

Benchmarking Indicators

Large Enterprises (LE)

July – December 2025

Bi-Annual Economic and Capacity Survey

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Summary: December 2025

The benchmarking report for Large Enterprises (LEs) in the consulting engineering sector (July–December 2025) provides a comprehensive snapshot of financial performance, operational efficiency, and capacity dynamics across firms with turnover above R25 million.

Overall, the data indicates a relatively stable but still uneven recovery environment. Profitability metrics remain moderate, with average profit margins stabilising in the high-teens and supported by improved EBITDA and return on capital employed (ROCE), although the wide dispersion between minimum and maximum values highlights ongoing disparities in firm performance and exposure to project risks.

Operational indicators suggest that workload conditions are steady but not yet fully robust. Average pipeline work remains below historical highs and has softened slightly into the end of 2025, while work-in-progress (WIP) days have edged higher, pointing to slower project conversion and potential delays in billing cycles. At the same time, capacity utilisation has improved to relatively high levels (approaching 90%), indicating that firms are operating close to available technical capacity despite a somewhat constrained pipeline. This combination reflects a market where current activity levels are firm, but forward visibility remains uncertain.

Efficiency and cost recovery indicators further reinforce this mixed picture. The break-even ratio remains close to 1, suggesting firms are broadly covering costs but with limited buffer, while return on staff employed has improved, pointing towards improved utilisation of human capital, the sector's largest cost base. Increased time spent on marketing and bidding (notably rising in late 2025) reflects intensified competition for available work, consistent with softer pipeline growth. Overall, the benchmarks point to a sector that has stabilised operationally and is extracting improved efficiencies, but still faces structural pressures related to weak project pipelines, heightened competition, and uneven profitability across firms.

