



**Institute of Waste
Management of Southern
Africa
Strategic Plan
2019-20 to 2023-24**

***Strategic Management
and
Governance System
Guideline***

A Strategic Management Guideline

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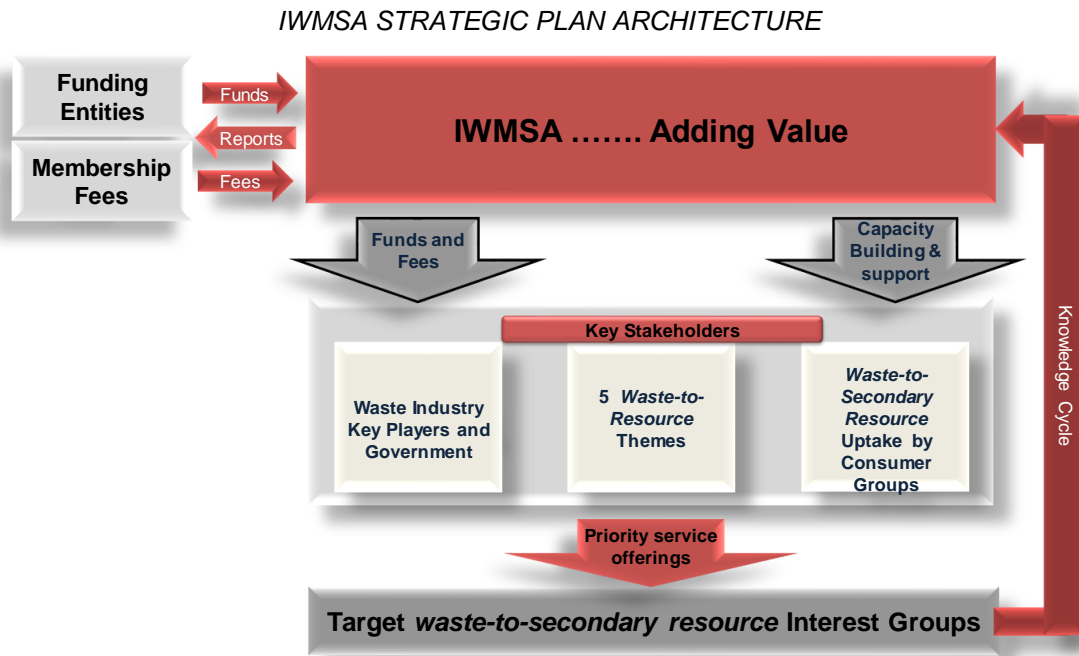
INTRODUCTION

The Institute of Waste Management of Southern Africa (herein after referred to as IWMSA) is a Non-Profit Organisation (NPO) serving over 1000 members across the waste industry in South Africa.

The success of the strategy necessitates the diligent monitoring and tracking of the Strategic Objective *Implementation* Templates. This document presents the strategic management system, prescribes IWMSA's employee roles in relation to the *strategic objectives* and provides guidelines on Corporate Governance. The diligent management of these three tasks should ensure successful in the implementation of IWMSA's Strategy.

IWMSA’S STRATEGIC PLAN ELEMENTS

The following depicts the framework for the IWMSA’s Strategic Plan.



STRATEGY TIME FRAMES

The following time frames are applicable for the execution of IWMSA Strategic Plan.

- Short term : July 2019 to June 2020 (1 year);
- Medium term : July 2020 to June 2022 (2 years); and
- Long term : July 2022 to June 2024 (2 years).

The short-term strategic objectives are aimed at consolidating the IMMSA new and enhanced service offerings, communicating new value proposition to members, increasing awareness of the new brand and ensuring that internal processes are efficient and support all business processes.


The medium and long-term strategic objectives will be continuously impacted by external factors affecting the IWMSA. The impact of these factors needs to be addressed on an annual basis as part of the strategy review process and governance frameworks.

