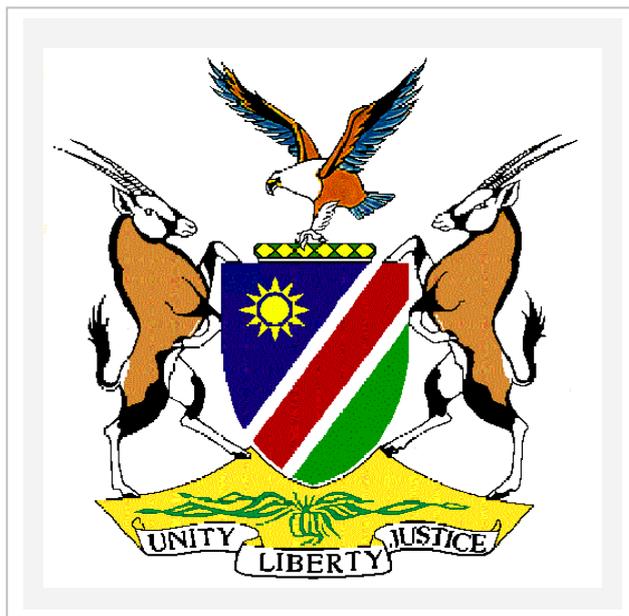


Ministry of Public Enterprises (MPE)

STRATEGIC PLAN 2017/18 – 2021/22



*To Provide Principled Leadership and Create a Conducive Environment For
Public Enterprises to Contribute To Socio-Economic Development.*

March 2017

ABBREVIATIONS

MPE	Ministry of Public Enterprises
SWOT	Strength Weaknesses opportunities and threat
SOEGC	State-Owned Enterprise Governance Council \
HPP	Harambee Prosperity plan
NDPs	National Development Plans
PEs	Public Enterprises
O/M/As	Office /Ministry / Agency
PEGA	Public Enterprises Governance Amendment Act
PAs	Performance Agreements
OPM	Office of the Prime Minister
SOEs	State Owned Enterprises
PSM	Public Service Management
PMS	Performance Management System
GRN	Government
TCQQ	Time, Cost, Quality or Quantity
KPI	Key Performance Indicators
SMART	Specific, Measurable, Achievable, Realistic and Time-bound

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FOREWORD

The Ministry of Public Enterprises (MPE) came into existence during March 2015 with the primary purpose to transform the current public enterprise landscape from being, in most instances, a resource burden towards contributing to the socio-economic development of the Namibian nation. This would usher into a scenario where the current portfolio of public enterprises need to be remodelled and re-aligned towards globally competitive practices to ensure business sustainability going forward.

Business sustainability should translate into management and coordination of environmental, social and financial demands and concerns to ensure responsible, ethical and ongoing success. When assessing public enterprises against this definition, it becomes clear that urgent intervention is required to define a Public Enterprise Governance Framework and establish a support environment to empower Public Enterprises (PEs) to implement mechanisms to chart an immediate and decisive journey towards sustainability in support of Vision 2030, the Harambee Prosperity Plan (HPP) the Fifth National Development Plan's (NDPs) and SWAPO Party Manifesto overarching goals.

It must also be emphasized that competent and ethical leadership are the single most important success factors in ensuring business sustainability and, therefore, the Ministry of Public Enterprises shall not waiver in its resolve to ensure that the right leaders, with the right competencies are appointed in the right portfolios at the right time and should prepared to be held accountable for ensuring business success.

We further acknowledge that we need the synergistic support of our key strategic stakeholders during our journey to transform the public enterprises' landscape, ushering those enterprises into sustainable entities that are a blessing to the Namibian nation.



Honourable Leon Jooste, MP
Minister of Public Enterprises

ACKNOWLEDGEMENT BY PERMANENT SECRETARY

This Strategic Plan (2017/18-2021/22) of the Ministry of Public Enterprises is shaped to embrace the Ministry's vision and mission statements and ultimately its mandate in pursuit to achieve its strategic objectives.

Since the Ministry establishment on the 21 March 2015, all efforts were geared towards the full establishment of the Ministry of Public Enterprises through consulting the respective authorities and stakeholders. In this regard, the Ministry has made some progress with regard to the structure, consultation with major stakeholders (PEs, O/M/As, Cabinet Committees and Cabinet at large. Relevant benchmarking exercises were done with some selected countries while the Public Service Commission and the Public Service Management (PSM) also had been asked to contribute necessary for establishing of Ministry of a magnitude. One would therefore imagine the work and input that would have been required to make progress before the full implementation of the heavy mandate that the Ministry is given to fulfill.

Henceforth, I would like to appreciate the Ministerial Strategic Planning Committee Team for their commitment to put together this plan. The completion of the Strategic Plan could not have been possible without the input and participation of all the staff members of the Ministry. I therefore acknowledge everyone's input and effort.

