



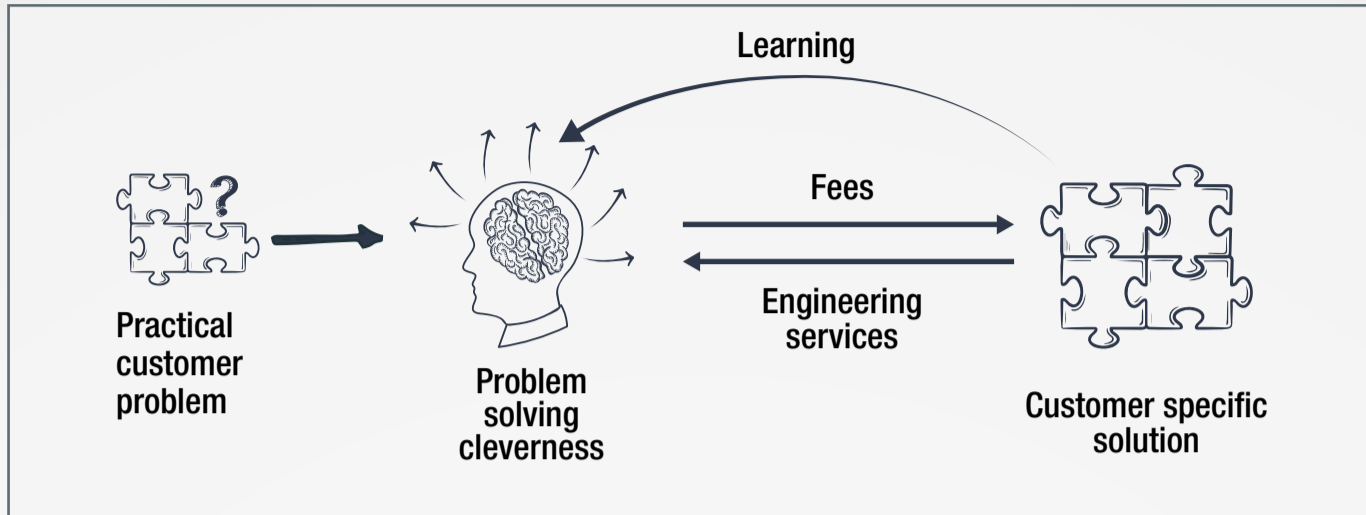
# ENGINEERING SERVICES BUSINESS MODEL



Shared Prosperity Dignified Life



## VALUE CREATION PROCESS



## HERE ARE FEW THINGS TO CONSIDER WHEN DEFINING YOUR ENGINEERING SERVICES BUSINESS MODEL



### OFFERING

- In an engineering business your offer can either be narrow (focusing on a single DIAR technological solution) or diversified (multidisciplinary, such as decentralized energy supply plus wastewater management)
- Your offering will be highly customer-oriented and will go from initial site visit and client meetings through designing and engineering to final construction, implementation and commissioning
- The advantage of offering diversified engineering services is a broader customer base and a hedge against potential order fluctuations  
Since in the field of engineering market and knowledge develops very quickly you must you deploy, leverage and capitalise existing and new professional knowledge to explore tailor-made solutions for complex challenges.
- Some examples of Engineering services in the agri- and renewable energy technology sectors include: Designing simple to elaborate rainwater harvesting systems for water reuse or recharge, Dimensioning and installation of solar or micro-hydropower systems for communities/buildings without connection to the electricity grid, etc.



### CUSTOMERS

- Knowing your clients' project awarding practices well is key
- Private clients can get in touch with you directly based on a simple offer/cost estimate. However, if your potential customers belong to other segments such as NGOs, financial institutions, government ministries etc., you must know where they publish and advertise calls for tenders for engineering services.
- Most of these organisations use dedicated tender platforms to publish and advertise tender notices, Expression of Interests (Eoi), etc.



### OPERATIONS

- Whether you are an independent engineer or a multidisciplinary engineering company the combined knowledge, networks and skills of you and your staff are your main resource. This resource must be managed efficiently if value is to be generated.
- Effectively sourcing materials, tools and labour is another important aspect engineering businesses need to manage.
- Learn to communicate your qualifications very effectively by speaking the language of your customers and conveying your experience around the thematic focus of your service
- Access to an extended network of engineering companies in your field of business and beyond is a valuable asset and allows you to also apply for and take on projects that are outside your core competences.



### FINANCIALS

- Design and implement your engineering projects within a pre-agreed budget. Budgets for engineering projects need to be calculated with due diligence and care, taking a broad range of cost items into account
- Often costs related to permits and approval processes that are required for specific project setups and technologies
- Due to the high-risk potential of these projects, it is recommended that you include a decent buffer in your budget planning.
- Cost and schedule risks are typical engineering risk categories. To minimise cost-risk you need to secure sustainable access to affordable resources. Schedule risk relates to not delivering the promised service in the agreed time frame, which usually results in penalties.



### KEY SUCCESS FACTORS



### APPLICABLE BUSINESS MODELS