In terms of target-setting, in the short, medium and long-term the following timelines are applicable:




IWMSA STRATEGIC PLANNING PERIODS


Current Base 2018/19	Stretch Target 2019/20	2020/21 Target	2021/22 Target	2022/23 Target	2023/24 Target
Result Achieved					



Short -Term



Medium -Term



Long -Term

THE IWMSA CORPORATE STRATEGY OBJECTIVES

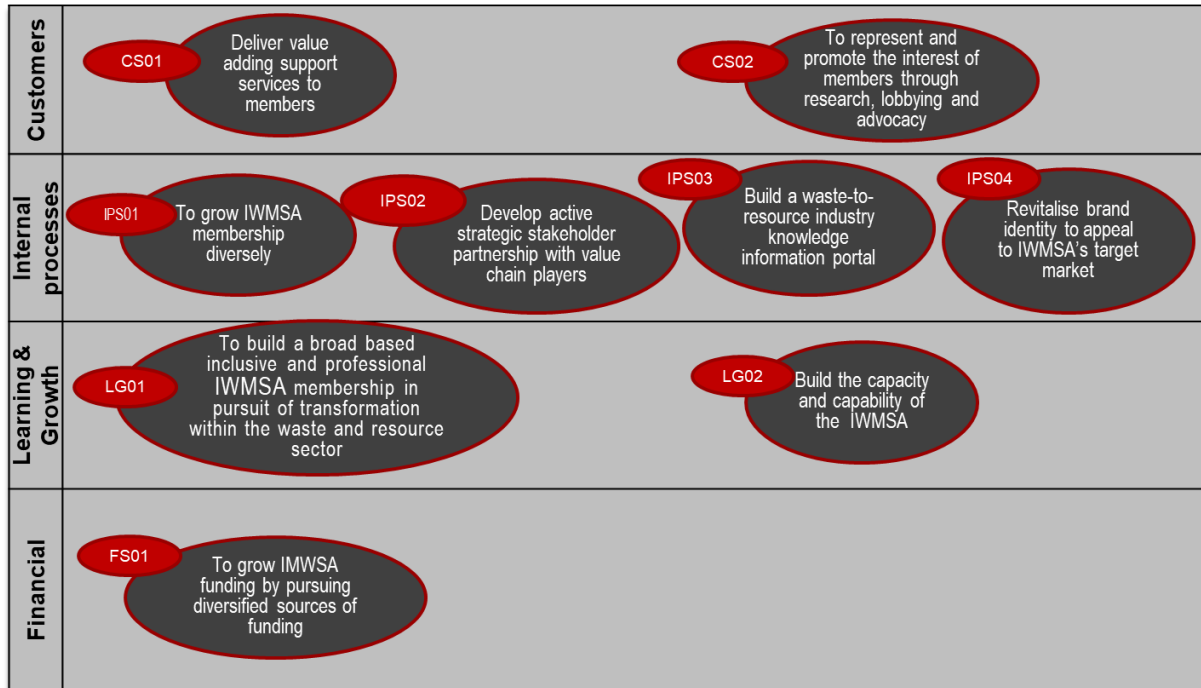
The Strategy Map that follows enables the strategic objectives that the IWMSA is pursuing to be both unambiguously understood as well as communicated. The Strategy Map facilitates the communication of the IWMSA strategic objectives being pursued in a consistent manner, be it either by the IWMSA’s Council and management and most importantly the member network.

THE IWMSA STRATEGY MAP

The strategic objectives have been transposed into the IWMSA’s Strategy Map as is shown on the following page. The IWMSA’s strategic objectives are all driven by the overall objectives derived from the stakeholder workshop held and discussions with respondents. The purpose of the IWMSA is to represent the interests of its members across Southern Africa.

The diagram below follows this logic: In order for the strategic objectives to be achieved, the IWMSA needs to deliver effective and efficient services and support to the member network represented across all of the four IWMSA regions. Mission critical internal processes, such as membership management, should be in place for the organisation to achieve impact. These internal processes can become more efficient and effective if they supported by the appropriate organisational learning and human resources growth and development.

