5 Year Strategic Plan

2006 – 2011

Unlocking Potential
For the purposes of the NDA and its organisational strategy, the following terms and acronyms can be defined as follows:

**ASGI-SA** - Accelerated Shared Growth Initiative of South Africa

**CSOs** - Civil Society Organisations

**DFIs** - Development Finance Institutions

**DPLG** - Department of Provincial and Local Government

**FBOs** - Faith Based Organisations

**IDPs** - Integrated Development Plans

**ISRDPs** - Integrated Sustainable Rural Development Programmes

**MDGs** - Millennium Development Goals

**MTEF** - Medium Term Expenditure Framework

**NDA** - National Development Agency

**NGOs** - Non Governmental Organisations

**OBJECTIVE** - An aim or intended result of a strategy

**SETAS** - Sector Education and Training Authorities

**URPs** - Urban Renewal Programmes

**OUTCOME** - A description of the intended result, effect or consequence that will occur from carrying out a programme or activity. A long-term ultimate measure of success or strategic objectives.

**INDICATOR** - A description of the level of activity or effort that will be produced or provided over a period of time or by a specified date. A tactical or short-term quality or efficiency indicator.

**BALANCED SCORECARD** - A measurement-based strategic management system, originated by Robert Kaplan and David Norton, which provides a method of aligning business activities to the strategy, and monitoring performance of strategic goals over time.

**BASELINE** - Data on the current process that provides the metrics against which to compare improvements and to use in benchmarking.
**BENCHMARKING** – The process of comparing one set of measurements of a process, product or services to those of another organization. The objective of benchmarking is to set appropriate reliability and quality metrics for your organization based on metrics for similar processes in other organizations.

**BUSINESS CASE** – A structured proposal for business improvement that functions as a decision package for organizational decision-makers. A business case includes an analysis of business process performance and associated needs or problems, proposed alternative solutions, assumptions, constraints, and a risk-adjusted cost-benefit analysis.

**BUSINESS PROCESS IMPROVEMENT** – A methodology for focused change in a business process achieved by analyzing the AS-IS process using flowcharts and other tools, then developing a streamlined TO-BE process in which automation may be added to result in a process that is better, faster, and cheaper.

**BUSINESS PROCESS REENGINEERING** – A methodology for radical, rapid change in business processes achieved by redesigning the process from scratch and then adding automation.

**CORE COMPETENCY** – A distinctive area of expertise of an organization that is critical to its long term success. These are built over time and cannot be imitated easily. The concept was developed by CK Prahalad and G Hamel in a series of articles in Harvard Business Review around 1990. Sometimes called core capability.

**COST-BENEFIT ANALYSIS** – A technique used to compare the various costs associated with an investment with the benefits that it proposes to return. Both tangible and intangible factors should be addressed and accounted for.

**CUSTOMERS** – In the private sector, those who pay, or exchange value, for products or services. In government, customers consist of (a) the taxpayers; (b) taxpayer representatives in Congress, (c) the sponsors of the agency; (d) the managers of an agency programme; (e) the recipients of the agency's products and services. There may be several more categories of customers; they should be carefully segmented for maximum strategic benefit.

**ECONOMIC VALUE ADDED (EVA)** – Net operating profit after taxes minus (capital x cost of capital). EVA is a measure of the economic value of an investment or project.

**EARNED VALUE MANAGEMENT** – Earned value is a project management technique that relates to resource planning to schedules and to technical cost and schedule requirements. All work is planned, budgeted, and scheduled in time-phased “planned value” increments constituting a cost and schedule measurement baseline.

**EFFECTIVENESS** – (a) Degree to which an activity or initiative is successful in achieving a specified goal; (b) degree to which activities of a unit achieve the unit's mission or goal.

**EFFICIENCY** – (a) Degree of capability or productivity of a process, such as the number of cases closed per year; (b) tasks accomplished per unit cost.
ENTERPRISE – A system of business endeavor within a particular business environment. An enterprise architecture is a design for the arrangement and interoperation of business components (e.g. policies, operations, infrastructure, and information) that together make up the enterprise’s means of operation.

EXECUTIVE INFORMATION SYSTEM – Generic term for a software application that provides high-level information to decision makers, usually to support resource allocation, strategy and priority decisions. This could include a Balanced Scorecard System, Enterprise Resource Planning (ERP) system, Decision Support System (DSS), etc.

FRAMEWORK – A logical structure for classifying and organizing complex information.

GAP ANALYSIS – Gap analysis naturally flows from benchmarking or other assessments. Once we understand what is the general expectation of performance in the industry, we can then compare that with the current capabilities, and this becomes the gap analysis. Such analysis can be performed at the strategic or operational level of an organization.

GOAL – A specific intended result of a strategy; used interchangeably with an objective. Note the term “goal” is used in a wide variety of ways in planning; e.g. as a strategic result or outcome; an objective, a measure, a target, etc.

IMPROVEMENT – An activity undertaken based on strategic objectives such as reduced cycle time, reduced cost, and customer satisfaction. All improvement efforts should be linked to the strategy. They are either improvements directly in mission activities or support activities for the mission. There may be some overlap in these; that is ok.

KEY PERFORMANCE INDICATORS (KPI) – A short list of metrics that an organisation’s managers have identified as the most important variables reflecting mission success or organizational performance.

KEY SUCCESS FACTORS (KSF) – The three to five broad areas on which an organization must focus in order to achieve its vision. They may be major weaknesses that must be fixed before other goals can be achieved. They are not as specific as strategies. Sometimes called strategic themes or critical success factors.

KNOWLEDGE MANAGEMENT – Caters for the critical issues of organizational adaptation, survival and competence in face of increasingly discontinuous environmental change. Essentially, it embodies organizational processes to seek synergistic combination of data and information processing capacity of information technologies, and the creative and innovative capacity of human beings.

MEASUREMENT – An observation that reduces the amount of uncertainty about the value of a quantity. In the Balanced Scorecard, measurements are collected for feedback. The measurement system gathers information about all the significant activities of an organization. Measurements are the data resulting from the measurement effort. Measurement also implies a methodology, analysis, and other activities involved with how particular measurements are collected and managed. There may be many ways of measuring the same thing.
**METRICS** – Often used interchangeably with measurements. However, it is helpful to separate these definitions. Metrics define what is to be measured. Some metrics are specialized, so they can’t be directly benchmarked or interpreted outside a mission-specific business unit. Other measures will be generic, and they can be aggregated across business units, e.g. cycle time, customer satisfaction, and financial results.

**MISSION ACTIVITIES** – Things that an agency does for its customers. For private companies, profit or value creation is an overarching mission. For non-profit organizations, the mission itself takes priority, although cost reduction is still usually a high priority activity.

**OBJECTIVE** – An aim or intended result of a strategy.

**ORGANISATION** – The command, control and feedback relationships among a group of people and information systems.

**OUTCOME** – A description of the intended result, effect, or consequence that will occur from carrying out a programme or activity. A long-term, ultimate measure of success or strategic objectives.

**OUTPUT** – A description of the level of activity or effort that will be produced or provided over a period of time or by a specified date, including a description of the characteristics and attributes (e.g. timelines) established as standards in the course of conducting the activity or effort. A tactical or short-term quality or efficiency indicator for a business process.

**PERFORMANCE GOAL** – A target level of performance expressed as a tangible, measureable objective, against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate.

**PERFORMANCE INDICATOR** – A particular value or characteristics used to measure output or outcome.

**PERFORMANCE MEASUREMENT** – The process of developing measurable indicators that can be systematically tracked to assess progress made in achieving predetermined goals and using such indicators to assess progress in achieving these goals. A performance gap is the gap between what customers and stakeholders expect and what each process and related sub processes produces in terms of quality, quantity, time, and cost of services and products.

**PLAN** – A prescribed, written sequence of actions to achieve a goal, usually ordered in phases or steps with a schedule and measurable targets; defines who is responsible for achievement, who will do the work, and links to other related plans and goals.

**PROFIT** – Financial gain or revenues minus expenses. Profit is the overarching mission of private sector companies. Non-profit or governmental organizations either operate at a loss or attempt to achieve a zero profit; for them the overarching mission is a charter for a service, or a goal to be achieved. Therefore, there is a basic distinction in measures of strategic success between profit and non-profit or governmental organisations.
**PROJECT MANAGEMENT** - A set of well defined methods and techniques for managing a team of people to accomplish a series of work tasks within as well-defined schedule and budget.

**RETURN ON INVESTMENT (ROI)** - In the private sector, the annual financial profit after an investment minus the cost of investment. In the public sector, cost reduction or cost avoidance obtained after an improvement in processes or systems, minus the cost of the improvement.

**RISK ANALYSIS** - A technique to identify and assess factors that may jeopardize the success of a project or achieving a goal. This technique also helps define preventative measures to reduce the probability of these factors from occurring and identify counter-measures to successfully deal with these constraints when they develop.

**STAKEHOLDER** - An individual or group with an interest in the success of an organization in delivering intended results and maintaining the viability of the organisation’s products and services. Stakeholders influence programmes, products, and services.

**STANDARD** - A set of criteria (some of which may be mandatory), voluntary guidelines, and best practices.

**STRATEGIC THEMES** - The general strategy broken down into categories that focus on different perspectives of the company that can lead to the overall success, such as customer satisfaction, reduced cost, employee growth, etc. Usually general and not quantified.

**STRATEGY** - (1) Theories that propose the direction a company or agency should go to fulfill its vision and maximize the possibility of its future success. (2) Unique and sustainable ways by which organizations create value. Answers the right question, “Are we doing the right things?”