The Ministry highly values the indispensable contributions and input received from the different key stakeholders such as offices, ministries and agencies, PE boards and executives. By and large, all the comments and various contributions were incorporated into this strategic plan with the aim of cementing the fact that this plan epitomizes the view of a wide stakeholder spectrum. This Strategic Plan is however aimed continue to evolve and mature over the next couple of years as we gain a deeper appreciation of the complexities associated with the MPE's mandate.

My appreciation also goes to our Minister, Hon. Leon Jooste, MP and his Deputy, Hon Engelbrecht Nawatiseb, MP for rendering their visionary support, guidance and blessings throughout the development of the Plan.

Finally, I urge the entire staff to embrace the Strategic Plan by ensuring the implementation of the Strategic Objectives in order to meet the expectations of our clients of fulfilling the full mandate assigned to the Ministry.

FRANS TSHEEHAMA
PERMANENT SECRETARY

EXECUTIVE SUMMARY

The Ministry of Public Enterprises (MPE) engaged its pioneering strategic planning process during the fourth quarter of 2015 to identify the core strategic imperatives for the following five years (2016/17 – 2020/21) that would enable MPE to (i) capacitate the organisation and (ii) to establish all relevant and appropriate core business processes and systems on its quest of achieving its high level statements on the journey of achieving its statutory mandate. Since then the Hybrid Governance Model has been approved by Cabinet, the MPE team has been strengthened by the addition of the Corporate Advisory Reform Unit and NDP5 has been launched. The leadership team acknowledges that the MPE legislative framework is still not complete, hence this strategic plan continues to focus on creating an enabling environment to position MPE to implement its mandate.

MPE defined its vision as; ***“Public Enterprises are positioned as key contributors towards sustainable development of Namibia”***. The manner in which this should be achieved will be through the MPE’s mission (mandate) which is; ***“To provide principled leadership and create a conducive environment for Public Enterprises to contribute to socio-economic development”***. MPE also acknowledges that it would need to achieve its mission by working within an acceptable behaviour framework which is expressed through the MPE’s four foundational values of (i) ***Ethical Leadership***, (ii) ***Harambee (‘Pulling Together in the same direction’)***, (iii) ***Teamwork***, (iv) ***Agility*** and (v) ***Innovation***.

The MPE adopted the Logical Framework Planning Methodology to craft the strategic plan. The MPE shall focus on four (4) strategic objectives over the next five (5) years: (i) ***MPE Operational Excellence***, (ii) ***Enhance Good Corporate Governance***, (iii) ***Public Enterprises (PE) Performance Improvement*** and (iv) ***Reform the PE Sector towards National Economic Growth***.

The MPE Strategy Matrix reflects that the organisation needs to implement, manage and report quarterly on four (4) strategic Performance Indicators (Measures) within the four strategic objectives; with supporting Strategic Programmes and Initiatives/Projects, which should be sufficiently resourced. The projected financial resource requirements to implement the various strategic programmes and initiatives over the full strategic period of five years, as reflected in the MPE Strategy Matrix, are estimated at **N\$272mil**. It should, however, be emphasized that the financial projections are based on assumptions, hence, actual financial requirements shall progressively become more accurate as MPE evolves and matures. Hence, annual strategic reviews shall be engaged and, consequently, the strategic programmes, initiatives and resource requirements would be re-aligned according to annual actual baselines.

1. INTRODUCTION

1.1 Background

The mandate of the ministry is derived from the Public Enterprises Governance Amendment Act (PEG Act), Act No. 8 of 2015. The mandate of MPE is to “position Namibia’s key public enterprises to play their meaningful role in the country’s development agenda and ensure that public enterprises are well managed to reduce the financial burden on the state”.

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1.2 Purpose of the Strategic Plan

A Strategic Plan is the foundation of Performance Management Systems (PMS) provides for the strategic direction towards performance improvement, by means of identifying clear strategic objectives which are necessary to achieve the Mandate of the Ministry. The Strategic plan allows for the ministry to manage performance through the development of the Performance Agreements (PAs) at individual/staff level thereby translating a strategy into desired action. The Strategic Plan also integrates and unifies everyone in the Ministry around a shared vision, values and guides decisions in the allocation of scarce resources.

A consultative method followed to validate the MPE's Strategic Plan was based on the Office of the Prime Minister (OPM) Public Service Strategic Planning Framework, the process of developing strategic plans across the entire Public Service designed for improving productivity and enhancing efficiency in the O/M/As.

2. HIGH LEVEL STATEMENTS

2.1 Mandate

The mandate of the ministry is to *“position Namibia’s key public enterprises to play their meaningful role in the country’s development agenda and ensure that public enterprises are well managed to reduce the financial burden on the State”*.

2.2 Vision

“Positioning Public Enterprises as key contributors towards sustainable development of Namibia”.