THE IWMSA STRATEGY MAP



THE IWMSA’S STRATEGIC MANAGEMENT SYSTEM – MANAGING STRATEGY GOING FORWARD

The next section of the document presents an overview of the governance environment with respect to strategy implementation.

OVERVIEW OF THE IWMSA’S GOVERNANCE ENVIRONMENT

The success of the strategy implementation process relies on several guiding principles:

Accountability

The Executive Officer of the IWMSA should be accountable for the performance of the strategy and implementation plans that will be ratified by the proposed by the Council. The IWMSA Strategic Plan has been developed through a process of consensus building between the Council, management team and most importantly the IWMSA members, through a comprehensive engagement process. Consensus on the actual measurement of the strategic objectives and the setting of performance targets was undertaken with the Council and management team.

The Governance Process

An effective governance process is an essential step to track the performance realised through effectively implementation of the Strategic Plan, especially as the IWMSA builds the required capacity to deliver the various enhanced services indicated in the Business Model. Diligent performance reporting in accordance with the selected performance indicators (KPI's) and the achievement of the strategic initiatives on the agreed due dates with effective performance tracking by the Council will enable the IWMSA to achieve improved results in line with the set targets. This strategy implementation system operationalises the strategy operational and the supporting governance process facilitates and drives outcomes in a structured and objective manner.

THE IWMSA GOVERNANCE - STRATEGY IMPLEMENTATION

It is recommended that the following types of meetings are introduced to facilitate the implementation of the IWMSA Strategic Plan:

1. Annual Strategy Review Meeting

The Strategy Review Meeting should take place annually, with the involvement of management and the Council, the objective being to review the strategic direction of the IWMSA against the *strategic objectives* and the agreed *targets* in the prior year. However, once a year, soon after the June financial year-end, preferably in the months August and September, the total performance, with particular focus on the financial performance, over the previous year must be reviewed after which a year-end report communicating the IWMSA's performance over the year should be compiled.

2. The IWMSA Executive Officer's Strategy Implementation Review Meeting:

Consideration needs to be given by the IWMSA in establishing this high-level management meeting that is convened on a quarterly basis. The IWMSA management team, and the Council members (President and Vice President) responsible for Strategy and Performance and M&E, must be involved in this meeting.

An important aspect of this meeting, chaired by the Executive Officer, is to monitor and evaluate progress that the IWMSA has made in implementing the Strategic Plan. These reviews would cover monitoring the progress of the realisation the *strategic objectives* against the set *targets*, the utilisation of *performance indicators* for tracking and monitoring progress and the achievement of the *strategic initiatives*. The meeting would also consider inputs for the preparation and review of the Council Meeting Pack.

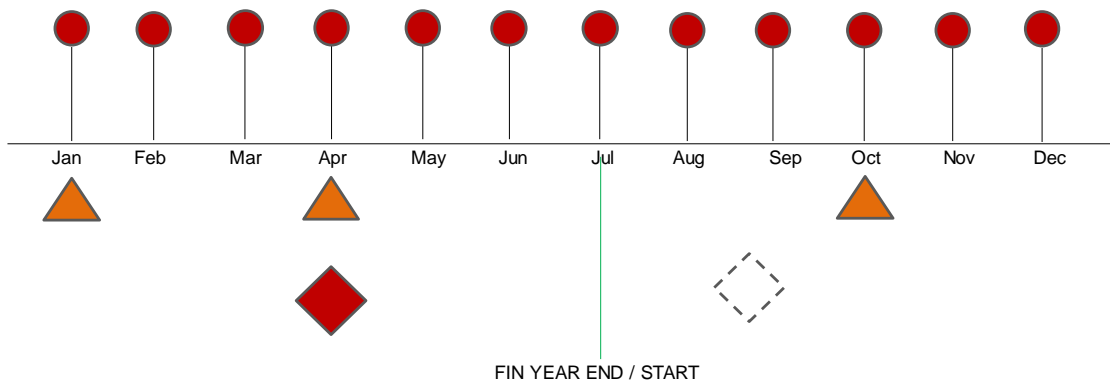
3. The IWMSA Management / Operations Meetings:





Typically, these operations meetings (OPCO), are conducted on a more frequent basis to resolve operational issues with respect to implementing the strategy. One meeting per month is envisaged, led by the Executive Officer, with the President or Vice President in attendance, which must be dedicated to the review of the strategy the achievement of the *strategic initiatives* against the due dates by the responsible staff member.