**STRATEGY MAP** - A two-dimensional visual tool for designing strategies and identifying strategic goals. It usually shows the four perspectives of the Balanced Scorecard in four layers, with learning & growth at the bottom, followed by business processes, customer satisfaction, and financial results (or mission value in the case of non-profits). Activities to achieve strategic goals are mapped as ‘bubbles’ linked by cause-effect arrows that are assumed to occur.

**SUPPORT ACTIVITIES** - Internal business activities that enable achievement of mission activities and strategic activities, but that are permanent and not directly linked to specific goals.

**SWOT ANALYSIS** - An assessment tool for identifying the overall strategic situation in an organization by listing the **Strengths**, **Weaknesses**, **Opportunities** and **Threats**.

**TARGET** - A quantitative measurement of a performance metric that is to be achieved by a given time. Both the metric and the schedule need to be specified for targets. A stretch target is the same thing, but its quantitative value is much higher, demanding breakthrough performance to achieve.
TOTAL QUALITY MANAGEMENT (TQM) – A methodology for continuous monitoring and incremental improvements of a supply-line process by identifying causes of variation and reducing them. Originated by Deming in the 1950’s and widely applied in the USA government.

UNIT – (1) A functional or business component of an agency, generally with a specified mission or support activity. (2) A standard basis for quantitative measurements.

VALUE-ADDED – Those activities or steps that add to or change the product or service as it goes through a process; these are the activities or steps that customers view as important and necessary.

VALUE CHAIN – The sequential set of primary and support activities that an enterprise performs to turn inputs into value-added outputs for its external customers.

VALUE Proposition – (1) The unique added value an organization offers customers through their operations. (2) The logical link between action and payoff that knowledge management must create to be effective; e.g. customer intimacy, product-to-market excellence, and operational excellence.

VALUES – General guiding principles that are to govern all activities.

VISION – Long-term goal of strategy. Answers the question, “How would the country be different if your mission were fully successful?”
OUTLINE OF THE STRATEGIC PLANNING PROCESS

The NDA is expected to submit a strategy by the end of February each year. In order to define a strategy that is well crafted and able to deliver on its strategic intent, the NDA appointed a partner with specific expertise in strategy development. The strategic planning process, which was followed, placed emphasis on the analysis of the external opportunities and challenges as well as the internal strengths and weaknesses of the organisation. The process followed consisted of four key phases outlined below:

**Phase 1: Determine the Strategic Intent**

This phase included the crafting of the organisation’s mission, vision and values. In addition, the organisation wanted to establish a clear parameter of what our stakeholders can expect from the NDA, thereby crafting a Brand Promise. This process was inclusive but primarily driven by the NDA Board and then cascaded throughout the organisation.

**Phase 2: Analysis of External Opportunities and Challenges**

The NDA conducted an independent environmental analysis utilising both a quantitative and qualitative stakeholder survey. In addition, an external provider undertook a detailed economic assessment. The cumulative analysis of the external environment of the NDA consisted of a Sector, Macro- and Microeconomic, Competitor, Political and Regulatory, Social, Technological and Environmental Analysis. The data from the analysis was extrapolated and utilised to effectively position the NDA within its operating environment in order to enhance its contribution to the Government’s poverty eradication priorities.

**Phase 3: Analysis of Internal Strengths and Challenges**

Whilst the external environment plays a critical role in ensuring that the NDA is focussing on the appropriate priorities, the internal analysis is critical in evaluating organisational readiness to deliver on the strategy and overall mandate. In order to evaluate the organisational readiness, an assessment, which incorporated a Financial, Human Resources, Operating, Management Information Systems, Administrative Capability and Process Capability analysis, was undertaken. Data from this analysis was factored into the development of the strategy and forms part of a proactive approach to capitalising on the strengths that the organisation has, whilst mitigating internal weaknesses.
Phase 4: Strategy Formulation

Upon conclusion of the detailed analysis of the external environment and internal resources the process focussed on the identification of strategic issues facing the organisation and formulating a strategy that will be able to optimise organisational strengths in order to capitalise on opportunities and counteract external and internal challenges. Part of the formulation included defining the work forward programme of the strategy, utilising the balanced scorecard methodology for performance monitoring and reporting. Finally, reconciliation was performed to ensure that the budget is aligned to the strategy.

KEY STAKEHOLDERS

As a result of its articulated mandate, the NDA has a particularly broad stakeholder interest. However in order for it to position its strategy appropriately it is critical to identify its Key stakeholders and these are as follows:

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<th>National Parliament and Legislators</th>
<th>Private Sector</th>
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<td>Provincial Government</td>
<td>Traditional Leaders</td>
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<td>Local Government</td>
<td>Local Donors</td>
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<td>Public Entities and enterprises</td>
<td>International Donor Agencies</td>
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<td>Development Finance Institutions</td>
<td>International non governmental organisations</td>
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<td>Media</td>
<td>Civil Society Organisations</td>
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<td>Employee organisations</td>
<td>Statutory Bodies</td>
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<td>Recipients of NDA project funding</td>
<td>International Government</td>
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I wish to commend the board of the National Development Agency, led by Bishop Malusi Mpumlwana, for the illustrious work performed by the Agency over the past two years. I also derive enormous confidence, optimism and hope presented by the Organisational Strategic Plan for the period 2006-2011. My overwhelming sense is that the National Development Agency has created the necessary institutional stability and effective governance to deliver on its legislative mandate.

It is estimated that 29 million people in South Africa can be classified as poor, according to the recent parliamentary briefing by the Department of Provincial and Local Government. The total population is estimated at 46 million.

Although the international community now classifies South Africa as a middle-income country, the scale and demographic profile of poverty reflect one of the most high-ranking unequal countries in the world. The huge disparities in access to socio-economic opportunities are one of the most profound and sustained legacies of the apartheid system. It is therefore not surprising that recent development discourse has focused on the socio-economic landscape referred to by the President in his State of the Nation address as the “first and the second economy”.

The first economy is characterized, amongst others, as a world class infrastructure including sophisticated banking systems, advanced communication networks, booming property market, access to basic services and amenities and formal well paying employment.

The second economy is a sordid story of unemployment; lack of access to housing, clean water and sanitation and dysfunctional family units. The levels and depth of poverty are likely to be exacerbated by the developmental threat posed by the HIV/AIDS pandemic.

The NDA recognizes that poverty is a multi-dimensional condition that has historical, economical, social and political origins. It manifests itself in various forms as income, capability and asset poverty. The 2006-2011 strategic plan, positions the NDA at the centre of partnering effectively with Government and private sector in poverty eradication.

In December last year, I remarked that it is projected that social assistance spending will constitute approximately 3.2% of Gross Domestic Product (GDP) in the current financial year. Data on the incidence of Government spending indicated that social assistance, the provision of social grants, is Government’s most pro-poor intervention.

However, there is a high financial cost attached to the scale at which we provide social assistance, but it has to be seen in terms of the ongoing benefits of poverty reduction and enhanced social inclusion. Indeed, as the Minister of Finance observed in his Budget Speech, this year’s social grants have made an “immense contribution to the income security of the most vulnerable and, in particular, to the support of the children under the age of fourteen”.

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The Government in general, and the Department in particular, expects the NDA to play a significant role in moving a major component of our society from depending solely on social grants to engaging in sustainable economic activities that will improve their quality of life.

Furthermore, South Africa has pledged support for the Millennium Development Goals. These include a commitment to:

a) Eradicating extreme poverty and hunger,
b) Achieving universal primary education,
c) Promoting gender equality and empowering women,
d) Reducing child mortality,
e) Improving maternal health,
f) Combating HIV/AIDS, malaria and other diseases,
g) Ensuring environmental sustainability, and h) developing a global partnership for development.

The NDA will align itself with these goals to support Government action to meet its local and international commitments. At micro level, it will systematically develop strategies to support provincial growth and development plans, the municipal IDP’s, allocate significant resources to ISRDP’s, strengthen community participation in local Government service delivery and mobilize civil society participation in ASGI-SA.

DR ZST SKWEYIYA
MINISTER OF SOCIAL DEVELOPMENT
It gives me a profound sense of pride, on behalf of the Board and staff, to present the National Development Agency Organisational Strategic Plan 2006-2011 to the people of South Africa. This plan is a culmination of dialogue, guidance and collective reflection by key stakeholders interested in the work of the Agency. It is also highly indebted to the leadership and wisdom of the Minister of Social Development, Dr ZST Skweyiya, and his capable management team.

The establishment of the National Development Agency marked a watershed moment in the relationship between Government and Civil Society Organisations in South Africa. It ushered in a new socio-economic dispensation that required a shift from an adversarial to a co-operative relationship in achieving the common goal of improving the quality of life for all South Africans. In a sense, it created the need to define common discourse on issues of poverty and establish the institutional framework to anchor collaboration.

The conception of the NDA was seen by many, especially Civil Society Organisations, as a panacea to the development funding crisis post 1994. It was therefore necessary and appropriate for the NDA leadership at the time to be responsive to this public expectation whilst being mindful of the finite nature of resources. This was indeed a delicate path to navigate. The legacy of doing business in this manner, itself a function of its time, is that the public perception of the NDA is solely that of a grant maker.