Benchmarking Indicators

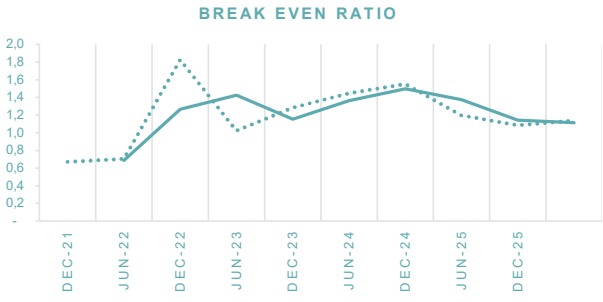
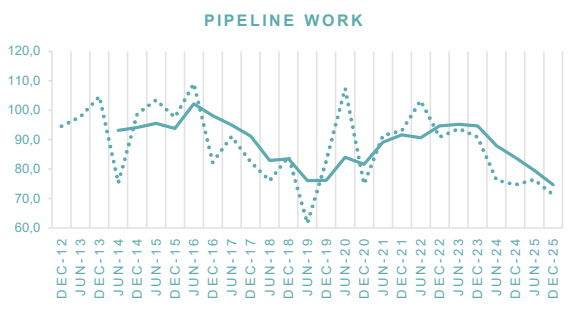
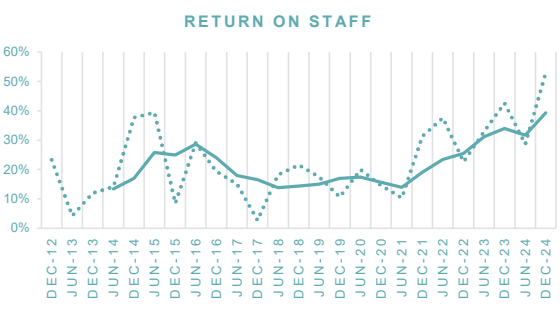
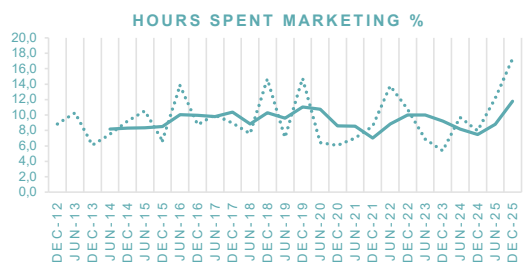
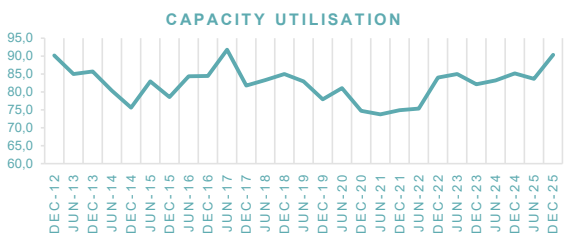
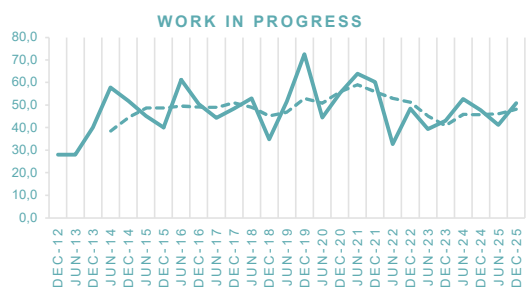
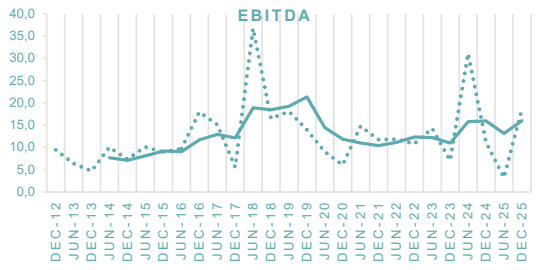
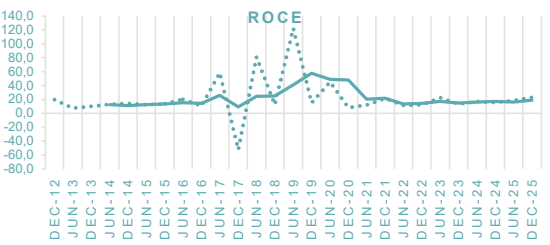
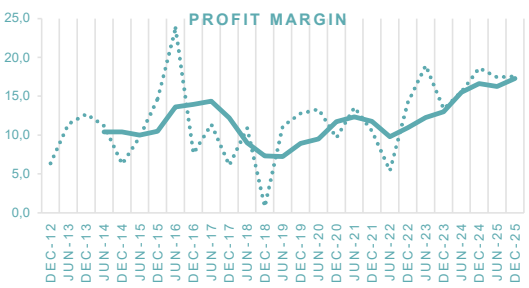
		Jun-18	Dec-18	Jun-19	Dec-19	Jun-20	Dec-20	Jun-21	Dec-21	Jun-22	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24	Jun-25	Dec-25
Profit Margin %	Min	-60.0	-48.0	0.6	-3.5	1.0	5.0	3.0	-7.0	-8.0	-5.0	5.6	1.4	0.1	5.0	3.0	-7,0
	Max	66.0	15.1	34.0	35.0	52.0	19.7	40.0	35.0	16.0	57.7	56.8	28.3	33.4	55.0	39.7	45,0
	Average	10.9	0.8	11.1	12.8	13.3	9.7	13.6	10.5	5.4	14.2	19.0	13.4	15.6	18.6	17.4	17,6
	Stdev	35.9	21.9	11.7	13.5	16.5	6.8	13.3	11.3	8.6	18.7	18.5	11.2	9.6	15.7	12.8	15,0
	Sample response	88.9%	100.0%	90.9%	91.7%	88.9%	100.0%	87.5%	100.0%	100.0%	100.0%	100%	100%	100%	100%	86%	100%
ROWC %	Min	-153.0	9.5	-8.0	-3.6	9.0	2.2	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
	Max	14.0	94.0	94.3	43.0	114.0	18.5	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
	Average	-23.8	28.1	29.8	12.2	40.7	9.7	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
	Stdev	72.4	29.6	42.1	14.5	42.8	7.1	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
