

ANNUAL PERFORMANCE PLAN

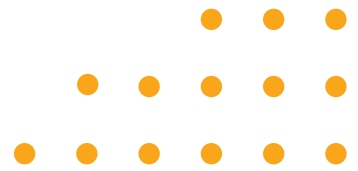
2021/22 – 2023/24



seda

SMALL ENTERPRISE DEVELOPMENT AGENCY

an agency of the dsbd



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C O N T E N T

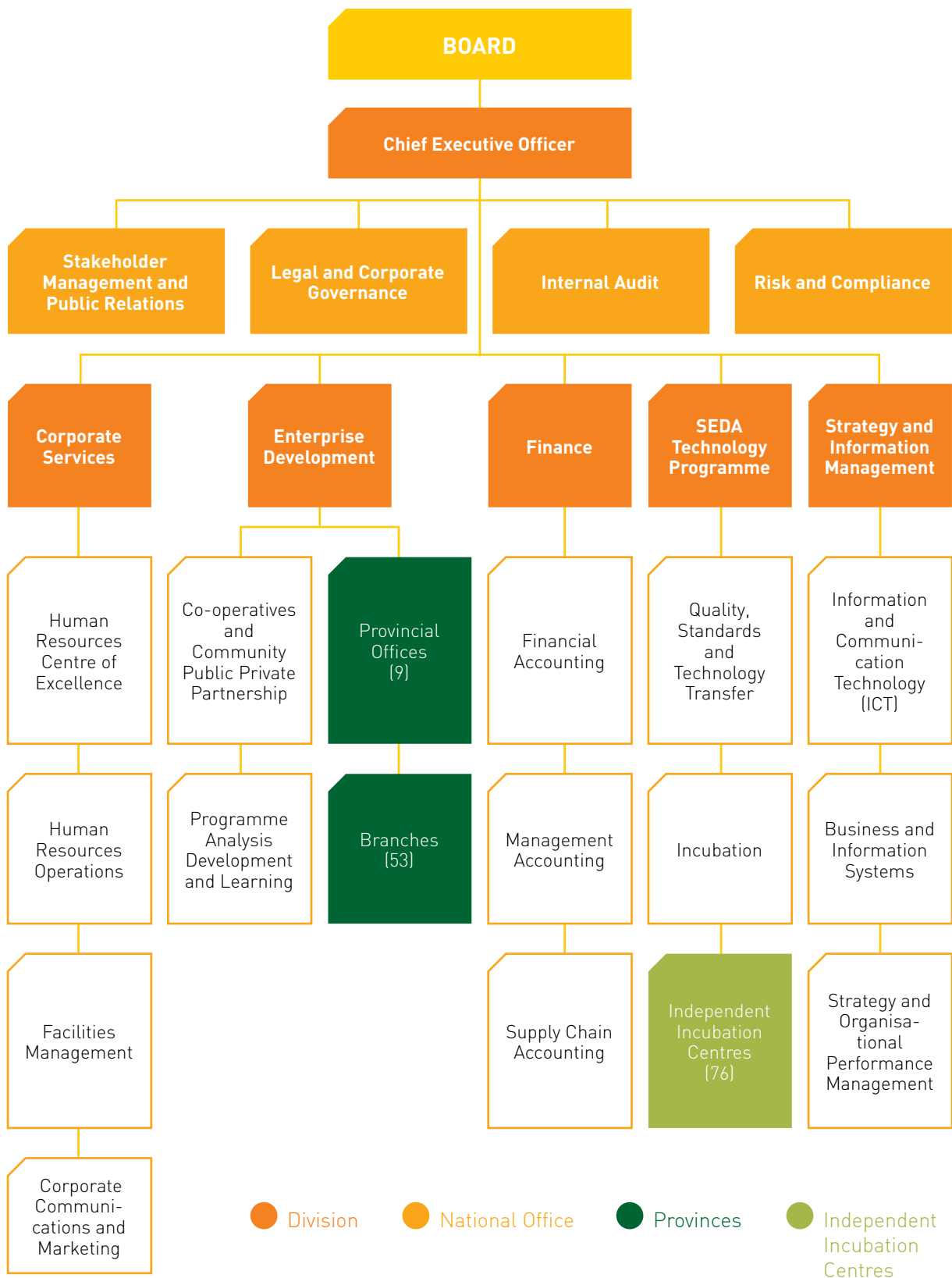
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LIST OF ACRONYMS AND ABBREVIATIONS