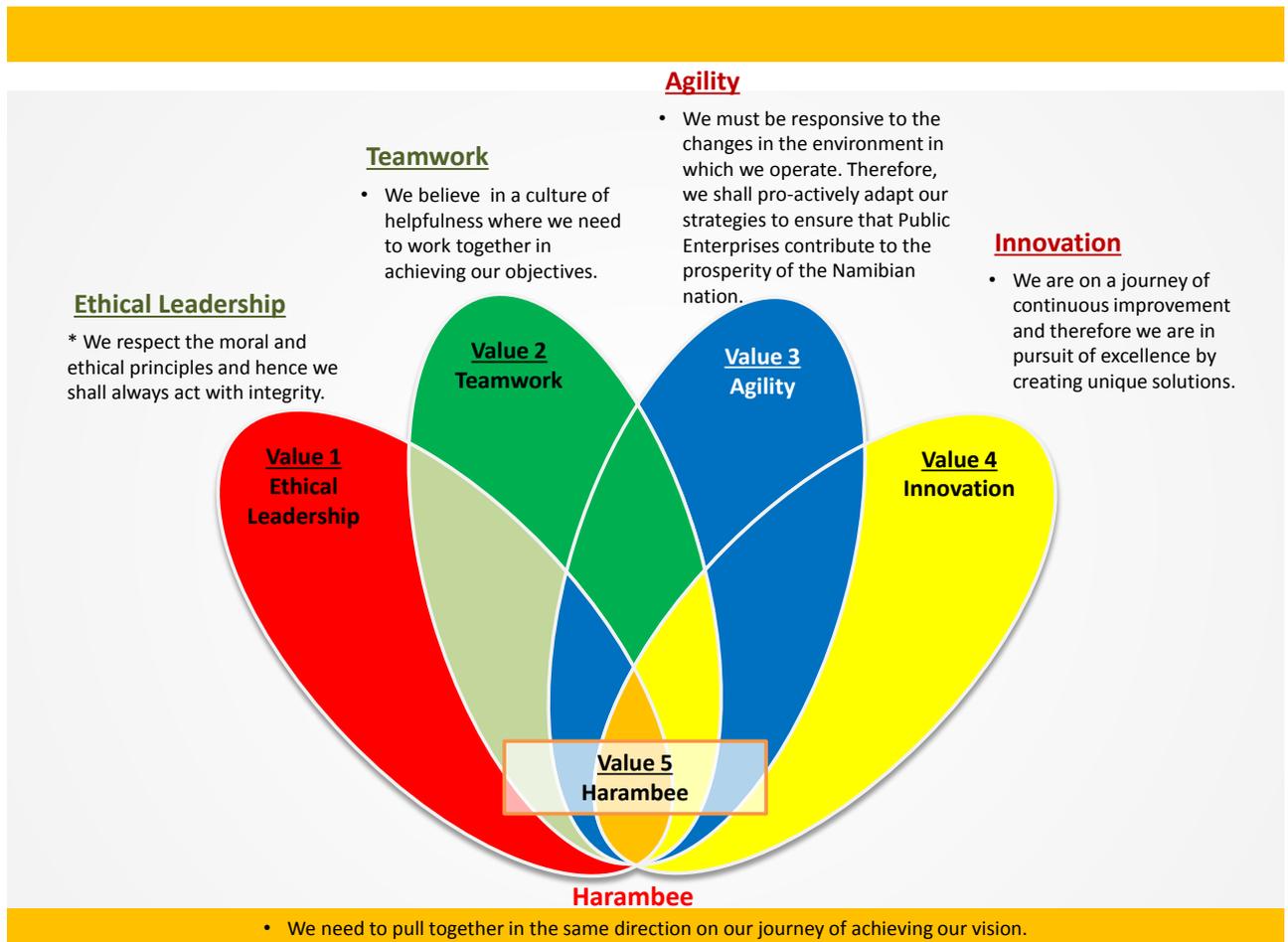
2.3 Mission

The Mission statement provides the reason for existence and how the mandate should be carried out, as follows:

To provide principled leadership and create a conducive environment for Public Enterprises to contribute to socio-economic development.

2.4 Core Values

The MPE Core values are illustrated hereunder:



3. NATIONAL STRATEGIC ALIGNMENT

Namibia's Vision 2030 provides the long term development framework for the country: ***“to be a prosperous and industrialized nation, developed by her human resources, enjoying peace, harmony and political stability”***.

The Fifth National Development Plan (NDP5) 2017/18 – 2021/22 outlines a development strategy that aims to improve the living conditions of every Namibia and the principle of sustainable development permeates NDP5. In the same spirit, NDP5 has four key goals, namely;

- Achieve Inclusive, Sustainable and Equitable Economic Growth,
- Build Capable and Healthy Human Resources;
- Ensure Sustainable Environment and Enhance Resilience; and
- Promote Good Governance through Effective Institutions

The PE Sector has a critical role to play in all four pillars and this strategy takes that into account. From an MPE perspective, the fourth pillar, namely; to promote good governance through effective institutions, forms the heart of the MPE mandate.