The second decade of democracy requires a holistic approach and value-adding orientation towards poverty eradication. With respect to the NDA, it calls for the need to deploy developmental resources in a much more strategic manner. It requires the NDA to cultivate quality conversation, as well as to ask and respond to difficult questions around the scope and application of its mandate. In other words, can the NDA sustain the focus on grant making given the limited resources at its disposal? Should we perhaps use grants simply as a catalyst for innovation in community development in targeted localities? Articulated differently, can the provision of grants be a means to an end and not an end in itself? The ultimate response should be that the sum total of grants, capacity building, policy dialogue and relevant research is what constitutes the NDA’s contribution to poverty eradication in South Africa.

The new strategy of the NDA defines the “niche” for the NDA’s contribution towards addressing the challenge of poverty. It positions the NDA as a relevant and strategic role player that is geared towards supporting critical development initiatives of Civil Society Organisations and Government at different levels. Significantly, it recognizes that the provision of grants needs to be complemented with a comprehensive capacity building programme that will empower communities to take charge of their own development agenda and collective destiny.

Therefore, the Strategic Plan 2006-2011 is anchored on the premise that the institutional capabilities and competencies of grassroots organisations are the most sustainable guarantees of community empowerment. The vision of a developing society free from poverty will only be realized when communities have the necessary ability to influence policy development and implementation as well as to attract, co-ordinate and direct allocation of resources for sustainable development.

This new strategy acknowledges the potentially significant role that Civil Society Organisations can play in strengthening community building and social cohesion for development action.
Similarly Government, particularly at local level, will not have effective partners if the capacity of non-state actors is not strengthened especially in the areas of Ward Committees, IDP’s and other structures established to support the roll-out of the provincial growth and development plans.

A well-capacitated Civil Society will deepen participatory democracy and improve local Government service delivery. It will create a pool of partners who can work with Government to deliver services to communities and be in a position to absorb development resources available both within and outside of Government. It will also promote enterprise creation, as part of Civil Society’s contribution to the ASGI-SA programme, by creating new wealth and establishing a new class of entrepreneurs through targeted support for co-operatives.

This strategy is a service delivery pledge by the NDA to the people of South Africa. It is a conscious approach to embrace the call made by the Honourable Nelson Mandela, and repeated by President Thabo Mbeki in his State of the Nation Address that, "we must, constrained by and yet regardless of the accumulated effect of our historical burdens, seize the time to define for ourselves what we want to make of our shared destiny."

RT. REV. MALUSI MPUMLWANA
CHAIRPERSON OF THE BOARD
The main aim of the NDA’s 2006–2011 Strategic Plan is to establish a specific focus area to be achieved within the next five years, given the broadness of the organisation’s legislative mandate. In its broad sense, the NDA’s mandate is primarily “to contribute towards the eradication of poverty and its causes by granting funds to Civil Society Organisations for the purpose of;

- Carrying out projects aimed at meeting the developmental needs of poor communities;
- Strengthening the institutional capacity of Civil Society Organisations, which provide services to poor communities, and to enable them to carry out development work effectively”

This mandate is further complemented by secondary mandate issues, which are articulated in detail in the mandate section of this document.

The main thrust and special focus of this Strategy is going to be on strengthening the institutional capacity of Civil Society Organisations to enable them to speed up their service provision to poor communities, and to carry out development work effectively.

This emphasis and special focus on capacity building is premised on our belief, as born from research and experiential learning, that the achievement of poverty eradication and sustainable development are dependent on the recognition of the people’s capacity, asset-base and active participation rather than outside interventions. Programmatically, the lessons learned from the last few years are that the NDA has performed well in providing grant funding to poor communities through CBO’s as stipulated in its mandate. The negative side is that this has not translated into sustainable development in those communities partly as a result of weakness in the institutional capacity of the CBO’s promoting development in those areas.

There is also a recorded general decline and collapse of CBO’s operating in poor communities throughout the country. It has become increasingly clear that, even in those communities where CBO’s do exist, they are generally weak institutionally to carry out development effectively. This situation deprives poor communities of their capacity to realise their potential for self-development and reducing poverty in their respective localities.

The emphasis on capacity building is going to be coupled with a focused and systematic effort on building partnerships for development in poor communities nationally. In general, our key strategic partners in eradicating poverty and promoting sustainable development are all the three levels of Government, poor communities, the private sector, public entities, Civil Society Organisations, and the international community.

The importance of partnerships as crucial for poverty eradication and development has been recognized by Government as one the key elements of governance. In his State of the Nation Address for 2006, the State President articulated this when he said: “We will continue to engage the nation and all social partners to address other elements of a comprehensive development plan to improve on our current programmes, and to deal with other issues such as the comprehensive industrial policy, keeping in mind the objective to halve poverty and unemployment by 2014.” “Our focus on building partnerships for development and capacity building will, therefore, contribute positively towards the achievement of the Accelerated and Shared Growth Initiative of South Africa as articulated by Government.
Given the above focus on our mandate, we have the following five Strategic Goals to achieve by 2011:

- Organisational Transformation
- Partnering for development
- Resource mobilization for poverty eradication
- Community empowerment for sustainable development
- Communication and relevant researched development information

The emphasis and focus on capacity building does not mean relegating the importance of providing grant funding, it simply means that we will create a strategic balance between the two areas of our mandate. Two of the goals, namely partnering for poverty eradication and resource mobilization for poverty eradication talk to the area of providing grant funding in terms of our mandate. To date, this area has received much attention at the expense of other equally important areas. Between 2000 and January 2006, the organisation has disbursed more that R640 million to various communities located in poor areas in the sectors such as food security, sustainable livelihoods, and community health projects. More than 404 773 direct households and 2 031 375 people have benefited from these projects. We will continue to do this while elevating our role of capacity building through our goals of: community empowerment for sustainable development and communication of credible and relevant researched development information.

Strategically, our intention is to promote and facilitate mechanisms and platforms whereby civil society and the state can interact to achieve common goals of poverty eradication and promotion of sustainable development in poor communities. We intend to build the capacity of CBO’s, NGO’s and FBO’s to engage effectively with different levels of Government in pursuance of poverty eradication and sustainable development in poor communities throughout the country.

The shift in our strategic focus and the creation of a balance in achieving our mandate will require a drastic change in the internal culture of the organisation and how it does business. This will be achieved through our goal of Organisational Transformation. We intend to focus on strengthening our corporate governance; relevant skills and competencies of our staff; and build a value-based culture of performance and accountability.

In conclusion, I wish to express on behalf of management and staff of the NDA, our appreciation for the policy and strategic guidance and support from the Minister for Social Development and his Department as we move forward with the implementation of this Strategy.

GODFREY MOKATE
CHIEF EXECUTIVE OFFICER
NATIONAL DEVELOPMENT AGENCY
CORE IDEOLOGY

VISION
A developing society free from poverty
Increasing collaboration and capacity to access and utilise resources in a sustainable manner

MISSION
To contribute to poverty eradication and elimination of its causes
Facilitating leveraging of resources to advance models of best practice in development and inform policy

VALUES

Integrity
To be honest, trustworthy, open and accountable for our actions and the resources entrusted to us

Excellence
To meet and exceed delivery service standards in all aspects of the business

Dignity
To uphold and respect the primacy of the individual, group and society in their quest to seek decent living standards

Partnering
To work in partnership with others for the common good

Commitment
To intervene with skill, diligence and dedication in the pursuit of meeting the needs of our partners

Empowerment
Seeking and unleashing potential in our all our stakeholders

BRAND PROMISE

Unlocking potential
The National Development Agency is a Section 3A statutory organisation, which was established by the National Development Agency Act No. 108 of 1998, as amended by the National Development Agency Amendment Act No. 6 of 2003 (herein collectively referred to as the “NDA Act”):

In terms of the NDA Act, the NDA has the primary mandate to contribute towards the eradication of poverty and its causes by granting funds to Civil Society Organisations. These funds are to be utilised for:

1. Carrying out projects aimed at meeting the developmental needs of poor communities;

2. Strengthening the institutional capacity of Civil Society Organisations, which provide services to poor communities. This also involves building the capacity of Civil Society Organisations to enable them to carry out development work effectively.

In addition, the secondary objects of the NDA are to:

3. Promote consultation, dialogue and sharing of developmental experiences with Civil Society and National and local Government;

4. Promote debate on, develop and influence developmental policies;

5. Undertake research and publication aimed at providing a basis for development policy. This includes creating and maintaining a database of Civil Society Organisations, which contains the scope of their work and their locations.

The NDA lives its Purpose and delivers against its Vision within the following legislative framework:


The Public Finance Management Act 1999 (At No 29 of 1999)

The Treasury Regulations 2002 (Gazette No 23463 dated 25 May 2002)
During the process of assessing its positioning as an organisation within its operating environment, it became clear that, even though there is only relative understanding amongst stakeholders about its mandate, the NDA is, nevertheless, strongly viewed as a critical partner in poverty eradication. This is, however, starkly contrasted by an equally strong perception that the NDA is not sufficiently accessible to its stakeholders and does not adequately deliver against what its mandate is understood to be. To deliver on its mandate, there is a strong sense that the NDA is required to progressively shift its role beyond that of being an agent of legislation, to that of being ‘the’ coordinating leader of ‘poverty eradication’ in South Africa. To achieve this, the NDA needs to both widen and strengthen its partnering network where close collaboration is focused on funding, capacity building and delivering against well-researched opportunities for sustained development.

With so many efforts in so many ways to eradicate poverty and build self-sustaining societies on a national level, there is a clear call for the NDA to function under the banner of its own niche which seems to be that of being ‘the’ authority in South Africa that is able to advise on national policy making and provide leadership in relation to poverty eradication in the country. This view collaborates strongly with the strong sense that the NDA has to re-brand itself in the hearts and minds of its stakeholders.