CEO	Chief Executive Officer
COTII	Council of Trade and Industry Institutions
CPPP	Community Public Private Partnership Programme
DSBD	Department of Small Business Development
dti	Department of Trade and Industry
EDD	Economic Development Department
EIC	Enterprise Information Centre
HR	Human Resources
ICT	Information and Communication Technology
IPAP	Industrial Policy Action Plan
ISO	International Organisation for Standards
M&E	Monitoring and Evaluation
MOA	Memorandum of Agreement
NAMAC	National Manufacturing Advisory Centre
NGP	New Growth Path
PFMA	Public Finance Management Act
SA	South Africa
SAQI	South African Quality Institute
Seda	Small Enterprise Development Agency
Sefa	Small Enterprise Finance Agency
SMME	Small, Medium, and Micro Enterprise
Stp	Seda Technology Programme
TWIB	Technology for Women in Business



ORGANISATIONAL STRUCTURE



ACCOUNTING AUTHORITY STATEMENT



SMMEs are the lifeblood of the South African economy as they make up a fundamental part of our nation, driving innovation, providing unique products and services and reaching people in ways that larger companies cannot.

In the past year, some SMMEs have demonstrated that they are extraordinarily resilient, adaptable, and innovative. However, despite their best efforts some SMMEs have endured the brunt of the pandemic's ruthlessness, with the sector having lost more than two million jobs. The economic damage inflicted by COVID-19 will continue to decimate the sector while for other SMMEs the impact is irreversible.

In the year ahead, SMMEs will be looking to government and its agencies to provide some much needed guidance to respond to the economic slow-down. In order for the SA economy to thrive, it needs healthy and prosperous SMMEs. President Ramaphosa in his State of the Nation Address said, "a priority intervention of the Recovery Plan is to support a massive increase in local production and to make South African exports globally competitive. In this regard, 42 products have been identified to be sourced locally, which include edible oils to furniture, fruit concentrates, personal protective equipment, steel products and green economy inputs". He pointedly outlined that if we achieve our target we will significantly expand our productive economy, potentially returning more than R200 billion to the country's annual output.

The South African employment rate has seen its worst decline in years. Estimates of the size of the contraction that we will experience this year range from 4 percent to 15 percent of GDP, depending on the scenario that you are using. The major economies' industrial sectors are already contracting while major central banks, as well as those leading emerging market countries have embarked on monetary easing. The latter will not be enough considering the high number of unemployment the country already had prior to the COVID-19 outbreak, as a result it cannot be business as usual for Seda.

The following are at the core of what Seda will prioritise:

Strategic Partnerships and Collaboration (Seda and sefa)

The introduction of new funds, including the Blended Finance, Small Business Innovation Fund, Debt Relief Fund and a number of informal sector programmes by the Department of Small Business Development (DSBD), create new opportunities for access to finance for SMMEs. This presents Seda with the opportunity to be a primary point of support, generating a pipeline of SMMEs ready to apply for funding and providing pre- and

post-funding support. In support of the above, these two organisations have already commenced on working on a range of processes to improve coordination between Business Development Services (BDS) and Finance. Such processes will enable integrated entrepreneurial support.

Seda and **sefa** will work together in creating shared platforms for information access, services access points and processes for client referrals that will provide seamless services for both pre- and post-finance client support. DSBD, Seda and **sefa** through the Market Access and International Relations work-stream will give small businesses market exposure and access to other procurement opportunities. Those with orders could approach **sefa** for funding. Further to market access and procurement finance, Seda and **sefa** shall develop a funding methodology for businesses operating and graduating from incubators. In the 2020/21 financial year, **sefa** approved Enterprise and Supplier Development funding that will be managed by some of the Seda-supported incubators. The monitoring of the utilisation of these funds will be done by Seda.

Products and Markets

Seda planned to pilot Pop-Up markets in three (3) townships at the beginning of 2020, unfortunately, our plan was affected by the second wave of the COVID-19 pandemic. The concept had to be modified in order to prevent large gatherings of people. The pilot will be implemented in March 2021, which will still allow enough time for capturing the lessons that will be used to internalise the programme in the 2021/22 financial year.