MPE Strategic plan is also aligned to HPP pillars:

Effective Governance: Under the sub-pillar **Accountability and Transparency**, the Ministry of Public Enterprises is expected to (1) facilitate the alignment of PE's procurement policies to the new Public Procurement Act,(Act No. 15 of 2015) and ensure timely release the audited financial statements for all PE's, six (6) months after the end of each financial year.

Economic Advancement: Under the sub-pillar, **Economic Transformation**, the Ministry of Public Enterprises is assigned to develop proposals on how better leverage the assets of PE's to reduce the financial burden on the National Budget.

4. ENVIRONMENTAL SCANNING

4.1 Situational Analysis

The MPE engaged a systematic collection and evaluation of past and present economical, political, social, and technological data, aimed at the identification of internal and external forces that may influence the Ministry's performance and choice of strategies, and assessment of the organization's current and future strengths, weaknesses, opportunities, and threats. The situational analysis process was therefore a process of finding a strategic fit between external opportunities and internal strengths while working around external threats and internal weaknesses.

4.2 Critical Challenges

The State-Owned Enterprise Governance Council (SOEGC) which was established in terms of the State Owned Enterprises Governance Act, (Act No.2 of 2006) had the mandate to, primarily, provide efficient governance of State Owned Enterprises (SOEs) on behalf of Government as the owner/shareholder, vested with concomitant powers and responsibilities for implementing an integrated governance policy framework against which to monitor compliance by SOEs as they were then known.

The Public Enterprises Governance Amendment Act came into existence during 2015, with the Ministry of Public Enterprises replacing the SOEGC Secretariat. The Ministry inherited critical challenges pertaining to the Public Enterprises landscape that includes a myriad of complexities surrounding non-performing public enterprises which can be attributed to various reasons ranging from the calibre of leadership at board and executive officer levels, to the under-capitalisation of the critical enterprises, *inter alia*.

The above complexities and other challenges associated with public enterprises are symptomatic of the prevailing ineffectiveness in the public enterprises governance environment, which, in turn, is attributed to a combination of entrenched complications in the governance system of Public Enterprises of Namibia as outlined below:

- In Namibia, the dual governance model of the PE sector, where ownership responsibility is shared between the line Ministry and the MPE, is cited as a key hindrance to PE efficiency. Accordingly, the dual model, with its multiple owners (Cabinet, MPE, various portfolio Ministers, Board of Directors and Management /Executives of PEs) has too many layers of authority and communication and this makes it difficult for the Ministry to efficiently and effectively perform its oversight functions as stipulated in the PEG Act. This multiple principal agency scenario blurs reporting and accountability lines due to the presence of different role players. This also results in delays to, timely, arrive at crucial decisions required to address business challenges.
- Furthermore, different pieces of legislation and policy documents of various PEs prescribe different governance structures which create overlaps when effecting provisions of the PEG Act, e.g. the Companies Act differs from the PEG Act and from PEs' constituent Acts in terms of; risk, liability and fiduciary responsibility which it (Companies Act) places with the boards while the latter leave it to line Ministers. Sometimes, the multiplicity of reporting lines and conflicting policy instruments lead to conflict between Management, Boards and Ministers due to differing interpretations of the companies' high level statements and strategic priorities.
- Another difficulty lies in lumping together PEs, which widely vary in their objectives, nature and functions, into a homogenous group and using uniform yardstick to measure their performance. For example, it is difficult to use same measures to evaluate profit-making PEs with those rendering public goods and services e.g. Nampower versus the Namibia Tourism Board, or August 26 Holding (PTY) versus the National Disability Council.
- It therefore follows that, a need exists to segment PEs into different classes, e.g. those which are economically productive may require a different governance architecture from the ones with strong social objectives. Consequently, other PEs could continue to resort under individual ministries while still receiving some macro-level policy guidelines from MPE.
- Finally, the PEG Act is silent on the issue of non-compliance by PEs with its provisions and requirements.
- Additionally, the MPE institutional structure and competency requirements need urgent scrutiny and capacitating to enable it to deliver on its core mandate.

Based on the afore-stated shortcomings, it is deduced that the current governance architecture for PE's in Namibia is unsustainable, inadequate and unable to transform PEs into agents of socio-economic development to, comprehensively, address the challenges of unemployment, poverty and inequality and contribute to the realization of full industrialization and a knowledge based society by 2030.

Inversely, a continuation of the current state of PE governance could result in: increased pressure on the national budget and risk of fiscal deficits due to PE operational losses; increase in public debts and a rise in real interest rates which would reduce overall investment as a result of continuous PE subsidization ("bail outs"); and divert resources away from essential government priorities, while negatively impacting on growth and development.