Internal to the NDA, there is strong consensus that the Agency is currently not geared and is lacking from within to deliver against the change in emphasis from a ‘donor’ to a ‘capacity building’ agency. A lack of client focused processes and, hence, inappropriate organisation structures are exacerbated by people capability and capacity that does not meet the mark.

Although grant funding to Civil Society Organisations remains one of four legislative mandates, a shift in focus to ‘capacity building of Civil Society Organisations’ as a legislative mandate, is necessary to transform a perceived ‘donor organisation’ to an organisation emphasising capacity building. To do this, much stronger emphasis needs to be placed on integrated seamless research, which is pro-active and reactive, bedded on interactive communication throughout the NDA’s stakeholder community.

Inconsistent, poorly segmented and poorly targeted communication, which also accounts for inadequate and dated contact information on stakeholders, has a debilitating effect on the NDA’s efforts to partner and collaborate with stakeholders.

In addition, the realities of the surrounding macroeconomic environment affect virtually every organisation and the NDA is no exception. To this extent, a number of key elements of the NDA’s mission are directly and indirectly associated with the key macro-economic variables such as fiscal stability, the regulatory environment and levels of unemployment. The macro-economy therefore represented a logical second key area, which is critical to determine strategic focus points for the NDA. This part of the design of a new strategic plan played a major role in pinpointing very specific opportunities which have the potential of elevating the future developmental role of the NDA.

From the research conducted, a number of perceived threats and opportunities emanate from the economic environment. This highlighted key economic indicators, which are regarded as relevant to the operations of the NDA; key economic sectors that should be targeted; the identification of research focus areas; the identification of potential partner organisations and an assessment of the most probable outlook for key economic indicators.
The medium-term outlook for economic indicators, which are expected to exert a significant impact on the NDA, was considered and key drivers of and constraints to growth were identified, utilising the inputs of an authoritative macro-economic forecasting model. This model has been utilised for research commissioned by the Department of Labour into the economic re-demarcation of the Sector Education and Training Authorities, as well as for research commissioned by the Gauteng Provincial Government as part of its design of its infrastructure strategy. The factors as highlighted here point to a gradual acceleration of economic growth over at least the next five years, which implicates fiscal resources, earmarked for development initiatives becoming increasingly available.

In addition, a literature study was conducted into the key elements of Government’s current development policy thrust against the background of a universally accepted normative framework. Whilst the benchmarking of progress with development involves value judgements that are often open to debate, substantially more agreement exists with the key objectives of a development strategy. The latter entails the so-called “basic needs” approach, supplemented by qualitative improvements in satisfying such needs, as well as skills development and the expansion of democratic structures at grass roots level. This review, although superficial, clearly revealed a pro-active and multi-faceted approach towards development by Government, as embodied in a plethora of policy initiatives, some of which focus on narrow areas (such as incentives for the development of particular industries) whilst others possess a broader perspective (such as the Provincial Growth and Development Strategies).

The message from the assessment of the macro-economic environment is quite clear that ample opportunities exist for the NDA to make a meaningful contribution to the eradication of poverty in South Africa. This goal is both vast and elusive in terms of its challenges and noble in terms of its potential to secure a more dignified standard of living for a large number of people living in poverty. Despite the existence of a number of fairly obvious threats, the NDA believes that a change in focus to a broader-based set of strategic objectives, combined with improved organisational efficiency, will allow the Agency to live its purpose and realise its vision.

Threats to the NDA identified by the economic survey include the possibility of slower economic growth, which will serve to counteract any progress with poverty relief programmes through a lower labour absorption rate. Although such a scenario obviously creates opportunities to combat poverty as well, it also has the potential of making it more difficult for the NDA to live its purpose and to achieve its vision. The continuing and ever present possibility of higher interest rates will threaten the sourcing of grant funding through increases in the opportunity cost of such funding. Another obvious threat is related to the fact that a growing number of organisations and public sector initiatives are involved in the broad area of development. At some point in future, Government may wish to consolidate its development strategy, which may threaten the existence of a number of the players in this arena.

Fortunately, the economic survey also identified a number of interesting and challenging opportunities. The most important ones are:

- Prospects for higher economic growth, which will facilitate procurement opportunities for emergent businesses and also ease the pressures of sourcing, grant funding.
- Conducting research into the possible implementation of a basic income grant. No other specific policy intervention remotely possesses the potential to make such a visible and meaningful contribution to poverty relief than a universal unemployment insurance
scheme and the NDA believes the debate on a basic income grant should be taken a step forward.

- For the different elements of development policy to succeed, it is necessary to have access to reliable and quantifiable data on the full spectrum of causalities that are triggered by the demand-side and supply-side equations of both the formal and informal sectors of the economy. A unique opportunity exists for the NDA to design a composite index of development that attempts to capture and measure, in a scientific way, progress with attaining the NDA’s Mission.

- Although the existence of many other official development initiatives may be regarded as a potential threat to the NDA, it also creates an opportunity to identify niche areas and to become involved in the area of development policy co-ordination.

- It has become apparent that several local authorities do not possess the necessary capacity to accelerate service delivery aimed, *inter alia*, at poverty relief. This creates obvious opportunities for the NDA to become involved in capacity building and eventually also development project implementation in a public sector sphere that enjoys access to considerable fiscal resources.

The role of research in the immediate future of the NDA cannot be over-emphasised. Not only does accurate quantitative data on development indicators provide an opportunity to establish the NDA as an authoritative and useful source of information, but it allows for the conducting of cost/benefit analyses. The latter may be utilised to prove that the NDA is adding value to the development process (e.g. in terms of jobs created and fiscal revenues generated) that exceeds the costs to the treasurer.

The outcomes of this assessment must be viewed against the background of a growing realisation that South Africa possesses the ability to continue its progress with the long-term task of reconstruction and development and that the NDA can play a meaningful role in the process of development.
EXECUTIVE SUMMARY

The preceding section has focussed on providing an oversight of the NDA as well as the critical role that it is positioned to play in the development field in relation to poverty eradication.

The following section provides a clear framework of how the NDA is intending to make a real impact on its mandate and, as such, will focus on the strategic goals/themes of the NDA. The strategic goals/themes are depicted in the Strategy Map below and are as follows:

- Organisational transformation
- Partnering for development
- Resource mobilisation for poverty eradication
- Community empowerment for sustainable development
- Communication of credible and relevant researched development information

Details of how these strategic goals/themes are translated into key initiatives and deliverables are discussed and defined by outputs and milestones for the corresponding MTEF period. These initiatives and the outputs and milestones as defined will be used to monitor and measure organisational delivery on the overall strategic goals and, ultimately, macro organisational impact indicators. These initiatives are aligned with the organisational budgetary plans and priorities and will be used to unlock the potential of those the NDA partner with in respect of poverty eradication.

The NDA will require an increase estimated at 20% of the current budget to deliver effectively on its mandate through the initiatives discussed in this document.
Organisational Transformation

Overview
This Strategic Goal serves to create a values and performance based culture, improving NDA people competencies, business processes and corporate governance, and re-branding the Agency.

Key Initiatives (strategies):
- Live a values and performance based culture,
- Ensure availability of critical competencies,
- Develop leaders who will create and drive the future of the NDA,
- Continuously improve business processes, systems and policies,
- Practice good corporate governance,
- Build brand credibility and confidence with stakeholders.

Situation Analysis
A low ‘performance culture’ coupled with skills shortages and lack of adequate direction has had a decided negative impact on both the NDA’s image and performance.

Partnering for development

Overview
The purpose of this strategic goal is to actively collaborate with state institutions and other stakeholders, local and international, for poverty eradication.

Key Initiatives (strategies):
- Actively collaborate with local and international stakeholders for poverty eradication,
- Position the NDA as a leading and credible partner in poverty eradication.

Situation Analysis
Although collaboration does take place, it has not been pursued aggressively enough. This is evidenced by the fact that when the above collaboration partners were formally surveyed by the NDA, many of the contacts were either stale or non-responsive. This indicates that contact has been lethargically slow and perhaps low key, with a resultant low impact on both funding and capacity to deliver on its mandate.

Resource mobilisation for poverty eradication

Overview
The purpose of this strategic goal is to mobilise funding for poverty eradication programs and strategies, locally and internationally

Key Initiative (strategy):
- Mobilise and increase funding for poverty eradication programmes and strategies, locally and internationally
**Situation Analysis**
Essentially a Marketing role, this function has not performed to its potential in
- Identifying the most appropriate stakeholders and resources,
- Securing funding,
- Developing partnering relationships with key decision makers,
- Driving involvement of key players in the processes of the NDA in achievement of its strategic goals,
- Providing direction to the research component of the NDA,
- Seeking and developing synergy between various stakeholders and resources,
- Maintaining close relationships with other entities who are involved in poverty eradication in any way with a view to:
  - Providing guidance from the NDA’s resource pool of expertise, and
  - Positioning the NDA’s leadership role in poverty eradication in SA.

The NDA’s most recent constraints in reaching its Stakeholders in a research initiative emphasises the above.

**Community empowerment for sustainable development**

**Overview**
The purpose of this Strategic Goal is to develop capability and capacity to access and utilise developmental resources towards self-reliance.

**Key Initiative (strategy):**
- Develop capability and capacity of civil society to enable it to access and utilise developmental resources towards self-reliance

**Situation Analysis**
Perhaps better known in the past as a conduit of donor funds, the NDA is shifting its focus from ‘grant funding’ to sustainable ‘capacity building’, founded on ongoing empirical research. This change in direction will see the NDA reconstituting, re-positioning and re-branding itself as a Development Agency.