The focus of this meeting is therefore on the progress that is being made towards the achievement the various *strategic initiatives*. This task of the OPCO meeting should either be integrated into the Agenda of the operations meeting or be treated as a separate agenda item, within the Operations Meeting.

The following diagram illustrates a proposed management meeting calendar.

STRATEGY MONITORING AND CONTROL MEETING CALENDAR 2019/20 AND BEYOND



-  = Management Meetings / tactical meetings to review strategic initiatives. Occurs once a month (1 out of 4 meetings)
-  = EXCO meeting – Strategy implementation review meeting
-  = Annual strategy review meeting: Review strategic objectives and targets
-  = Finalise business planning, initiatives and business cases

NOTE: During August 2019 an interim review of the IWMSA 2019/20 Corporate Strategic Objectives must be held prior to the commencement of budgeting and planning for the 2019/20 financial year.

These two meeting are deemed to be essential for the effective monitoring and evaluation of the IWMSA Strategic Plan.

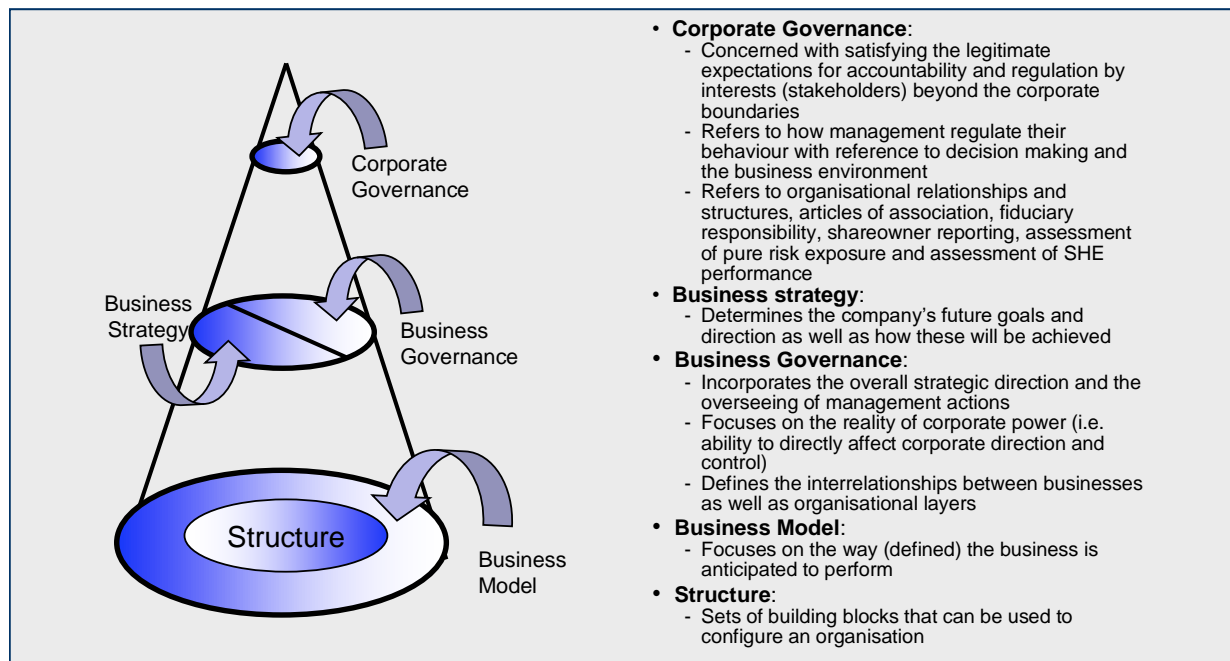
THE IWMSA COUNCIL CORPORATE GOVERNANCE

Business governance is defined as the internal management systems and processes that support the organisation and ensures adherence to defined governance principles:

- Effective governance determines the characteristics of the company's management philosophy;
- Governance incorporates the overall strategic direction and the overseeing of management actions;
- Describes the relationship and responsibilities of various business interests within a company; and
- Defines the interrelationships between businesses entities and or organisational layers.