Therefore, in July 2016 Cabinet endorsed the Hybrid Governance Model as the first step to address these shortcomings, on the MPE journey to transform Public Enterprises through focused strategic interventions. More in-depth study and the overhaul of the current legislation are currently underway. Many of the required studies/analyses and overhaul of the entire legislative and Governance reforms are to be done through of the Corporate Advisory Reform Unit (CARU), which has already started its work around June 2016. In their initial studies, several challenges have become clear and need urgent attention, for instance:

- The measurement of GDP contribution by PE's is currently not available, GDP contribution is only measured sectorally at present;
- When benchmarking the Namibian PE landscape internationally, there are anomalies in the definition of what constitutes a Public Enterprise, a State Owned Enterprise or a Government linked institution and this causes challenges in defining what falls under the mandate of the Ministry of Public Enterprises, in the development of the Ownership policy and in the differentiation of Commercial and non-Commercial Public Enterprises;
- Inadequate skills and capabilities in the PE sector; and
- Lack of proper financial management in the majority of PEs.

4.3 MPE - SWOT Analysis

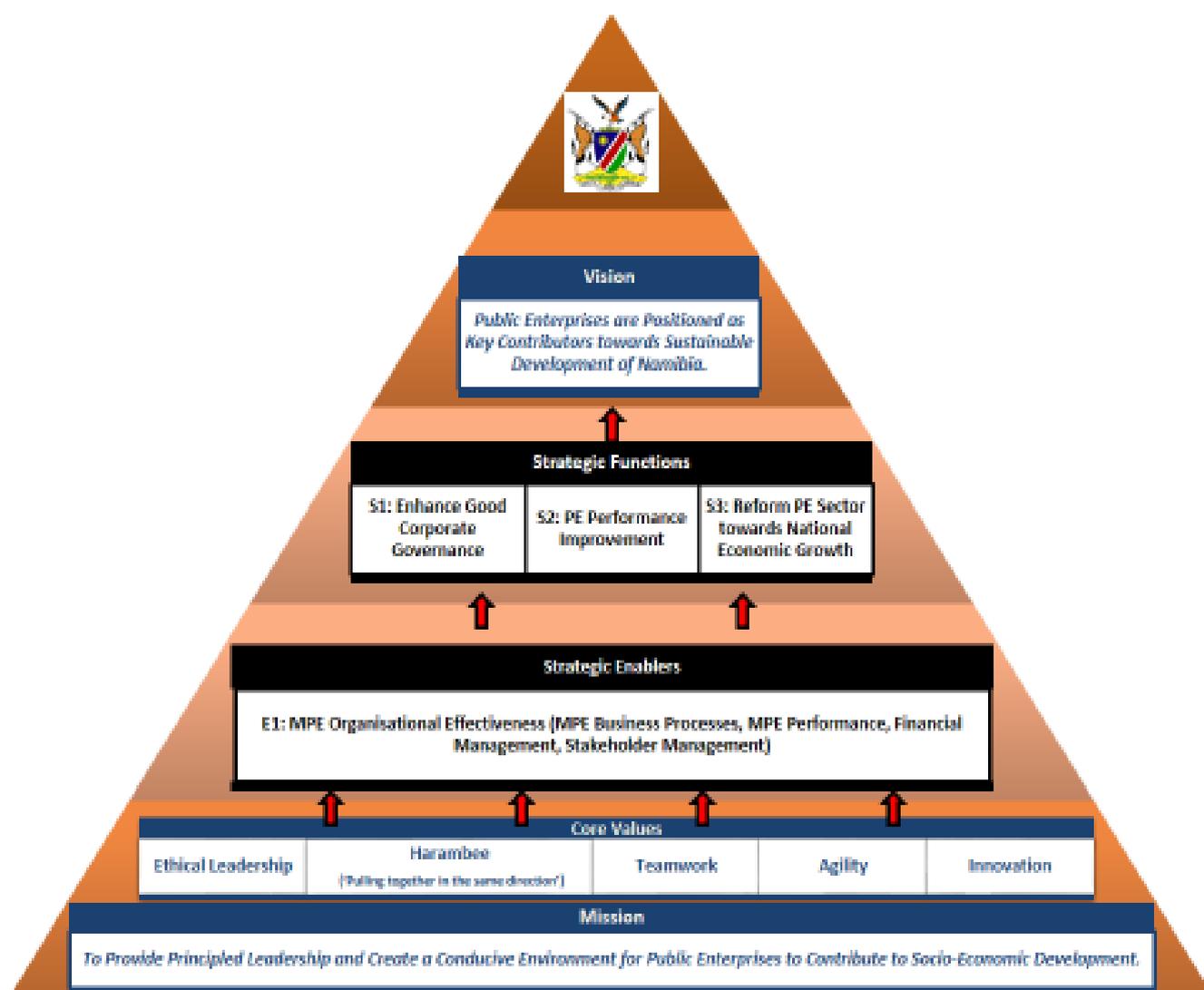
The SWOT Analysis is a useful framework for analyzing an organization's strengths and weaknesses, opportunities and threats that the organization faces. This analysis helps MPE to focus on its strengths; overcome weaknesses minimize threats, and take the advantage of opportunities.

Set out below is a competitive SWOT analysis for MPE.

