



Women for Housing ~ Khuthaza

ENTERPRISE DEVELOPMENT PROFILE

Women for Housing is now known as Khuthaza. The re-branding reflects our expanded scope of work into the wider construction sector and the role we aim to play in encouraging change, partnership and transformation in the industry.

Khuthaza is a non-profit organisation driving the empowerment of women in the housing and construction sectors. Since 1995, known as **Women for Housing**, we have partnered with a wide range of industry role-players to develop women's industry related skills, careers and businesses.

Women are increasingly showing interest in the sector and represent a growing source of talent within the industry. We are building an organisation geared to drive and support transformation within all of the elements of Black Economic Empowerment outlined in the Codes of Good Practice and the Construction Code including:

- Ownership
- Leadership and Control
- Employment Equity
- Skills Development
- Enterprise Development
- Procurement
- Socio-economic Development

New possibilities and long term opportunities characterise our dynamic industry. Our scope of work in the industry is therefore expanding and the organisation will become known as Khuthaza (encourage). The new name represents the role we play in encouraging change and development for both women and the industry as a whole.

As **Khuthaza** we will endeavour to drive change that will add value to the industry and further encourage women to develop careers and businesses within the sector. Our programmes, services and new areas of business all interlink to build a strong foundation for change ~ change that will contribute to prosperity within the industry.

ENTERPRISE DEVELOPMENT (ED)

The ED target in the BEE Codes of Good Practice is 3% Net Profit after Tax (NPAT). We invite you to invest your Enterprise Development spend in our Contractor Development programmes.

Khuthaza has been running programmes aimed at empowering women contractors for over 8 years. We have developed significant experience in the realm of contractor development and have further developed our programmes in 2009 to promote awareness of the business of construction and offer contractor development programmes targeted to women with various levels of experience and areas of specialization. While our main focus has been on empowering women we have always welcomed the participation of men and have had increasing numbers of men attending our programmes.

Standard Bank has been the main sponsor of our Contractor Development programmes since 2004. We invite industry role-players to join Standard Bank in supporting our work to increase the level of knowledge and experience amongst small businesses within the construction sector. Your ED contributions will enable us to expand our programmes and services to provide an even stronger offering and to reach a greater number of small businesses.

While this document refers specifically to programmes that qualify for Enterprise Development points, we have a number of additional programmes and business lines that can assist you with all levels of the scorecard.

This proposal outlines the funding requested for the further development and roll-out of our Contractor Development programmes. Your spend in these programmes will qualify toward Enterprise Development points in the BEE Scorecard.

CONTRACTOR DEVELOPMENT

Over 90,000 contractors are registered with CIDB with over 76, 000 (85%) of these registered at Grade 1. Approximately 40% of these businesses (in Grade 1) are women owned. The industry has been concerned about the high number of companies registered at Grade 1. A significant number are not only small businesses but also new entrants. Industry has also been concerned that many of these may actually represent job-seekers. There remain, however, thousands who are indeed committed to developing successful construction companies of various types and sizes.

While parts of the industry are feeling more pressure from the challenging world economic environment, other parts of the industry are more comfortable. Long term opportunities for growth remain and as many substantial projects are already underway, the industry is still in need of skills. Industry continues to need reliable, well managed, specialized contractors and subcontractors who can efficiently deliver quality work.

We recognize that the majority of women registering construction businesses come in without having much, if any, experience in the industry. They are entering from a different perspective than many of the men looking to get into business, as many of the men have been involved in the industry one way or another, some for many years.

Khuthaza has developed a programme, known as *Excavation*, which is aimed at raising awareness for both men and women who are exploring the idea of setting up a construction company. Programme activities enable individuals to consider/assess their entrepreneurial potential, their current situations regarding finance, skills etc. Those confident that they would like to run their own construction business will be invited to register for *Cornerstone*, our entry level programme. We will seek support for these programmes through the Socio-economic Development (SED) element of the scorecard. Through Khuthaza you can support the full pipeline of contractors and gain points in both SED and Enterprise Development (ED).

THE KHUTHAZA ENTERPRISE DEVELOPMENT PROGRAMMES

To qualify as beneficiaries of Enterprise Development, contractors need to have a registered company, be compliant with the relevant statutory obligations and be at least 50% black owned entities. We will ensure that participants in the following programmes qualify, thus ensuring you will receive full points for your ED spend. Khuthaza will collect the required documentation for each enterprise and provide you with documentation to serve as evidence for your BEE verification.

As mentioned above, the Entry Level Programmes will be covered under SED. Programmes that qualify for ED include *Connection*, the intermediate level offering and *Re a abelana*, the more advanced. We have developed our experience in Contractor Development in Gauteng and, as the province remains the centre of economic and infrastructural growth, it will remain the centre of our operations. However, we began to offer programmes in Cape Town in 2008 and will roll-out programmes into additional provinces as funding and interest allow. We have had requests from both women and stakeholders around the country.

Connection - Intermediate Level Programme

This programme is targeted to women who have been running a construction business for at least a year and would like to enhance their ability to manage and grow the businesses. This programme is appropriate for business owners who have management or construction related experience and have significant potential to further develop their business.