**Communication of credible and relevant researched development information**

**Overview**
The purpose of this Strategic Goal is to develop research based information, which is managed through an appropriate knowledge management system, and which is instrumental in policy dialogue in respect of development.

**Key Initiative (strategy):**
- Develop information and knowledge management systems and processes which are instrumental in policy dialogue
- Disseminate and communicate research based development information

**Situation Analysis**
Although all of the foregoing Strategic Goals are interdependent, the need for communication of credible and relevant development information is the hub through which all the Strategic Goals are effected, notwithstanding the fact that stakeholder research data showed the Agency’s ability to seamlessly and effectively communicate with all its stakeholders is not effective.
The NDA has, through its analysis of the external and internal environment, recognised that it was inappropriately positioned to fulfil all aspects of its mandate. Consequently, the organisation has, as part of it redefining the overall strategic intent, also undergone a process to redesign the overall operating model or business process approach. This approach highlights a fundamental shift in refocusing the organisation on sustainable development based on research-based information and through capacity building. The new business process approach is depicted in the diagram below.

The business approach has two main operational components namely the support and core processes. The support processes are fundamental to the achievement of the organisational objectives and provide the necessary support to the core business in terms of finance, human resources, IT, marketing, communication and information management. The core delivery processes are focussed on all the various legislative development mandates and directly contribute to achieving the organisation's strategic objectives. These core processes are dynamic, interrelated and cyclical or continuous in nature and are centred on the various primary stakeholders of the organisation. Each component plays an integral role in the development cycle and is defined as follows:

Research analysis process

Research and Analysis will be the first step in the new NDA operating model and will set the presence for all other activities. This process performs research on possible focus areas i.e. type of projects to undertake, funding opportunities, and dialogue opportunities. Within this process, dialogue with stakeholders is undertaken and fund raising is performed. The output of this process is input into the prioritisation and selection process in the form of a “prioritisation list” of possible projects that can be undertaken, supported by the appropriate research.

Prioritisation and selection

A fundamental operating principle that will apply is that the NDA projects are informed by information obtained from Research and Analysis. At a strategic level, the “prioritisation list” is approved or amended before implementation.

Project monitoring and selection

The activities undertaken in this process include the selection of NGO’s/CSO’s to undertake projects with, monitoring and evaluation of the projects and capacity building of NGO’s/CSO’s. In this model the NDA will have focused capacity building through launching of stand-alone capacity building projects.

Project close

This process formally closes the projects and captures lessons learnt; issues identified etc., which is communicated back to research and analysis.

The new model is focused towards achieving the NDA’s ultimate goal, which is to eradicate poverty and its causes through partnerships. Processes/people are aligned within the new model to work together in achieving this - outputs from one process are used as an input to another and vice versa.
Other benefits include:

- The new model supports a performance management culture. Responsibility for set deliverables is defined within the new model contributing to effective performance management;

- As responsibilities are clear within the various processes the model ensures that Board members do not have to be involved in operational issues and can focus on strategic issues;

- Monitoring and evaluation forms an integral part of the new operating model making it possible to evaluate the impact that the NDA is making;

- Risk and control principles were followed in the development of the new operating model. An example of this is that the type of projects to fund, the NGO’s/CSO’s to undertake them as well as the monitoring of projects were the responsibility of one person and function under the old operating model and this could have led to undesired behaviour. These functions were adequately separated under the new operating model;

- The NDA success stories can be communicated to stakeholders, as this information is available and measurable.
MACRO-INDICATORS FOR NDA

Macro indicators speak to the high-level, externally focused objectives that will be achieved through implementation of NDA’s strategic goals as defined in the Organisation Scorecard. The Macro indicators and associated strategic goals are as follows:

1) Improved coordination of resource allocation for poverty eradication
   Partnering for Development
   Resource Mobilisation for poverty eradication

2) Improved economic opportunities for communities in NDA targeted localities
   Community empowerment for sustainable development

3) Improved social empowerment in NDA targeted localities
   Community empowerment for sustainable development

4) Improved capability of targeted CSOs in relation to service delivery
   Community empowerment for sustainable development

5) Increased influence in development policy as it relates to poverty eradication
   Communication of credible and relevant researched development information

THE BALANCED SCORECARD AS A PERFORMANCE MONITORING TOOL

The balanced scorecard is a best practice performance management methodology that provides a mechanism/tool for taking the organisation’s vision, mission, values and strategy, and translating them into clearly defined, measurable objectives. Achievement of these objectives adds value to the organisation both immediately and in the long-term. The balanced scorecard in essence captures the organisation’s value-adding activities and focuses people’s efforts on them. Traditional performance measurement tools relied purely on financial factors. However, financial reporting is historical - it tells an organisation what happened in the month or year under review, but does not move the organisation forward. The balanced scorecard, as utilised here, considers four business perspectives that present a balanced view of the organisation’s performance. These are as follows:

1. Financial factors affecting the organisation,
2. The organisation’s internal business processes,
3. People Management and Development i.e. the Learning and growth of the organisation’s people,
4. The organisation’s customers/stakeholders.

These four perspectives as defined in this best practice methodology have been adapted to define the NDA strategic goals performance scorecard. The overall organisational performance scorecard give an overview of what the organisation intends to achieve and measure and is illustrated below:
ORGANISATIONAL STRATEGIC GOALS: PERFORMANCE SCORECARD

Financial

- Improve productivity levels by 10% year-on-year from 2008
- Improve efficiency levels by 10% year-on-year from 2008
- At least 20% increase in Government funding
- Develop and implement a resource mobilisation plan

Objectives

Financial
- Partner for development by mobilising and increasing funding base locally and internationally

Stakeholder Value
- Build community empowerment for sustainable development through building capacity of Civil Society
- Build brand credibility and increase confidence levels with Stakeholders

Business Processes
- Practice good Corporate Governance
- Continuous business process improvement and improved and sustainable service delivery
- NDA project aligned with national poverty eradication priorities
- Improved compliance and risk reduction

People Management and Development
- Ensure availability of critical competencies
- Live a performance driven culture

People Management and Development
- Development of an organisation with the right people, right skills and right jobs
- Implementation of a well established Performance Management System
- Improvement in staff performance results year-on-year
- Implementation of key enabling technologies
- Improvement in leadership/management capability
- Achieve rating within top 50% in Employer of Choice Survey

Unlocking potential
OVERVIEW OF STRATEGY FOCUS POINTS

1. **Financial Management**
   - Enhance productivity and efficiency
   - Increase funding base

2. **Stakeholders’ Value**
   - Make a sustainable difference
   - Build strategic partnerships through measurable impact
   - Build brand credibility and confidence with all stakeholders (strategic partners, government, communities, CBOs and NGOs)

3. **Business Processes**
   - Continuous improvement
   - Effective brand, image and reputation management
   - Enhance stakeholder management
   - Compliance with good corporate governance
   - Build a sustainability model to show ROI
   - Enhance development project management capability
   - Embed risk management into daily activities

4. **People and Management Development**
   - Human Capital Readiness
     - Right people, right skills, right jobs
   - Information Capital Readiness
     - Increase focus on enabling technology
   - Organisational Capital Readiness
     - Develop leaders who create and drive the future
     - Live a performance and value-driven culture
     - Uptake strategy

A developing society free from poverty

NDA UNLOCKING POTENTIAL OF COMMUNITIES, CBOs AND NGOs

**NDA Service Offering**
- Grant funding
- Partnerships and dialogue
- Capacity building
- Development information
- Policy advice

Vision
Mission
Strategic Goals

To contribute to poverty eradication and elimination of its causes

- Organisational transformation
- Partnering for development
- Resource mobilisation for poverty eradication
- Community empowerment for sustainable development
- Communication of credible and relevant researched development information
To ensure that the NDA’s strategy is cascaded down to the departmental and individual levels as well as to ensure that all organisation, departmental or individual efforts are aligned with the strategic thrust of the organisation, strategic objectives, their outputs and milestones have been categorized under the four perspectives of the balanced scorecard and are used to define organisation deliverables for the MTEF period encompassed by the strategy.

The following diagram demonstrates the manner in which the NDA strategy is translated into objectives using the balanced scorecard method, which in turn provides the basis for how the strategic goals/themes are translated into key initiatives and deliverables and how organisational performance must be monitored and evaluated.

The consequent strategic work plan and its Outputs and Milestones are as follows:
Objective: Enhanced Productivity and Efficiency

Strategic Objective Description: The NDA will realise enhanced productivity and efficiency through two key drivers: improved productivity and efficiency levels.

Outcome Indicator: Continuous improvement in productivity and efficiency levels.

<table>
<thead>
<tr>
<th>Outputs and Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2006/07</strong></td>
</tr>
<tr>
<td>Build a Productivity, efficiency and Financial Model</td>
</tr>
<tr>
<td>Benchmark efficiency levels and establish base line</td>
</tr>
<tr>
<td>Review processes and effect business process changes</td>
</tr>
</tbody>
</table>
Increase funding base – partnering for development with Government

**Strategic Objective Description:**
Increase / improve funding base

**Outcome Indicator:** An increase in financial and other resources to leverage the impact in terms of the mandate of the NDA.

<table>
<thead>
<tr>
<th>Outputs and Milestones</th>
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</thead>
<tbody>
<tr>
<td><strong>2006/07</strong></td>
</tr>
<tr>
<td>Conduct analysis of available Government funding</td>
</tr>
<tr>
<td>Develop a Funding Model (resource mobilization and priority framework) aligned to organisational priorities</td>
</tr>
</tbody>
</table>
### Increase funding base – partnering with Strategic Partners (other than Government)

**Strategic Objective Description:**
To identify, harness, and introduce new funding streams from Strategic Partners.

**Outcome Indicator:** An increase in financial and other resources to leverage the impact in terms of the mandate of the NDA.