<p>Strengths</p> <ul style="list-style-type: none"> ▪ S1: Political Support ▪ S2: Financial Support 	<p>Weakness</p> <ul style="list-style-type: none"> ▪ W1: Legislative barrier (inadequacy of current legislative framework to enable execution of mandate) ▪ W2: Weak / inadequate processes and systems ▪ W3: Lack of specialized skills and capacity ▪ W4: Lack of Teamwork / interdependency
<p>Opportunities</p> <ul style="list-style-type: none"> ▪ O1: Economic downturn create a sense of urgency to execute mandate effectively and efficiency ▪ O2: Create the conducive environment for under-performing Public Enterprises to contribute to Socio-Economic Development, in line with national development agenda 	<p>Threats</p> <ul style="list-style-type: none"> ▪ T1: Inadequate financial resources / support from GRN for MPE and PE's in general ▪ T2: Change in executive leadership- change in Vision

5. STRATEGIC ISSUES

The MPE Strategic Value Map hereunder illustrates the high level statements (vision, mission and core values) as well as the Strategic Objectives for the relevant period:



5.1 Strategic Objectives

The MPE Strategic Objectives are as follows:

Strategic Objectives	Definition
Strategic Objective 1: MPE Operational Excellence	This strategic objective purpose is to improve internal operational process and capacity of the Ministry in order to provide excellent service to its clients and stakeholders. These include streamlining of key process, structure alignment to strategy and staff capacity building. This will enable MPE to effectively engage all the relevant stakeholders.
Strategic Objective 2: Enhance Good Cooperate Governance	This strategic objective is to strengthen the PE Boards of Directors and enforce compliance to the legal and corporate governance frameworks.
Strategic Objective 3: Public Enterprises Performance Improvement	This strategic objective endeavour to ensure a high performance culture within PEs.
Strategic Objective 4: Reform PEs towards National Economic Development	This strategic objective will tackle the reform of the PE sector through extensive research in order to guide key public enterprises to play their meaningful role in the country's development agenda.

MPE STRATEGIC PLAN MATRIX												
Desired Outcome (NDP5, HPP)	Strategic Objectives	KPI	Indicator Definition	Baseline	YR 1	YR2	YR3	YR4	YR 5	Programme	Projects	Budget Operational (N\$)
	1. MPE Operational Excellence	% Strategy Execution Rate	Performance Improvement of the Quarterly and Annual PMS Score from OPM	65%	70%	75%	80%	80%	80%	1. Business Process RE-engineering (BPR)	1.1 Business Process Re-engineering (BPR)	6 000 000
										2. Human Capital Management	2.1 Skills Development	2 102 820
										3. MPE Performance Improvement (linked to Strategic and Annual Plan)	3.1 Performance Management	100 000
										4. MPE Financial Management	4.1 Budget Execution Rate of at least 90%	500 000
											4.2 Risk Register	10 000
										5. Stakeholder Management	5.1 Development and Implementation of Communication Strategy	4 000 000
											5.2 External Stakeholder Engagement	5 000 000
2. Enhance Good Corporate Governance	% Compliance to PE Governance Framework	Compliance Score Baseline to be Determined for Commercial and Non-Commercial PEs	15%	20%	30%	50%	60%	70%	6. Legal Framework	6.1 Legal Framework Strengthen (PEG Amended)	1 769 000	
										6.2. PEGA Act Repealed	3 000 000	
										6.2. PEs Classified	100 000	
										6.4. Ownership Policy Finalized	2 000 000	
									7. Corporate Governance Framework	7.1 Governance and Performance Agreements Enforced	5 000 000	
										7.2 Compliance Enforcement	4 350 000	
										7.3 Monitoring and Evaluation of PE Compliance	7 000 000	
										7.4 Monitor Business Plan and Performance	5 239 000	

MPE STRATEGIC PLAN MATRIX												
Desired Outcome (NDP5, HPP)	Strategic Objectives	KPI	Indicator Definition	Baseline	YR 1	YR2	YR3	YR4	YR 5	Programme	Projects	Budget Operational (N\$)
	3. Public Enterprises Performance Improvement	% compliance to PE Performance Framework	PE Performance and Sustainability Score Improvement (differentiate between Commercial and Non-Commercial)	Establish baseline (educated guess =10%)	15%	20%	25%	30%	35%	8. Improvement of PE Performance	8.1 Board Oversight	10 000 000
	4. Reform PEs towards National Economic Development	% PE contribution to GDP Growth	The extent to which MPE is able to measure the contribution of key PE's directly to the National GDP	Establish baseline	5%	5%	5%	7%	9%	9. Align Strategies of the Relevant PEs with NDP5, HPP and Vision 2030	9.1 PE Strategy and Business Plan Review and Approval	3 750 000
9.2 PEs Reform											2 000 000	
9.3 Tripartite Agreements for Commercial PEs											2 000 000	
9.4 Targeted Economic Research Conducted (to support informed shareholder decision making)											2 000 000	
9.5 Develop Formula to Measure PE's Sector Contribution to GDP											1 000 000	
	4 Strategic Objectives									9 Programme	21 Projects	

6. RISK ASSESSMENT

MPE will be guided by the Risk Management framework to compile a comprehensive risk register to ensure that risks arising from operational matters are identified and appropriate measures are taken to mitigate and manage, its reputation is protected and management is enabled to discharge its fiduciary and statutory duty for the management of activities responsibly and effectively.