	Sample response	55.6%	100.0%	45.5%	75.0%	55.6%	100.0%	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Break Even Ratio <i>*New</i>	Min							0.3	0.3	0.4	0.1	0.1	0.1	0.2	0.2	0.1	0,1
	Max							1.2	1.1	4.2	2.9	2.8	4.4	5.5	2.8	2.8	4,0
	Average							0.7	0.7	1.8	1.0	1.3	1.4	1.6	1.2	1.1	1,1
	Stdev							0.4	0.3	1.6	0.9	0.8	1.7	1.5	0.7	0.7	1,1
	Sample response							87.5%	90.0%	100.0%	88.9%	100.0%	100.0%	92.3%	64.3%	85.7%	85,7%
ROCE %	Min	-14.0	3.5	-0.1	-6.7	1.0	4.3	1.0	-1.0	1.0	-1.0	5.5	4.6	5.0	0.5	-70.0	-13,0
	Max	400.0	28.0	980.0	85.8	165.0	11.6	28.9	77.2	37.7	43.8	84.0	22.1	41.0	29.2	86.0	160,0
	Average	81.2	12.6	122.2	15.2	45.0	8.3	12.1	21.8	11.5	12.3	22.5	13.3	17.3	15.9	18.6	23,2
	Stdev	157.6	9.6	322.0	26.5	68.0	3.7	19.5	24.3	12.4	13.6	23.4	6.5	10.7	9.7	31.6	37,5
	Sample response	66.7%	71.4%	81.8%	83.3%	77.8%	75.0%	87.5%	90.0%	100.0%	100.0%	100%	100%	92%	79%	95%	95%
EBITDA	Min	10.8	-16.0	0.5	-3.5	1.6	1.7	3.9	-6.3	3.9	-3.0	0.0	2.8	0.5	0.2	-64.0	-3,0
	Max	75.0	76.0	77.0	62.0	25.0	8.5	30.1	29.5	29.2	29.0	39.0	19.4	220.0	37.0	33.0	52,0
	Average	36.8	16.5	18.1	14.0	9.0	6.1	14.8	11.8	11.8	10.8	11.4	7.1	31.1	11.1	3.2	18,5
	Stdev	29.2	31.3	26.9	20.1	9.8	3.1	10.8	11.8	10.3	11.1	11.4	6.2	63.4	10.6	21.1	15,8
	Sample response	55.6%	85.7%	63.6%	75.0%	55.6%	100.0%	75.0%	100.0%	71.4%	100.0%	80%	86%	85%	71%	85%	79%

