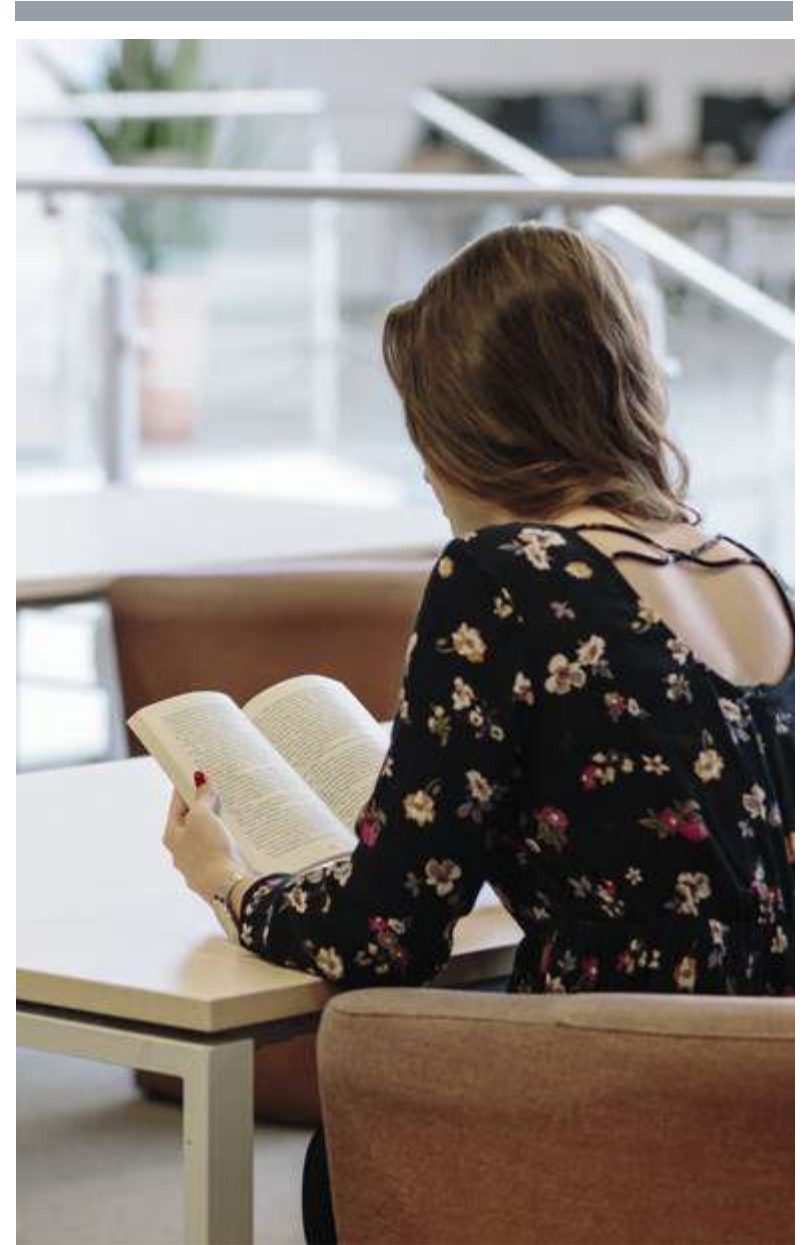
PROFESSIONAL SERVICE FIRMS IN CONTEXT

- Professional service firms are an extreme type of knowledge intensive organisations.
- Professional firms are hired because they possess expertise and/or experience beyond what is available in the client firm
- ***Professional service firms deliver their services within the constraints of professional norms, conduct, code of ethics that include putting clients' needs above profits and respecting the limit of professional expertise.***
- The higher the degree of tailoring to each client's requirements the more difficult it is for the firm to replicate and routinise its solutions



QUANTITY SURVEYING AND QUANTITY SURVEYING FIRMS

- Quantity surveying is the profession that is concerned with financial probity and achieving value for money in the conceptualisation, planning, and execution of building and engineering projects and developments Ajanlekoko (2004)
- Quantity surveying is a profession which deals with the evaluation and management of cost, quantities, and procurement of construction and infrastructure works, right from schemes in prospect, through schemes in progress to schemes to use; total cost and procurement management, NIQS as cited by Oyedele (2020)