Business Process Re-engineering: lack of effective training to the staff of the MPE especially those tasked to working with the PEs could result in the undesirable outcomes within the industry;

Budget allocation/Financial Resources: insufficient budgetary allocation may impede on the successful implementation of this strategic plan;

Communication Strategy: lack of an effective internal and external communication strategy could negatively affect the smooth delivery of essential services which could as well have a negative bearing on good corporate governance;

Legal environment: the lack of a conducive legal environment for the PEs sector to ensure enforcement to legal requirements could pose a serious challenge towards the attainment of good corporate governance within the PEs; and

Governance Model: the delay in the implementation of the hybrid model could delay the reform initiatives that the MPE would want to undertake for turn-around strategy of the PEs.

7. CRITICAL SUCCESS FACTORS

The critical success factors for achieving the MPE strategic imperatives are strategic stakeholder support, high performance culture for effective service delivery, smooth flow of information and coordination, leadership commitment and the ability of MPE to attract, retain and develop highly skilled and competent human capital for specialist functions.

1. **Strategic stakeholder buy-in/support:** It is of critical importance that other stakeholders support in full the public enterprises reform and the Ministry's programme. A stakeholder plan will be crafted to ensure that stakeholder relations are managed and also capitalized on.
2. **High performance culture for effective service delivery:** The attainment of MPE vision and Mandate will come about through this critical success factor. It is important that the Ministry finds methods and mechanism to excel in the provision of effective service delivery. A competent and willing labour force should be enhanced. MPE's ability to attract, retain and develop highly skilled and competent human capital is key for the implementation of the 5 years strategic plan. There is a need to prioritize and rationalize the use of resources with the ultimate goal of doing more together with less.
3. **Smooth flow of information and coordination:** The success of the MPE team will come through proper communication strategies and processes such as sharing of information across Directorates / Division/ Unit to ensure effective turn-around times.
4. **Leadership commitment:** The success of this Strategic Plan also depends on the ability of MPE Management and entire leadership to influence subordinates to willingly travel on the journey of implementing the strategic objectives. Leadership should lead by example and ensure that the strategic plan is monitored, reported on and achieved going forward. This means that Management team should passionately believe in the high level statements of the Ministry and have the ability to ensure strategy execution through daily strategic thinking.
5. **Monitoring and Evaluation:** To transform the current public enterprise landscape from being, in most instances, a resource burden towards contributing to the socio-economic development of the Namibian nation through monitoring, evaluation and compliance to a robust governance framework is paramount.

ANNEXURE:

1. MPE – STAKEHOLDER ANALYSIS

STAKEHOLDER CATEGORY		STAKEHOLDER NEEDS / EXPECTATIONS
1	Shareholders	
1.1	Government	Profitable Public Enterprises (PE's). PE's declare dividend (ROI) and service delivery. PE's contribute to National socio-economic development. Commercial PE's self-sustainability.
2	Strategic Partners	
2.1	PE's / Boards	Responsiveness; Principled Leadership; Service/ Support; Governance Frameworks.
2.2	Line Ministries	Provide guidance and be concerned about the performance of PE's; Compliance and governance of PE's; Execution of Policy; Research and Information; Effective reporting on Performance.
2.3	Training Institutions	Capacity Building
2.4	Auditor General	Play more effective and direct role in auditing and oversight of PE's.
2.5	Attorney General	Play more effective and direct role in legal advisory services of the Ministry and PE's.
2.6	Parliament	Integrated Reporting; Compliance
2.7	OPM	Proper planning and execution; Alignment to NDP; Reporting
2.8	Cabinet	Execution of Directives and Prudent Financial Management
2.9	Ministry of Finance	Prudent Financial Management; Compliance to Procurement; Reduce burden on tax coffers
3	Customers	
3.1	PE's	Clear directives; Principled leadership; Create a conducive environment for PE's to operate effectively.
4	Employees	
4.1	All levels and special advisory units.	Capacity Building; Empowerment; Enabling Milieu; Conducive Working Milieu; Trust; Social Capital / Entertainment; Tools; Support; Motivation; Teamwork; Leadership; Safety and Security; Fair Remuneration; Employee Wellness.
5	Interest / Pressure Groups	
5.1	Media	Timely Information (Proactive)
5.2	Consumer groups / Public	Service delivery
5.3	Political Parties	Service delivery
5.4	Entrepreneurs / SME's	Business development
5.5	Trade Unions	Sound Employment Relations Practices

2. THE MPE STRATEGIC PROGRAMMES:

It should be emphasised that the MPE is in its establishment phase of a typical organisation, and therefore the right balance has to exist between activities that are “inward-looking” to establish the foundation of the Ministry (such as developing the legislative- and governance frameworks and to capacitate it with the physical and human resources to execute its mandate going forward) and those that seek to improve the PE landscape (such as improved PE Corporate Governance and Performance). The Pareto Principle (20/80 Rule) was used to identify the key strategic projects for the first five (5) years of the MPE.