Note: As of June 2024, survey indicators refer to Large Enterprises (LE) according to BBBEE classifications, rather than larger enterprises with more than 100 employees as per previous surveys.

		Jun-18	Dec-18	Jun-19	Dec-19	Jun-20	Dec-20	Jun-21	Dec-21	Jun-22	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24	Jun-25	Dec-25	
WIP (Days)	Min	0.0	20.0	19.0	15.7	8.0	17.8	2.7	2.4	8.8	5.8	5.6	6.8	7.6	3.5	-35.0	-7.0	
	Max	100.0	58.7	137.0	200.0	77.0	92.0	234.0	153.0	69.5	114.0	94.0	68.0	110.0	112.0	120.0	212.0	
	Average	53.0	34.8	51.6	72.6	44.4	55.2	63.9	60.2	32.7	48.5	39.4	43.0	52.8	47.7	41.2	50.8	
	Stdev	44.6	14.3	37.2	54.5	27.4	36.8	73.0	45.0	22.4	39.6	27.8	26.4	34.9	38.6	44.4	61.7	
	Sample response	55.6%	85.7%	90.9%	83.3%	77.8%	100.0%	100.0%	100.0%	85.7%	100.0%	100%	86%	85%	71%	85%	68%	
Hours spent on marketing % of total hours worked	Min	2.0	2.2	1.0	2.0	2.0	3.1	3.0	3.0	2.8	3.0	2.0	2.0	0.0	1.0	1.0	2.0	
	Max	15.0	60.0	15.0	100.0	25.0	9.0	15.0	15.0	35.0	30.0	20.0	15.0	25.0	20.0	80.0	75.0	
	Average	7.6	14.7	7.1	14.8	6.4	6.1	7.0	8.5	13.8	10.8	6.9	5.4	9.7	8.0	12.2	17.3	
	Stdev	4.0	20.5	4.7	28.7	7.1	2.6	4.1	4.0	14.4	10.2	6.3	4.9	9.8	5.8	18.9	22.4	
	Sample response	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	80.0%	57.1%	77.8%	70%	86%	92%	71%	85%	78%
Pipeline work (%)	Min	12.0	11.0	11.0	35.0	80.0	29.6	50.0	30.0	77.0	38.0	70.0	80.0	0.0	1.7	-30.0	0,9	
	Max	142.5	105.0	115.4	160.0	177.0	102.0	120.0	137.1	124.7	120.1	130.0	120.0	146.0	112.0	179.2	146,0	
	Average	76.1	84.2	61.6	82.9	107.4	74.9	91.4	93.1	103.3	90.9	93.7	90.9	76.4	74.7	76.5	71.4	
	Stdev	42.0	32.9	36.7	33.3	30.0	31.5	23.9	31.0	21.4	28.2	20.9	16.6	43.1	43.6	50.2	44,7	
	Sample response	100.0%	100.0%	100.0%	91.7%	88.9%	100.0%	100.0%	100.0%	80.0%	71.4%	77.8%	70%	71%	85%	64%	85%	78%
Capacity Utilisation	Min	50.0	75.0	70.0	60.0	50.0	74.0	65.0	50.0	50.0	70.0	75.0	75.0	62.5	0.6	50.0	0,5	
	Max	100.0	100.0	110.0	110.0	120.0	75.0	75.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	1.1	120.0	1,2
	Average	83.3	85.0	83.0	78.0	81.1	74.8	73.8	74.9	75.3	84.0	85.0	82.1	83.3	85.2	83.7	90,37	
	Stdev	17.7	13.7	14.4	12.7	21.0	0.5	3.5	11.8	15.8	13.4	12.9	12.2	13.3	0.2	18.6	0,2	
	Sample response	100.0%	71.4%	90.9%	83.3%	100.0%	100.0%	100.0%	100.0%	100.0%	85.7%	88.9%	100%	100%	77%	86%	90%	100%
Return on Staff Employed %	Min	-125%	-49%	1%	-5%	2%	7%	4%	-10%	-9.0	-12%	8%	4%	5%	10%	6%	-10%	
	Max	136%	17%	64%	52%	72%	15%	64%	58%	40%	136%	160%	57%	105%	106%	66%	304%	
	Average	15%	3%	18%	22%	17%	11%	20%	15%	10%	31%	38%	23%	33%	43%	29%	53%	
	Stdev	71%	22%	20%	22%	21%	3%	21%	18%	16%	47%	46%	19%	31%	35%	23%	70%	
	Sample response	88.9%	100.0%	81.8%	84.6%	88.9%	100.0%	87.5%	100.0%	100.0%	100.0%	100.0%	100%	100%	92%	86%	75%	95%

Note: As of June 2024, survey indicators refer to Large Enterprises (LE) according to BBBEE classifications, rather than larger enterprises with more than 100 employees as per previous surveys.

Benchmarking Indicators: Charts



Explanatory Notes

- Including Large Enterprises with an annual turnover exceeding R25 million.
- Profit Margin: Total income less direct and indirect costs
- Direct Costs: Total client project salary cost plus external project expenses
- Indirect Costs: All productive employment costs, outsourcing costs, group overhead chargers etc, but excluding finance charges
- WIP: Work in progress in days, calculated as “WIP as at date of reporting / (Direct + Indirect costs) x reporting days”
- ROWC: Return on Working Capital. Annual profit after interest and tax as percentage of net working capital (assets less liabilities)
- ROCE: Return on capital employed (Capital = Assets and Liabilities)
- EBITA: Earnings before deduction of interest, tax, and amortisation expenses. Measurement of efficiency and profitability
- Marketing: Hours spent on marketing including bidding and preparation of proposals as percentage of total hours worked
- Pipeline work: Fee value of secured appointments at the end of the reporting period vs the start of the reporting period, expressed as a percentage
- Capacity utilisation of existing technical staff.
- Return on staff employed: Profit as percentage of total salary and wage bill as an indicator of return of staff employed. Salary and wage bill is the largest expense for an engineering firm.
- Break Even Ratio : Gross income / Breakeven Revenue
 - (Breakeven Revenue = (Operating expenses/GP%)