These principles are illustrated in the chart below.

THE RELATIONSHIP BETWEEN CORPORATE GOVERNANCE, BUSINESS STRATEGY, BUSINESS GOVERNANCE AND THE BUSINESS MODEL WITHIN AN ORGANIZATIONAL STRUCTURE



Three levels of governance would apply to the IWMSA:

- **Council level** – monitoring the realisation of the strategic objectives through monitoring and evaluation of performance data and trends reported from the set of

tracking indicators as well as the achievement of the *strategic initiatives*, due in any one quarter;

- **Executive Committee** – oversight and continuous review of each of the *strategic objectives* and *strategic initiatives* within the IWMSA, taking cognisance of both internal and external factors impacting the organisation and
- **Operational / Management Committee at the IWMSA** – management of the IWMSA operations and reporting the performance thereof in relation to the achievement of the *strategic initiatives*.

The roles of the IWMSA Council and Management, as to how each of the strategy components should be governed are stated in this section. The Agendas of the various meetings, Council, Executive and Management, and the preparatory documentation such as Agendas and Council Meeting Packs should enable to effectiveness and required focus of the meetings.

MONITORING THE IWMSA STRATEGIC PLAN

Within the IWMSA, a number of structures and meetings need to be established. The paragraphs below provide some recommendations on responsibilities to be considered to compliment the meetings required at Council and Management level.

IWMSA COUNCIL MEETINGS

The IWMSA Council should focus their attention on the strategic and financial performance of the organisation and should consider only the exceptions to the Executive Officer's report tabled for the Council meeting. The recommended content of the agenda is:

- Monitor progress / review the Strategic Plan and budgets (including capital expenditure estimates) in the current year (in accordance with the Council Charters);
- Review the of strategic performance and progress against plan, both actual and projected performance ensuring that it is realistic;
- Address operational issues only where applicable, and that are deemed to have an impact on the realisation of the strategic objectives;
- Approve expenditure, outside the IWMSA Management's limits of authority; and
- Approve any changes to the IWMSA Strategic Plan – *strategic objectives, measures / performance indicators and targets and strategic initiatives*.

IWMSA MANAGEMENT MEETINGS

An IWMSA monthly Management meeting, primarily dedicated to the review of the achievement of the *strategic initiatives*, must focus on operational issues hindering progress, for example, current issues with the execution of a specific strategic initiative or action plan. Due to the operational nature of the meeting, these meetings usually occur more frequently, ideally at least once per month.

The focus of these meetings should be on:

- Strategic initiatives - review or progress against target date of output
- Tracking strategic performance against set *targets*, utilising *performance indicator* data and primary measure data to inform progress towards the realisation of the set targets).
- Communication and sharing of information relevant to the Strategic Plan.

THE IWMSA COUNCIL, ROLES AND RESPONSIBILITIES

The following section outlines the IWMSA Council from a governance viewpoint as well as the different roles and responsibilities within the Council.

THE IWMSA COUNCIL

The IWMSA Council consists of the following 7 members including the President:

NO	NAME	PORTFOLIO
1	Leon Grobbelaar	President
2	Brendon Jewaskiewitz	Vice President
3	Jan Palm	Past President
4	Gail Smit	Executive Officer
5	Susan Oelofse	CB Chair
7	Lindsay Strachan	KZN Chair
8	Theo von Ruben	EC Chair
9	Margot Ladouce	WC Chair

The IWMSA Council has an explicit role in providing inputs into defining and monitoring the strategy as the ultimate accountable party to the shareholder. The IWMSA Council has the following roles with regard to formulating and implementing the Strategic Plan:

- Approval of the mission / purpose and vision of the organisation against the mandate and all relevant legislation;
- Providing guidance and inputs during the development and thereafter the ultimate approval of the IWMSA Strategic Plan;
- Overseeing the development and institutionalisation of corporate governance structures and processes in cooperation with the IWMSA Office;
- Providing strategic leadership and advice by continuously tracking the realisation of the IWMSA's *strategic objectives* and the achievement of the *strategic initiatives*, utilising the *performance indicators* tracking data and identifying any corrective actions required, timeously.
- Continuously evaluating and interpreting the external environment and the factors impacting the organisation and providing advice on adjusting the IWMSA Strategic Plan to strengthen or counter the impact thereof. This would usually be undertaken on a quarterly basis.

THE IWMSA COUNCIL MEMBER ROLES

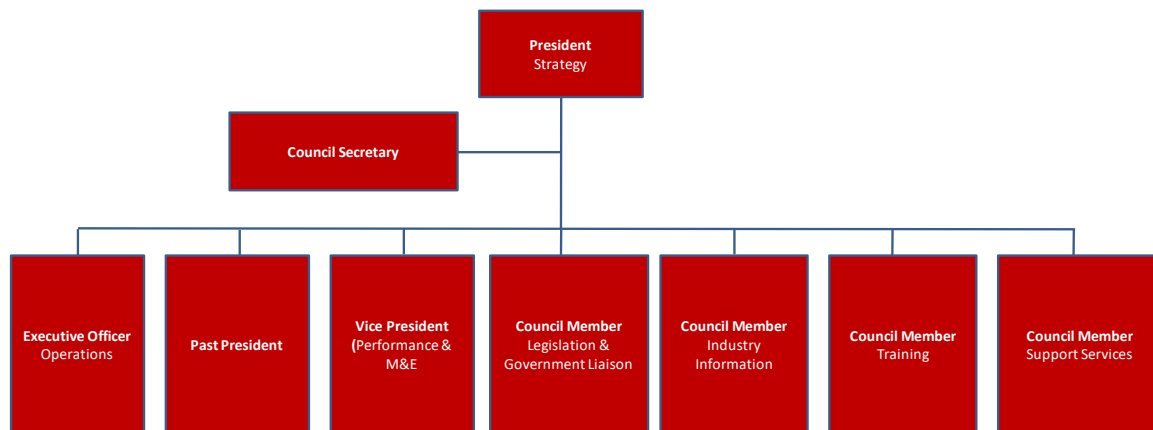
The following roles have been identified and are suggested in relation to the development and implementation of IWMSA Strategic Plan.

- IWMSA President – Responsible for coordinating inputs from the Council members into the development and annual review of IWMSA Strategic Plan soliciting the experience and expertise of the different Council members. It is important that IWMSA President is a person with an interest in the waste industry;
- IWMSA Vice President – Accountable to the Council for the effective implementation of IWMSA Strategic Plan. The Executive Officer will also need to ensure that IWMSA achieves its strategic, business, operating and financial objectives;
- Non-Executive Fundraising Member – Responsible for reporting to the Council on the fundraising initiatives that IWMSA is pursuing and large funder liaison, and the progress it is making in the achievement of targets;

- Council / Non-Executive Financial Member – Responsible to monitor and evaluate all the finances of IWMSA and to provide guidance to the Council with regards to financial implications, audit and risk, and strategic decisions that may be taken;
- Council / Non-Executive Legal Oversight Member – Provides the legal expertise to assist the Council when committing to legal binding agreements, the oversight role also ensures that the legal affairs of the organisation are always represented; Non-Executive Human Resources Oversight Member – Responsible to provide inputs from an organisational capability perspective with regards to the direction of the IWMSA’s strategic objectives; and
- Council / Non-Executive Affiliates / Partnerships Oversight Member – Responsible to provide inputs from a he affiliates perspective with regards to the direction of the IWMSA’s strategic objectives.