MPE Strategic Programmes

1	Business Process Re-engineering – addressing the procedural and people aspect
2	Human Capital Management – strengthening Human Capital and Organization development proposal including structures
3	MPE Performance Improvement - linked to strategic and annual plan
4	MPE Financial Management – focusing on budget execution and obtaining a clean audit opinion
5	Stakeholder Management – development of a communication plan, with a pro-active stakeholder engagement programme and employee engagement
6	Legal Framework – PEG Act amended, repeal of the PEG Act, issuing of regulations and harmonisation, alignment of the PE legislation with the new Act and develop and finalised the Ownership Policy
7	Corporate Governance Framework – Governance and Performance Agreements Enforced, Compliance Enforcement, targeted research and Monitor PEs Business Plan execution and Performance
8	Improvement of PE Performance – with focus on enhanced board effectiveness and board performance monitoring
9	Align Strategies of the Relevant PEs with National Agenda (NDP5 and HPP) – through review and approval of business plans and measuring GDP contribution

3: DEFINITION OF KEY TERMS

Benchmarking	a systematic, deliberate and thorough search for best practices that would lead to performance improvement when adapted into your organisation. It is a systematic learning process to close the performance gap. It involves planning, data collection, analysis and design, implementation, monitoring and adjustment.
Cascade	a series of interventions through which an organisational aspect/concept (such as an objective) is passed from the higher to lower levels (to units) in a manner applied to each level, ensuring buy-in and resulting in aligned thinking and effort throughout the organisation.
Initiative	current and future activities, projects and programmes the organisation is engaged in to help ensure it meets or exceeds its performance targets. Initiatives drive strategic performance. Initiatives are not ends in themselves, but means by which the organisation achieves its strategic objectives.
Key Performance Indicators (Measures(s))	these refer to the objective and not the initiatives; KPIs are the agreed upon measure(s) in terms of time, cost, quality or quantity (TCQQ) used to determine effective performance and achievement of the objective. KPIs make objectives 'SMART' – specific, measurable, achievable, realistic and time-bound. 'KPIs with their targets are used to assess achievement, indicate progress, or the lack thereof, towards achieving the objective.
Mission	the mission statement defines the nature and core purpose of the organisation and is based on its mandate as expressed in specific legislation.
Objective	a specific (definable), concrete (measurable), short-term statement of a desired result, condition or accomplishment towards the achievement of strategic and management plans.
Outcome	the consequence, effect, impact and/or payoff(s) of achieving specific objectives/results, especially where direct effect is extremely difficult to measure.
Outputs	the services delivered or products produced.
Performance Target	the target for each KPI can be expressed in different units, e.g. percentage, N\$, number, frequency and date (sometimes referred to as TCQQ – Time, Cost, Quality and Quantity); the target is an agreed quantifiable performance level or change in level to be attained by a specific date and often based on benchmarking.
Project Management	the application of knowledge, skills, tools and techniques to project activities in order to meet or exceed stakeholder needs and expectations from a project.
Programme Management	a combination or grouping of related projects, together achieving a common objective or theme.
Strategy	The Strategy starts with the present and moves the organisation to the future. Strategy asks three questions: "Where are we now?" (by analysing our internal and external environment); "Where do we want to go?" (Where is our preferred destination in say 5 years?); "How do we want to get there?" (our roadmap). Strategy represents the broad priorities adopted by

the organisation in recognition of its operating environment and in pursuit of its mission.

Strategic Plan

the document capturing the strategic critical issues and strategies towards attaining the organisational purpose and direction as developed by the organisation.

Strategic Planning

a process through which an organisation determines its strategic direction by setting clear objectives, including high level statements (vision, mission, core values) on a long term basis.

Structure

the systematic grouping and coordination of a variety of functions, tasks, hierarchies and resources (human, physical, financial and information) through an analysis of the work required - in a way that all management, supervisors and staff members have a clear understanding of their duties and how they work effectively together towards the organisational vision, mission and objectives.

Values

Values determine the way things get done in the organisation. Values are timeless guiding principles, deeply held beliefs within the organisation and demonstrated through the day-to-day behaviours of all employees. The organisation's values make an open proclamation about how it expects everyone to behave.

Vision

The vision is the attractive and desirable picture of the future organisation, in say 5 or 10 years' time, in terms of its likely physical appearance, location, size, image, products/services/activities, customers, processes, performance, staffing, capacities, etc. Vision translates mission into something really meaningful.