

Ssessanga's engineering dream pays him millions

Richard Ssessanga, the proprietor of Starlite Engineers Limited, wanted to become an engineer from childhood. The winner in the Top 100 Midsized competition actualized this dream and tells **Eronie Kamukama** how he grew his business.

Ms Jenna Goudreau, a reporter, once wrote on American online newspaper *Business Insider*, about 13 surprising ways your name affects your success. She said what was in a person's name could be potentially "their future, following research that one's name can affect their lifetime success."

For Mr Richard Ssessanga, an engineer, it was not just his name. It was his nickname that inspired him to do this business.

"From my O' level, I liked mathematics and I was very good at it. I was good at everything but I was nicknamed 'engineer.' So when I reached university, I studied engineering," Mr Ssessanga says.

With an A and B grade in mathematics and physics respectively, Mr Ssessanga pursued an engineering course at Makerere University in late 1990s.

As soon as he graduated in 2000, he joined Caltex Oil Uganda Limited as a projects engineer, overseeing new projects in the company plus construction and maintenance of fuel stations.

Six years later, he found another job in Hashi Energy. But at about that time, his company, Starlite Engineers Limited was already up and running, though progressing at a snail's pace.

The idea

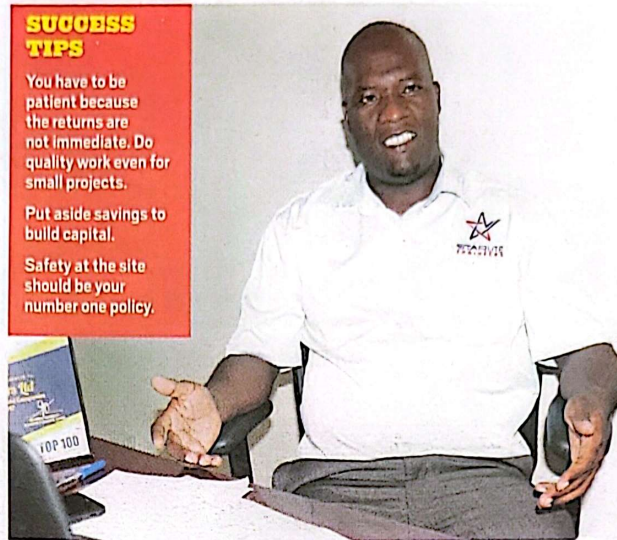
The 46-year old engineer says the

SUCCESS TIPS

You have to be patient because the returns are not immediate. Do quality work even for small projects.

Put aside savings to build capital.

Safety at the site should be your number one policy.



Richard Ssessanga, founder and chief executive officer of Starlite Engineers Limited at his office in Luzira. PHOTO BY ERONIE KAMUKAMA

Shs3.5b

STARLITE ENGINEERS
LIMITED'S TURNOVER AS AT
DECEMBER 2016

Source: Mr Henry Ssegawa

idea of a personal subcontracting firm in the construction sector came to mind back in 2001.

"During my duties in Caltex Oil, I was interacting with many contractors whom we assigned jobs. I came to learn the art of how contractors were doing their business and the challenges they

were facing because I used to supervise them. I decided to open a company in the same field," Mr Ssessanga explains.

More so, he wanted to provide jobs for his friends who had completed diploma courses but were unemployed. Besides, he had expertise and they had time.

He then formalised his business because his vision was to work with companies where having a registered company was a prerequisite.

Starting out was hard because Mr Ssessanga invested about Shs500,000, an amount he accumulated from his faculty allowance as a government sponsored student and an allowance as a needy student. There was no shareholding in the company. The main contractor would provide part of the money while Mr Ssessanga would provide money for labour as the subcontractor.

Subcontracting

The main contractor normally has a strong muscle, so once it gets the project; it finds people to do the ground-work. The job of main contractors is to ensure quality work, supply materials and pay. Once the work is complete but it is sometimes difficult to supervise all

contractor manages people, equipment and safety at the construction site.

As an engineering firm, Starlite constructs buildings after an architect has made a design and does project management until the end-product.

Starlite started out with small jobs such as constructing drainages, classroom blocks and simple buildings. Considering that he didn't commit all his time to the company, Mr Ssessanga used his contacts to direct his colleagues on where to find clients. His first work was a client's home. It left a thrilling sensation, he recalls.

"It was not easy but we would get responses. After doing a good job, they would give you another one. It took about six months to get the first client, just when we were setting up a small office at Sixth Street with two other people," he says.

Time flew fast. He got various sub-contracts, majorly labour contracts with National Housing, Coca-Cola, National Water and Sewerage Corporation, and Kampala Capital City Authority. He installed fuel equipment and constructed hydropower stations.

Mr Ssessanga admits it has been a slow progress for the business because of hurdles. Back then, the procurement process was skewed and government procurements were marred with corruption. Getting contracts was very difficult. He turned to his network including consultants and fellow engineers to get jobs. More so, cash flow was constrained because the company would wait to be paid after three months. Luckily, he was doing labour based projects that required less money and could keep the business afloat.

Tough times

He also noticed the company was stagnating. In 2008, he resigned to manage the daily activities of the company.

Today, he still suffers capital challenges. The construction sector is still infiltrated by multinational firms that have huge pools of capital. Mr Ssessanga says this has created competition for local SMEs and asks government to put a control in relation to projects they can do.

The procurement guidelines have very stringent requirements such as experience and high capital requirements. The cost of accessing finance is high although there are some small-scale loans. "I have tried to get some loans but the cost of borrowing is very high," he says.

Last year's economic distress did not spare him either. Labor costs rose. Main client was government so delays in payments and the hike in prices of construction materials especially ce-

PEOPLE
UPLIFTED
BY
STARLITE
ENGINEERS

Employees of Starlite Engineers Limited share what it is like to work with Mr Richard Ssessanga.



"Mr Ssessanga is hardworking, intelligent and does not give up. I have hopes that Starlite will grow bigger as this construction business is a viable one. I have worked here since 2008 and have been able to set up my concrete business using my savings and a loan from Starlite." FLORENCE NABANKEMA, ADMINISTRATION AND FINANCE MANAGER



"Mr Ssessanga is talented, focused, highly experienced and a risk taker. He has given me exposure to people and skills. We are progressing well." MOSES BAZANY, BUSINESS DEVELOPMENT MANAGER



"This is a growing company as far as competition is concerned. There is hope to grow the company to a corporate company. I have interacted with many people and learnt more about business values."

Why Top 100 SME competition?

Starlite Engineers Limited participated in Top 100 competition for Small and Medium Enterprises (SMEs) since its

informed by the benefits enjoyed. "We noticed you get free publicity, get training and exposure.