<table>
<thead>
<tr>
<th>Outputs and Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2006/07</strong></td>
</tr>
<tr>
<td>Develop a Funding Model (resource mobilization and priority framework) aligned to organisational priorities</td>
</tr>
<tr>
<td>Conduct analysis of available Donor funding – identify key Donors and profile key Donors</td>
</tr>
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</tbody>
</table>
## Strategic Objective Description

To make a sustainable difference through service delivery

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### Outcome Indicator: Improved capacity of Civil Society to access resources and partnerships in a sustainable manner thereby improving NDA’s reputation with regard to delivering on its mandate.

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### Outputs and Milestones

<table>
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</thead>
<tbody>
<tr>
<td>Develop and implement an integrated Sustainability Framework and Strategy</td>
<td>20% Improvement in NGOs capability to ensure sustainability of targeted projects in communities year-on-year</td>
<td>20% Improvement in NGOs capability to ensure sustainability of targeted projects in communities year-on-year</td>
<td>20% Improvement in NGOs capability to ensure sustainability of targeted projects in communities year-on-year</td>
<td>80% Accumulative improvement in NGOs capability to ensure sustainability of targeted projects in communities</td>
<td></td>
</tr>
<tr>
<td>Develop an organisational Capability and Capacity Strategy for Civil Society - establish base line</td>
<td>20% Improvement in targeted Civil Society capability levels year-on-year</td>
<td>20% Improvement in targeted Civil Society capability levels year-on-year</td>
<td></td>
<td>60% Accumulative improvement in targeted Civil Society capability levels</td>
<td></td>
</tr>
<tr>
<td>Develop an NGO Accreditation Framework. Establish base line in year 1</td>
<td>20% of NGOs accredited year-on-year</td>
<td>20% of NGOs accredited year-on-year</td>
<td></td>
<td>60% Accumulative accredited NGOs</td>
<td></td>
</tr>
<tr>
<td>Establish a Civil Society Capacity Building Index</td>
<td>10% of Funds spent on targeted capacity building interventions as indicated by Capacity Building Index year-on-year</td>
<td>10% of Funds spent on targeted capacity building interventions as indicated by Capacity Building Index year-on-year</td>
<td>10% of Funds spent on targeted capacity building interventions as indicated by Capacity Building Index year-on-year</td>
<td>40% Accumulative funds spent on targeted capacity building interventions as indicated by Capacity Building Index year-on-year</td>
<td></td>
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</tbody>
</table>
### Participation and influence on Government Development Policy

**Strategic Objective Description:**
Participation in policy dialogue related to development

**Outcome Indicator:** Influence Government development policy.

<table>
<thead>
<tr>
<th>Outputs and Milestones</th>
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</thead>
<tbody>
<tr>
<td><strong>2006/07</strong></td>
</tr>
<tr>
<td>Publish journal articles and policies by NDA</td>
</tr>
</tbody>
</table>
Build strategic partnerships through measurable impact

Strategic Objective Description:
Show sustainable impact in relation to strategic outcomes

**Outcome Indicator:** Impact-based investment resulting in NDA being positioned as a leading authority and partner in sustainable poverty eradication.

<table>
<thead>
<tr>
<th>Outputs and Milestones</th>
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</thead>
<tbody>
<tr>
<td><strong>2006/07</strong></td>
</tr>
<tr>
<td>Conduct research to determine NDA’s impact-based investment</td>
</tr>
</tbody>
</table>
**Continuous business process improvement**

**Strategic Objective Description:**
The NDA will adopt world-class best practice business processes that will result in the achievement of the organisational goals and objectives, as well as overall business performance improvement.

**Outcome Indicator:** Demonstrated continuous improvement in organisational performance.

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<tbody>
<tr>
<td>Develop and implement Business Performance Improvement Strategy</td>
<td>Benchmark and audit to establish base line for overall business performance improvement levels</td>
<td>Continuous improvement against best practice processes</td>
<td>Continuous improvement against best practice processes</td>
<td>Continuous improvement against best practice processes</td>
<td></td>
</tr>
<tr>
<td>Review and implement business processes and align with organisational goals and objectives</td>
<td>Bi-annual review and update of business processes</td>
<td>Bi-annual review and update of business processes</td>
<td>Bi-annual review and update of business processes</td>
<td>Bi-annual review and update of business processes</td>
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</tr>
<tr>
<td>Bi-annual audit of business processes compliance</td>
<td>100% compliance to business processes</td>
<td>100% compliance to business processes</td>
<td>100% compliance to business processes</td>
<td>100% compliance to business processes</td>
<td></td>
</tr>
<tr>
<td>Develop standard operating procedures for all functional business areas</td>
<td>Implement standard operating procedures for all functional business areas</td>
<td>Review and update standard operating procedures annually</td>
<td>Review and update standard operating procedures annually</td>
<td>Review and update standard operating procedures annually</td>
<td></td>
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</tbody>
</table>
**Effective brand, image and reputation management**

**Strategic Objective Description:**
The NDA will develop its brand and position itself as a leader and credible partner in poverty eradication.

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**Outcome Indicator:** Planned and targeted approaches to brand, image and reputation management.

**Outputs and Milestones**

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<thead>
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</thead>
<tbody>
<tr>
<td>Develop Branding Strategy</td>
<td>Establish base line through external Survey - NDA brand clearly recognized</td>
<td>10% Increase in presence, association, recognition and reputation year-on-year</td>
<td>10% Increase in presence, association, recognition and reputation year-on-year</td>
<td>30% Accumulative increase in presence, association, recognition and reputation</td>
<td></td>
</tr>
<tr>
<td>Develop a targeted Communications Strategy</td>
<td>Achieve key milestones as defined in Communications Strategy</td>
<td>Achieve key milestones as defined in Communications Strategy</td>
<td>Achieve key milestones as defined in Communications Strategy</td>
<td>Achieve key milestones as defined in Communications Strategy</td>
<td></td>
</tr>
<tr>
<td>Develop a Language Deployment Strategy - mechanisms/initiatives to communicate with people taking into account the 11 official languages in South Africa</td>
<td>Achieve key milestones as defined in Language Deployment Strategy</td>
<td>Achieve key milestones as defined in Language Deployment Strategy</td>
<td>Achieve key milestones as defined in Language Deployment Strategy</td>
<td>Achieve key milestones as defined in Language Deployment Strategy</td>
<td></td>
</tr>
<tr>
<td>Source and conduct a Perception Survey annually – establish base line in year 1</td>
<td>5% Improvement in perception levels of primary Stakeholders year-on-year</td>
<td>5% Improvement in perception levels of primary Stakeholders year-on-year</td>
<td>5% Improvement in perception levels of primary Stakeholders year-on-year</td>
<td>20% Accumulative improvement in perception levels of primary Stakeholders</td>
<td></td>
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</tbody>
</table>

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Unlocking potential
Enhance Stakeholder management – improve Stakeholder relationships and management thereof to ensure a collaborative approach to poverty eradication

Strategic Objective Description:
The NDA will improve stakeholder relationships and management thereof to ensure a collaborative approach to Poverty Eradication.

**Outcome Indicator: Increased and improved relationships with stakeholders**

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</thead>
<tbody>
<tr>
<td>Investigate and refine</td>
<td>20% Increase in collaboration</td>
<td>20% Increase in collaboration</td>
<td>20% Increase in collaboration</td>
<td>80% Accumulative increase in</td>
<td></td>
</tr>
<tr>
<td>Stakeholder relationships</td>
<td>Stakeholders on development projects</td>
<td>Stakeholders on development projects</td>
<td>Stakeholders on development projects</td>
<td>collaboration with Stakeholders on</td>
<td></td>
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<tr>
<td>and develop Stakeholder</td>
<td>year-on-year</td>
<td>year-on-year</td>
<td>year-on-year</td>
<td>development projects</td>
<td></td>
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<tr>
<td>Framework</td>
<td></td>
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</tr>
<tr>
<td>Develop Service Standards</td>
<td>50% Compliance with Service Standards</td>
<td>100% Compliance with Service Standards</td>
<td>100% Compliance with Service Standards</td>
<td>100% Compliance with Service Standards</td>
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<tr>
<td>– 30% Compliance in year 1</td>
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<tr>
<td>Improved coordination of</td>
<td>Improved facilitation and coordination</td>
<td>Improved resource allocation</td>
<td>Improved resource allocation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>development aid – create a</td>
<td>between Government spend and projects</td>
<td>towards poverty eradication</td>
<td>towards poverty eradication</td>
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</tr>
<tr>
<td>platform for coordination of</td>
<td>delivered to promote sustainable</td>
<td>year-on-year</td>
<td>year-on-year</td>
<td></td>
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<tr>
<td>development aid</td>
<td>development</td>
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</tbody>
</table>

Unlocking potential
Enhance Stakeholder management – build internal and external research and knowledge management capability - and share knowledge with stakeholders in order to impact the direction of future project and funding decisions.

Strategic Objective Description:
The NDA will build internal and external research and knowledge management capability – and share knowledge with stakeholders in order to impact the direction of future project and funding decisions.

Outcome Indicator: Knowledge and Information Management system that facilitates identification, analysis, interpretation and dissemination of knowledge and information to and with stakeholders.