QUANTITY SURVEYING FIRMS

- Quantity-surveying firms' scope of work covers residential, commercial, industrial, leisure, agricultural, and retail projects and the provision of infrastructure (Olawumi and Ayegun 2016).
- These include preliminary cost advice, advising on contractor selection, obtaining or negotiating tenders/bids, valuing construction works
- Performance evaluation is defined as a process of appraising how well organisations are managed and the value delivered to customers and stakeholders (Hollmann and Elliott, 2006).
- The work of Osunsanwo and Dada (2020) shows that Nigeria Quantity Surveying firms (QSFs) are not doing well in terms of financial performance.





UNDERSTANDING THE FUNDAMENTAL REQUIREMENTS FOR SETTING UP A PRACTICE

Satisfying legal requirement:
The Procedure for Registering
a Firm

Adherence to
professional/regulatory bodies'
registration procedures

Understanding of public
sector and private
procurement system



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- It is important to involve a start up lawyers when incorporating any new practice, s/he would guide about the extant regulations to observe during the registration process.
 - The registration procedure for Quantity surveying firms is different from country to country in Africa.
 - In Nigeria it is covered under Part B, Section 18-77 and Part C, Section 746-850 of the Companies and Allied Matters Act, 2020 (CAMA, 2020).

SATISFYING LEGAL REQUIREMENT:THE PROCEDURE FOR REGISTERING A FIRM

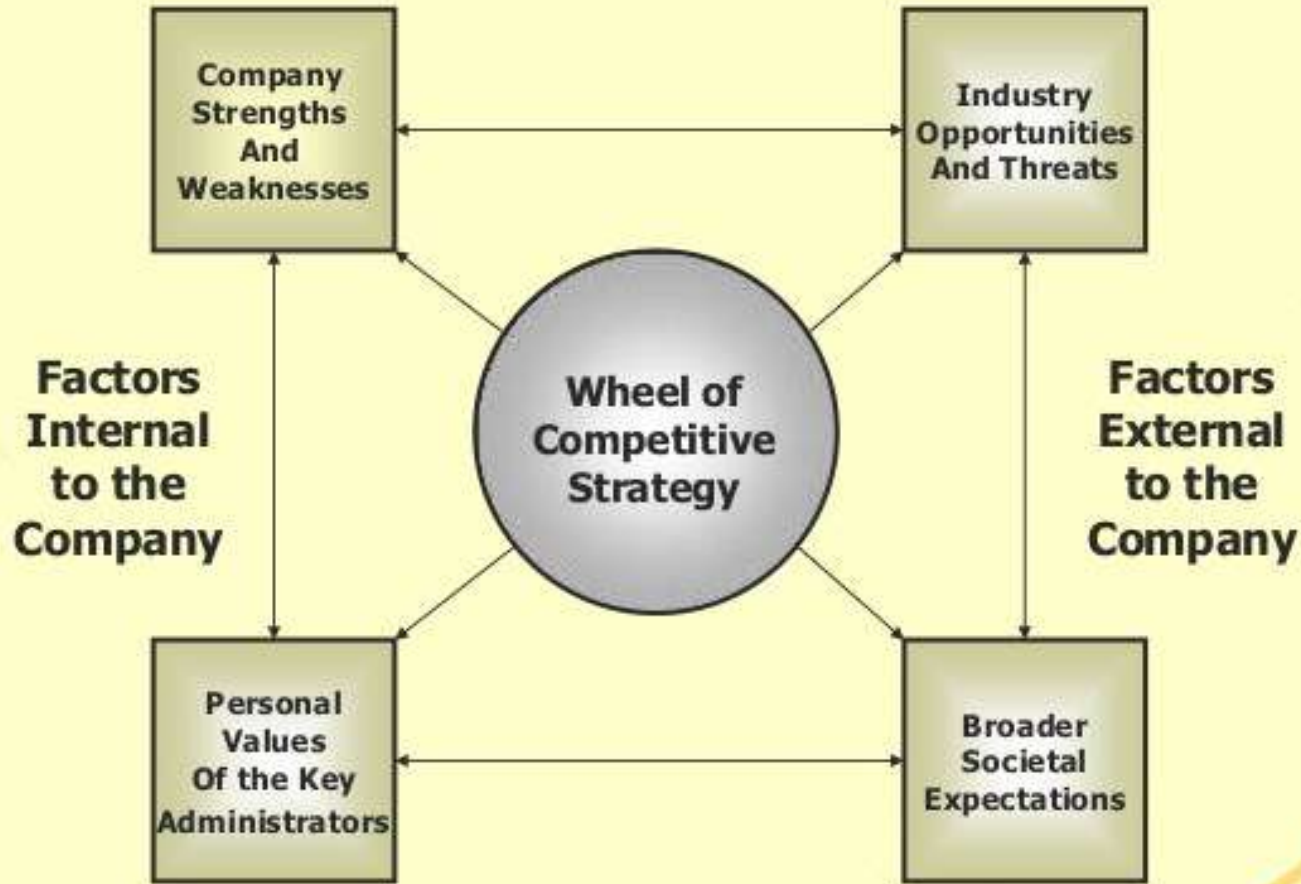
- In some countries, professional bodies are separated from regulatory bodies, while some countries maintain professional institutions serving as self regulatory bodies.
- It is important to observe existing procedure established by these bodies when registering any practice for business
- Regulatory bodies equally need to come up with framework that is inclusive, transparent, agile, and encourage new start up firms, as against old framework that only favour senior players