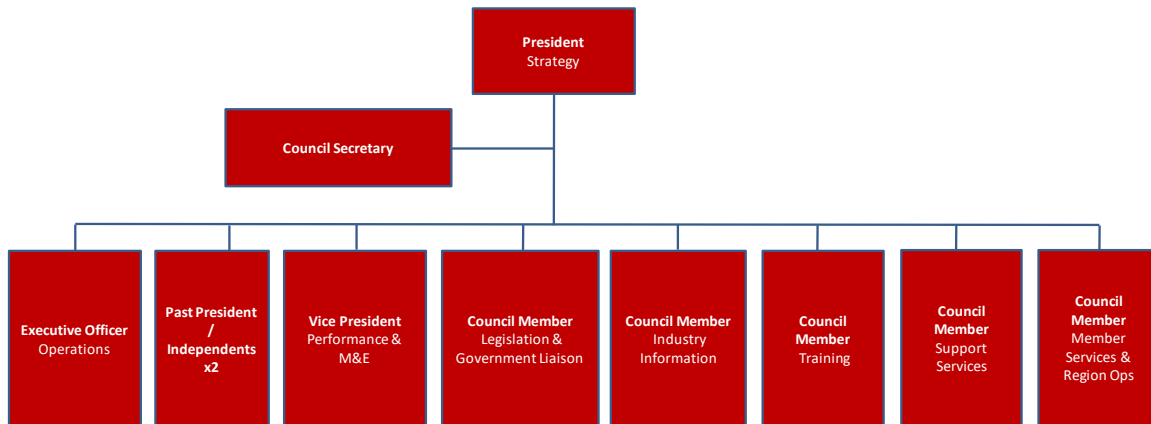
The proposed structure of the Council in the short-term is as follows:

IWMSA SHORT-TERM STRUCTURE



The proposed structure of the Council in the long-term is as follows:

IWMSA LONG-TERM STRUCTURE



It is the stated intention for the IWMSA to migrate towards a formal Board governance structure, that is compliant to King IV Code of Corporate Governance.

IWMSA COUNCIL COMMITTEES

The IWMSA could consider the following Council Sub-committees in future, especially when the IWMSA Council transitions to a formal Board.

- **Management Oversight Committee** – must include at least three Council members – President, Executive Officer and Vice President or one other Council Member (or a Council designate if none of the stipulated are available);
- **Finance, Audit Risk and Compliance Committee** (amalgamates the responsibilities of an Audit Committee) – must include at least two Council members – Treasurer, Executive Officer (designated Public Officer) and Finance Officer (Council designate may be stipulated if none of the stipulated are available);
- **Legal, Compliance, Governance Committee** – must include at least two Council members – Legal expert on the Council, Executive Officer, Independent (or a Council designate if none of the stipulated are available);
- **Affiliates / Partners Development Committee** – must include the Affiliate / Partner Council member and the Executive Officer, together with a range of representatives from partner organisations in the Waste Sector; and
- **The HR, Remuneration, Social and Ethics Committee (in future)** to provide oversight of all human resource matters including remuneration, as well as social and organizational ethical matters.

RECOMMENDATIONS ON THE IWMSA GOVERNANCE

Over and above the suggestions indicated above, predominantly related to ensuring the effective execution of the IWMSA Strategic Plan, numerous other governance practices can be considered in accordance with the King IV Code, Report and Guidelines on governance for Not-for-Profit companies / organisations (NPC / NPO's).

Eventual appointment of Independent Council members, to bring oversight to the Council in a broad context.

As Council members rotate, or resign, it is strongly recommended that a Nominations Committee (NOMCO) be formed to select new council members, both IWMSA Members and independents. The Nominations Committee should comprise a current Council member, a representative (one or two representatives from major funders) and an independent governance expert. This will enable Council members to be selected that will consider the interests of all three entities - the Board with respect to effective governance to King IV and the NPC Guideline, the donor organisations to ensure their objectives are met and the NPC entity. The IWMSA, is to ensure that it delivers performance against the Strategic Plan.

This concludes the guideline for effective strategic management of the IWMSA Strategic Plan.