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</thead>
<tbody>
<tr>
<td>Develop a Knowledge and Information Management Strategy</td>
<td>Implement a Knowledge and Information Management System</td>
<td>Up to date and accurate information Up to date and accurate database</td>
<td>Up to date and accurate information Up to date and accurate database</td>
<td>Up to date and accurate information Up to date and accurate database</td>
<td>Up to date and accurate information Up to date and accurate database</td>
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</tbody>
</table>
Compliance with good Corporate Governance

Strategic Objective Description:
Implement good Corporate Governance and ensure compliance with relevant legislation.

Outcome Indicator: Full compliance with Corporate Governance and legislation.

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<tbody>
<tr>
<td>Develop, implement and sustain good Corporate Governance</td>
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</tr>
<tr>
<td>100% Compliance with Corporate Governance, legal and policy requirements</td>
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<tr>
<td>Develop and implement an Audit Coverage Plan</td>
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<tr>
<td>100% Compliance</td>
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<tr>
<td>Review and submit Code of Ethics for noting to DSD</td>
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<tr>
<td>Obtain commitment and maintain highest standards of behaviour by all employees and Stakeholders</td>
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</tr>
<tr>
<td>Maintain highest standards of behaviour by all employees and Stakeholders</td>
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<tr>
<td>Maintain highest standards of behaviour by all employees and Stakeholders</td>
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</tbody>
</table>
### Strategic Objective Description:
The NDA will deliver sustainable shareholder value and demonstrate return on stakeholder investment (ROI), ultimately contributing to the economic development of South Africa through eradication of poverty.

### Outcome Indicator: Functional ROI Model implemented and used by stakeholders as a practical guideline.

<table>
<thead>
<tr>
<th>Outputs and Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td>---</td>
</tr>
<tr>
<td>Develop and define a tool to measure impact on household income</td>
</tr>
<tr>
<td>Research National Poverty Eradication Strategies</td>
</tr>
<tr>
<td>Annual progress reporting on most significant change in poverty</td>
</tr>
</tbody>
</table>
Implement and sustain best practice Development Project Management to be utilized externally

Strategic Objective Description:
The NDA will implement best practice Development Project Management methodologies to be utilised both internally as well as externally on projects supported by the NDA.

<table>
<thead>
<tr>
<th>Outcome Indicator: The defined Project Management Methodology applied in the delivery of all projects</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outputs and Milestones</strong></td>
</tr>
<tr>
<td>Define Project Management methodologies</td>
</tr>
<tr>
<td>20% Increase in sustainability of projects funded year-on-year</td>
</tr>
<tr>
<td>100% of Projects funded in line with Funding Strategy</td>
</tr>
</tbody>
</table>
Embed Risk Management into daily activities

**Strategic Objective Description:**
The NDA will instil risk management into its operations. Risk management will become a fundamental focus of all activities and will drive day-to-day business.

**Outcome Indicators:** Risk management embedded in everyday operations and used to inform all decisions.

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<tr>
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</thead>
<tbody>
<tr>
<td>Implement a Risk Management Plan and Process to track and drive prioritised actions to mitigate risks across the organisation</td>
<td>Implement a Risk Management Plan and Process to track and drive prioritised actions to mitigate risks across the organisation</td>
<td>Implement a Risk Management Plan and Process to track and drive prioritised actions to mitigate risks across the organisation</td>
<td>Implement a Risk Management Plan and Process to track and drive prioritised actions to mitigate risks across the organisation</td>
<td>Implement a Risk Management Plan and Process to track and drive prioritised actions to mitigate risks across the organisation</td>
<td>Implement a Risk Management Plan and Process to track and drive prioritised actions to mitigate risks across the organisation</td>
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<tr>
<td>Develop Risk Register</td>
<td>Develop Risk Register</td>
<td>Develop Risk Register</td>
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<tr>
<td>Implement Risk Register</td>
<td>Implement Risk Register</td>
<td>Implement Risk Register</td>
<td>Implement Risk Register</td>
<td>Implement Risk Register</td>
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<tr>
<td>Develop and implement Internal Fraud Control Procedures</td>
<td>Develop and implement Internal Fraud Control Procedures</td>
<td>Develop and implement Internal Fraud Control Procedures</td>
<td>Develop and implement Internal Fraud Control Procedures</td>
<td>Develop and implement Internal Fraud Control Procedures</td>
<td>Develop and implement Internal Fraud Control Procedures</td>
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</tbody>
</table>

Unlocking potential
Outcomes Indicator: Right people, right skills and right jobs to deliver on strategic outcomes

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</tr>
</thead>
<tbody>
<tr>
<td>Organisational re-structuring aligned with organisational goals and objectives</td>
<td>Annual review and update of NDA Organisational Structure – aligned with Strategy</td>
<td>Annual review and update of NDA Organisational Structure – aligned with Strategy</td>
<td>Annual review and update of NDA Organisational Structure – aligned with Strategy</td>
<td>Annual review and update of NDA Organisational Structure – aligned with Strategy</td>
<td></td>
</tr>
<tr>
<td>Create Competency Profile for all positions</td>
<td>Increase in employee competencies as per targeted interventions</td>
<td>Increase in employee competencies as per targeted interventions</td>
<td>Increase in employee competencies as per targeted interventions</td>
<td>Increase in employee competencies as per targeted interventions</td>
<td></td>
</tr>
<tr>
<td>Conduct assessments for all positions</td>
<td>Reduce competency/skills gaps against base line per position</td>
<td>Reduce competency/skills gaps against base line per position</td>
<td>Reduce competency/skills gaps against base line per position</td>
<td>Reduce competency/skills gaps against base line per position</td>
<td></td>
</tr>
<tr>
<td>Achievement of Employment Equity targets set in the NDA Employment Equity Plan</td>
<td>Achievement of Employment Equity targets set in the NDA Employment Equity Plan</td>
<td>Achievement of Employment Equity targets set in the NDA Employment Equity Plan</td>
<td>Achievement of Employment Equity targets set in the NDA Employment Equity Plan</td>
<td>Achievement of Employment Equity targets set in the NDA Employment Equity Plan</td>
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</tr>
</tbody>
</table>

Strategic Objective Description:
The NDA will have people with the required competence available to deliver on the strategic outcomes.
Identification of critical job families needed to deliver on the strategic outcomes

Strategic Objective Description:
The NDA will identify the critical job families needed to deliver on the strategic outcomes.

Outcome Indicator: Defined strategic, operational and tactical job families and positions needed to deliver on strategic mandate.

<table>
<thead>
<tr>
<th>Outputs and Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2006/07</strong></td>
</tr>
<tr>
<td>Complete Job and Competency profiling for all positions</td>
</tr>
<tr>
<td>Create Assessment Profiles for all existing employees to be assessed against Job and Competency Profiles – close gaps by deploying PDPs for employees</td>
</tr>
<tr>
<td>Create strategic, tactical and operational job families – needed to deliver on strategic mandate</td>
</tr>
<tr>
<td>Develop and Implement a Succession and Career Planning Strategy</td>
</tr>
<tr>
<td>Set up Human Capital readiness dashboard – readiness established in year 1</td>
</tr>
</tbody>
</table>
## Increase focus on enabling technology

### Strategic Objective Description:
The NDA will seek technologies that enable better service delivery.

### Outcome Indicator: Improved service delivery and stakeholder relationship management using technology tools.

<table>
<thead>
<tr>
<th>Outputs and Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2006/07</strong></td>
</tr>
<tr>
<td>Research, identify and evaluate technologies that will enable better service delivery</td>
</tr>
<tr>
<td>Implementation of technology aligned with organisational priorities</td>
</tr>
</tbody>
</table>
Develop Leaders who will create and drive the future of the NDA

**Strategic Objective Description:**
The NDA will strive to be an employer of choice by attracting, developing and retaining leadership that will move the NDA towards its strategy.

**Outcome Indicator:** Competent leaders. Leaders who create a shared understanding of the vision and who facilitate the process of embracing the vision of the NDA. Leaders who live the values.

<table>
<thead>
<tr>
<th>Outputs and Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2006/07</strong></td>
</tr>
<tr>
<td>Conduct Leadership audit and competency assessment – identify and develop relevant interventions to close gaps</td>
</tr>
<tr>
<td>Define base line for Leadership competence / capabilities</td>
</tr>
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<td></td>
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</tbody>
</table>
Strategic Objective Description:
The NDA wishes to be an organisation that unlocks potential and delivers real results in Poverty Eradication by implementing a Performance Management System that links all employees.

Outcome Indicator: Overall employee and organisation performance improvement

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<tbody>
<tr>
<td>Deployment and cascade of the Balanced Scorecard</td>
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<tr>
<td>Annual review and alignment of Balanced Scorecard</td>
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<tr>
<td>Annual review and alignment of Balanced Scorecard</td>
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<td>Annual review and alignment of Balanced Scorecard</td>
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<tr>
<td>Annual review and alignment of Balanced Scorecard</td>
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<tr>
<td>Continuous improvement in employee performance results year-on-year</td>
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<tr>
<td>Continuous improvement in employee performance results year-on-year</td>
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<tr>
<td>Continuous improvement in employee performance results year-on-year</td>
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<tr>
<td>Continuous improvement in employee performance results year-on-year</td>
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<tr>
<td>Employees to demonstrate the living of the NDA values</td>
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<td>Employees to demonstrate the living of the NDA values</td>
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<td>Employees to demonstrate the living of the NDA values</td>
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<tr>
<td>10% Improvement in Culture and Climate Survey year-on-year</td>
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<tr>
<td>10% Improvement in Culture and Climate Survey year-on-year</td>
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<tr>
<td>10% Improvement in Culture and Climate Survey year-on-year</td>
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<tr>
<td>40% Accumulative improvement in Culture and Climate Survey</td>
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</table>
Becoming an Employer of Choice

Strategic Objective Description:
The NDA to become an Employer of Choice by creating leadership that will move the organisation towards its strategy; imbedding values and behaviours that support a success-driven and performance-driven culture; creating a shared understanding of the values, vision and strategic outcomes of the NDA; implementing a reward and recognition system and enhancing the organisational climate and culture.