ADHERENCE TO PROFESSIONAL/REGULATORY BODIES' REGISTRATION PROCEDURES

- Public agencies and private organizations (both for profit and not for profit) have different framework for the procurement of professional services
- In Nigeria public procurement is regulated according to Public Procurement Act (2007), regulation, and manuals.
- Procurement of consultant (services) is under Part VII, Section 44-52 of PPA (2007)

UNDERSTANDING OF PUBLIC SECTOR AND PRIVATE PROCUREMENT SYSTEM

DEVELOPING COMPETITIVE STRATEGY



Michael Porter, *Competitive Strategy*

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Company strengths and weaknesses

Personal values of key implementers

Industry opportunities and threat

Broader social expectation

ESSENTIALS OF SUCCESSFUL QUANTITY SURVEYING FIRMS

- Developing skills beyond traditional subject matter competence
 - PMI Pulse of the Profession (2015) highlighted technical, leadership, and strategic business management expertise
- Diverse, lean, and efficient view of organization
 - Key ingredients:
 - *Entrepreneurship,*
 - *Innovation,*
 - *Technology, and*
 - *Economy*



ESSENTIALS OF SUCCESSFUL QUANTITY SURVEYING FIRMS

- **Developing a compelling brand identity-** understanding that quantity surveying services are still elitist
- Effective branding and strategic marketing is key to the sustainability and success of any quantity surveying firm.
- **Business model must target the whole construction value chain**
 - Our conversation needs to go beyond Bill of Quantities (BoQ) preparation but look at the market in an holistic form
 - The Independent Expert Group On Climate, (2020) stated that \$100Billion would be needed yearly under UN Framework Convention on Climate Change (UNFCCC)
 - Mckinsey report states that there would be need for \$57trillion investments in infrastructure by 2030



ESSENTIALS OF SUCCESSFUL QUANTITY SURVEYING FIRMS

- **Development of quality management framework**
 - Establish quality management policy that ensure fitness for purpose
 - How many of us has structure that meet ISO certification requirement ?
- **Data is maximization for improved professional judgement**
- McKinsey & Company report titled *The next normal in construction*, WEF *Infrastructure 4.0 report* argued in favour digitization.
 - *Cases 1: Rider Hunt International* projecting their *rhiPEMS* and *rhiCOMS*
 - *Case 2: Altus Group* RGUS Enterprise, ARGUS Taliance, ARGUS Estate Master, ARGUS Developer
 - *Turner and Townsend*, and *RLB* digital construction cost guides



SUMMARY/REFLECTION

- Lasting business success is not by accident
- While we must celebrate practice owners across the continent, we must however be future ready
- In the next few years, the identity of our services would change!
- Would you be part of that change?

ANY QUESTION?



THANK YOU

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