This programme sets out to:

- Enhance existing business and technical skills
- Help contractors set up and implement sound business practices and systems
- Encourage specialisation
- Develop the pool of contractors able to add value to the industry and begin to link these contractors with opportunities in the established sector
- Provide contractors with access to the skills, tools, services, and networks required to operate efficiently and hold their own in the industry

Re a abelana – For the more experienced contractors

Re a abelana is for the more experienced contractor looking to grow her business. Contractors in this programme should have a minimum of two years experience running a construction company, be fully compliant with all regulatory obligations and have completed at least 3 projects. Re a abelana creates a forum through which programme participants have greater access to leaders in the industry and opportunities with the established sector. The programme aims to provide participants with skills, exposure, networks and knowledge that will enable them to grow their businesses and plan for the long term.

In addition, this programme sets out to:

- Enable participants to have a greater understanding of the sector and to effectively engage with the established construction industry
- Assist contractors to identify areas for development and to improve efficiency
- Improve the contractors’ ability to access finance
- Provide participants with avenues to develop their skills – particularly focusing on project management and financial skills
- Improve their ability to deal with financial, commercial, and contractual issues affecting their companies
- Provide participants with access to BEE related opportunities

Khuthaza’s Contractor Development Programmes are unique in that they bring together a number of components and offer development through a wide variety of activities. The activities within each component vary according to the programme level.

| PROGRAMME COMPONENTS | DESCRIPTIONS / ACTIVITIES |
|---------------------------------|---|
| Assessments | Evaluate the participant’s personal and business development. This info will be useful in identifying areas for development, setting goals and accessing opportunities in the industry. |
| Career/Business Guidance | Information to enable participants to consider options in terms of career development and business specialization. |
| Personal Development | Leadership, team building, professionalism, presentation and negotiation skills. |
| Training | Seminars, workshops and formal training targeting a range of skills. |

| | |
|-----------------------|--|
| Business Tools | Industry information, business systems, software, templates and other tools to facilitate business development and efficiency. |
| Networking | Opportunities to engage with others in the industry including SAFCEC, MBSA and a range of stakeholders. |
| Exposure | Site visits, exposure to specialist businesses and opportunities to interact with established industry. |
| Advisory | Links to advisors in various aspects of business. |
| Linkages | Info on and links to appropriate resources, development programmes and BEE opportunities. |
| Giving Back | Opportunities to share while gaining experience. |

FUNDING REQUIREMENTS

In terms of Contractor Development programmes within the Enterprise Development element, Khuthaza aims to raise R3 million in 2009, R6 million in 2010 and R8 million in 2011. These funds will be used to expand our Contractor Development programmes. We are keen to encourage contractors to specialize and would like to partner with interested role-players in this endeavour.

The funding will ensure the growth of our programmes allowing for more construction businesses to gain critical skills and experience enabling them to operate efficiently and offer quality service to the industry.

SCORECARD POINTS

Our Contractor Development programmes qualify as either Socio-economic Development or Enterprise Development in the BEE scorecard. Khuthaza will keep records of all programme participants and provide you or your verification agency with the necessary documentation. Your investment in Enterprise Development is also an investment in your supply chain and BEE Procurement targets as you will be developing the capacity of, and have access to, these companies.

QUALIFYING CONTRIBUTIONS

There are a number of ways to contribute to ED and gain points. As mentioned above, the target for ED spend is 3% NPAT. A number of suggested contributions are outlined in the Codes and a Benefit Factor matrix outlines the value of contributions. We invite you to look at a comprehensive investment and can work with you to tailor SED and ED packages that will benefit your company and our target beneficiaries.

Example Khuthaza ED package:

- Financial grant to Khuthaza for the ED programmes
- Purchase Project Management and Estimating software for contractors in ED programmes
- Leaders from your company share their experience by speaking at ED programme seminars
- Host our contractors for a site visit
- Provide guarantees or loans to contractors in our programmes
- Provide the ED beneficiaries with credit facilities, preferential credit terms, or preferential terms in the supply of services to ED beneficiaries
- Experienced members of your company provide advisory support or mentorship to the contractors in our programmes

NEXT STEP

Contact us for more information or to discuss your specific interests.

COMPANY INFORMATION

Our growing network extends across the housing and construction professions, industry associations, government, non-governmental organisations (NGOs), and academic institutions. These women and partner companies have the experience, the skills, the networks, and the influence to realise the development of women's involvement in the sector. While the organisation is small in structure, we have strong partnerships within the industry that enable us to play a meaningful role.

The organisation's work has been recognised by the industry on a number of occasions, including a 2003 award from the Institute for Housing, a Govan Mbeki National Housing Award presented by Minister Sisulu in 2006, an award from Building Women magazine for our contribution to women's empowerment in 2007, and an award for leadership in the sector from the Council for the Built Environment in 2008.

Industry Partners and Sponsors have included:

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|---|---|----------------------------------|
| ABSA | Lafarge | Saint Gobain (BPB Gypsum) |
| Aveng | Motheo Group | Sandpit |
| Bentel | National Department of Housing | Standard Bank |
| Builders Warehouse | National Homebuilders | The Business Place |
| Cement & Concrete Institute (C&CI) | Registration Council (NHBRC) | Thubelisha |
| CIDB | National Housing Finance Corporation (NHFC) | Tjeka Training |
| Council for the Built Environment (CBE) | Nedbank | Transcend Corporate Advisors |
| Corobrik | Nurcha Construction Finance | Trencon |
| First National Bank | Plascon | Tshwane University of Technology |
| Home Loan Guarantee Company (HLGC) | PPC Cement | University of Cape Town |
| | SAFCEC | |

Company

Khuthaza Development Solutions (Khuthaza)

Company Registration

Section 21, not for profit, company
1997/012810/08

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