Outcome Indicator: Improved performance on Employer of Choice Survey (EOC).

<table>
<thead>
<tr>
<th>Outputs and Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006/07</td>
</tr>
<tr>
<td>Build into the HR Strategy a focus on Employer of Choice</td>
</tr>
<tr>
<td>2007/08</td>
</tr>
<tr>
<td>10% Increase in Employer of Choice results year-on-year</td>
</tr>
<tr>
<td>2008/09</td>
</tr>
<tr>
<td>10% Increase in Employer of Choice results year-on-year</td>
</tr>
<tr>
<td>2009/10</td>
</tr>
<tr>
<td>10% Increase in Employer of Choice results year-on-year</td>
</tr>
<tr>
<td>2010/11</td>
</tr>
<tr>
<td>Achieve a rating within the top 50% of Employer of Choice results</td>
</tr>
</tbody>
</table>
Changes in the priorities of the NDA, which are expressed in the organisational strategy, necessitated that the organisational structure be reviewed and realigned to enable the organisation to deliver on its strategic intent through its people. The structural design places emphasis on selecting the most appropriate combination of organisational structure and control systems. Key principles used in defining the organisational structure are specifically centred on the development focus of the organisation and include the following:

**Business impact in relation to defined poverty eradication outcomes**

The structure must provide the vehicle for the organisation to deliver on its mandate and maximise impact on poverty eradication.

**Improved service delivery**

The structure must improve organisational effectiveness and thereby increase achievement of its strategic intention and improve organisational reputation.

**Operational cost efficiency**

The structure must be focused on maximising its financial resources by ensuring that the operational support that is provided is cost efficient and delivery focussed.

**Good governance**

The structure must ensure that governance is appropriately managed and enhanced.

**Integration**

Organisational integration is critical in order to maximise delivery and results. The old organisational structure made provision for a total of 132 positions and fundamentally was focussed on grant funding as the priority whereas the new proposed structure lays emphasis on all aspects of the NDA’s mandated delivery areas and is defined as a continuous process as depicted in the Business Approach model. The approved structure that is depicted here at a high operational level is appropriately positioned to ensure that the NDA delivers on its mandate and strategy.
Chief Executive Officer

Chief Operations Officer

Governance Services

Communications & Marketing

Development & Partner Management

Research & Information

Financial & Corporate Services

Human Resources
The NDA has experienced budgetary constraints that became an impediment to delivery over the past five years. A preliminary study that was conducted before the current strategy has necessitated that the NDA re-looks at its outputs and finds mechanisms of delivering at optimum capacity. The latter has an impact on the finances required by the NDA to deliver and meet its targets. The projected income for the first three years in the budget is based on the grant allocation confirmation letter from the Department of Social Development.

The NDA has identified Information Technology (IT) as one of the key initiatives to improve its efficiency and productivity. IT is one of NDA’s expected major expenditure areas as there is an increased focus on enabling technology. The NDA is in a process of finalising its information technology strategy, which will reflect IT as one of the corner stones for improving efficiency and productivity and monitoring performance. A need has arisen to reposition the NDA brand, which has not been performing well in terms of perception over the past five years. Brand repositioning is a very expensive yet necessary exercise, which is an important step towards improving the image of the NDA.

The NDA will therefore require more resources in order to execute the whole strategy whilst maintaining a high percentage of grant funds to direct towards project funding. Management will have to prioritise its objectives/initiatives and spending in the event that NDA is unable to raise additional funding in order to avoid a deficit.

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</thead>
<tbody>
<tr>
<td>Financial Perspective</td>
<td>Enhance Efficiency and Productivity</td>
<td>96,000</td>
<td>64,000</td>
<td>70,400</td>
<td>77,440</td>
<td>77,440</td>
</tr>
<tr>
<td></td>
<td>Increase funding base : Partnering for Development with Government</td>
<td>50,000</td>
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<tr>
<td></td>
<td>Increase Funding Base: Partnering for Development with Strategic Partners( Other than Government)</td>
<td>600,000</td>
<td></td>
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</tr>
<tr>
<td>Stakeholder Value</td>
<td>Make a sustainable difference via primary Stakeholders ( Civil Society &amp; Government through service delivery)</td>
<td>2,535,400</td>
<td>329,600</td>
<td>349,376</td>
<td>370,338</td>
<td>392,558</td>
</tr>
<tr>
<td></td>
<td>Participation and influence on Government Policy</td>
<td>100,000</td>
<td></td>
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<tr>
<td>Processes</td>
<td>1,500,000</td>
<td>52,500</td>
<td>50,000</td>
<td>53,000</td>
<td>54,000</td>
<td>55,000</td>
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<tr>
<td>Build strategic partnerships through measurable impact</td>
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<tr>
<td>Continuous business process improvement</td>
<td></td>
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<tr>
<td>Effective brand, image and reputation management</td>
<td>3,000,000</td>
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</tr>
<tr>
<td>Enhance Stakeholder Management – improve Stakeholder relationships and management thereof to ensure a collaborative approach to poverty eradication</td>
<td>4,531,000</td>
<td>4,802,860</td>
<td>5,091,032</td>
<td>5,396,493</td>
<td>5,720,283</td>
<td></td>
</tr>
<tr>
<td>Compliance with Good Corporate Governance</td>
<td>3,524,378</td>
<td>3,846,716</td>
<td>4,193,848</td>
<td>4,583,273</td>
<td>5,013,650</td>
<td></td>
</tr>
<tr>
<td>Build a Sustainable model (ROI)- deliver sustainable Stakeholder value and demonstrate return on investment</td>
<td>300,000</td>
<td>30,000</td>
<td>31,800</td>
<td>33,708</td>
<td>35,730</td>
<td></td>
</tr>
<tr>
<td>Implement and sustain best practice development project management to be utilized externally.</td>
<td>60,000</td>
<td></td>
<td>33,600</td>
<td></td>
<td>35,616</td>
<td></td>
</tr>
<tr>
<td>Embed risk management into daily activities</td>
<td>96,000</td>
<td>105,600</td>
<td>70,400</td>
<td>77,440</td>
<td>85,184</td>
<td></td>
</tr>
<tr>
<td>People Management and Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Right people, right skills, right jobs to deliver on strategic outcomes</td>
<td>246,000</td>
<td>1,400,000</td>
<td>150,000</td>
<td>160,000</td>
<td>175,000</td>
<td></td>
</tr>
<tr>
<td>Identification of critical job families</td>
<td>20,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>Increase focus on enabling technology</td>
<td>5,622,282</td>
<td>1,748,882</td>
<td>1,923,770</td>
<td>2,116,147</td>
<td>2,327,761</td>
<td></td>
</tr>
<tr>
<td>Develop leaders who will create and drive the future of the NDA</td>
<td>350,000</td>
<td>350,000</td>
<td>370,000</td>
<td>395,000</td>
<td>420,000</td>
<td></td>
</tr>
<tr>
<td>Live a performance and values driven culture</td>
<td>1,418,730</td>
<td>95,000</td>
<td>1,300,000</td>
<td>750,000</td>
<td>550,000</td>
<td></td>
</tr>
<tr>
<td>Live a performance driven culture – become an Employer of Choice</td>
<td>178,000</td>
<td>220,000</td>
<td>235,000</td>
<td>255,000</td>
<td>275,000</td>
<td></td>
</tr>
<tr>
<td>Board Support</td>
<td>1,348,730</td>
<td>1,553,600</td>
<td>1,709,000</td>
<td>1,880,000</td>
<td>1,960,000</td>
<td></td>
</tr>
<tr>
<td>Salary cost</td>
<td>27,128,781</td>
<td>28,756,508</td>
<td>30,481,898</td>
<td>32,310,812</td>
<td>34,249,461</td>
<td></td>
</tr>
<tr>
<td>Administration cost</td>
<td>9,000,000</td>
<td>9,540,000</td>
<td>10,112,400</td>
<td>10,719,144</td>
<td>11,362,293</td>
<td></td>
</tr>
<tr>
<td>Direct project funding</td>
<td>90,357,800</td>
<td>94,979,950</td>
<td>100,258,990</td>
<td>110,284,889</td>
<td>121,313,378</td>
<td></td>
</tr>
<tr>
<td>Project support cost</td>
<td>9,500,000</td>
<td>10,070,000</td>
<td>10,674,200</td>
<td>11,314,652</td>
<td>11,993,531</td>
<td></td>
</tr>
</tbody>
</table>

**Total Expenditure**

| | 164,615,601 | 161,952,716 | 167,118,714 | 180,788,337 | 196,051,885 |

| Grant income from Department of Social Development | 123,012,000 | 129,163,000 | 136,267,000 | 161,732,081 | 175,852,253 |
| Interest income | 16,000,000 | 16,960,000 | 17,977,600 | 19,056,256 | 20,199,631 |

**Total income**

| | 139,012,000 | 146,123,000 | 154,244,600 | 180,788,337 | 196,051,885 |

**Deficit**

| | 22,603,601 | 11,829,716 | 12,874,114 | - | - |