Seda will also facilitate export development and trade opportunities to promote cross-border trade and market base expansion for SMMEs. Technology transfer and technical assistance interventions for SMMEs will therefore remain key to enhancing company performance standards, service turnaround times and product quality. In this regard, Seda will draw technical knowhow from sector departments within government and from private organisations using strategic partnership models. One of the important lessons from the pandemic is the importance of utilising platforms for all our support programmes, including those that are intended to assist small businesses with access to markets. We started working on these in the 2020/21 financial year and they will be upscaled in 2021/22.

Digital Technology

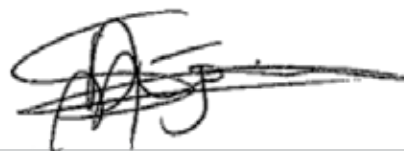
The impact of digital technology on every facet of the economy, as well as on Seda's operations and delivery strategy, cannot be underestimated. Through utilising virtual platforms, Seda is exploring how digital technology can improve and transform various aspects of its

operations, from e-learning for practitioners, to client on-boarding, e-mentorship, referrals, communication, promotion and marketing of small business and their products or services. Across all these platforms the aim will be to improve monitoring and evaluation of Seda's operations and ecosystem partners, data management as well as knowledge management.

District Service Delivery Approach

The integrated service delivery model, approved by Cabinet, will see the three spheres of government working together to accelerate the implementation of service delivery programmes to communities, including the development of SMMEs. Seda will work closely with municipalities through the Local Economic Development (LED) offices to deliver services to SMMEs at a local and district level. The DSBD and its agencies therefore understand that in order to achieve these targets, more coordinated efforts are required to prioritise SMMEs as they have a higher growth potential compared to other forms of business. Seda began increasing its incubation footprint in township and rural areas in the 2019/20 financial year to ensure equitable access to enterprise development support. Guided by the SMME support plan of the DSBD and ecosystem facilitation model, further assessment of gaps to reach out to more underserved areas will be prioritised.

We are pleased to report that significant progress has been made in redefining the SMME sector and mapping out the development framework which focuses on policy, financial and non-financial instruments that are vital for enterprise growth ensuring that these reach SMMEs in a coordinated manner, informed by the government-wide integrated delivery plan. The partnership approach to enterprise development, with Seda at the centre of the ecosystem facilitation, will aide SMMEs to be sustainable, to scale up and grow, and make indelible contributions in the South African economy. Seda's 2020/21 Annual Performance Plan is premised on building delivery mechanisms to give life to these priorities.



Dr Matshediso Ndlovu
Board Chairperson

CHIEF EXECUTIVE OFFICER'S STATEMENT

During the strategic planning session for the 2021/22 financial year, the Minister emphasised the importance of the organisation to respond to the priorities of government's 6th administration. Six cardinal pillars were articulated including: focusing on supporting township and rural enterprises; strengthening support offered to informal businesses; localisation through targeted import replacement and support for the utilisation of local businesses; business viability support for small businesses; and enabling economic transformation for an inclusive economy by supporting, Black-owned, women owned, and youth owned businesses including those owned by people with disability.

A number of significant changes in Seda's operating environment occurred in 2020 which necessitated the organisation to reorganise itself to respond to the negative impact felt by SMMEs and Cooperatives. Seda reprioritised some of its programmes and its delivery model to respond to the needs felt. In the upcoming financial year, a structured response will be developed to respond to the challenges noted. Key interventions include:

- Strengthening clients benefiting from the collaboration between Seda and sefa
- Positioning of Seda within the broader SMME support ecosystem as a key enabler of small enterprise support
- Providing support to expand SMME and Cooperatives' access to finance
- Identifying emerging opportunities for access to markets both locally and internationally especially for the 1 000 prioritised products
- Assisting small businesses with compliance for them to benefit from the support programmes and market opportunities.

The organisation will focus on enhancing its programmes and interventions in relation to each strategic outcome-oriented goal and adhoc activities. Seda's business model will continue to be informed by the realisation that the organisation will find it extremely challenging to successfully implement its strategy if it does so on its own. Five areas where partners can enhance Seda's offerings are being pursued, these include:

- Research;
- Complimentary programmes;
- Co-location client service points;
- Professionalisation of business advisory services; and
- Contributions to the 4th Industrial Revolution drive through different business incubation approaches.

Seda is of the firm view that relevant needs-based programmes can go a long way towards enhancing the capabilities of the broader small enterprise and Cooperatives sector, if adequately resourced. Prior to COVID-19, Seda was in the process of realigning its organisational structure to enhance value creation of SMMEs. Seda's current network of service points across the country, partnerships, delivery models and programmes are contributing beyond the development of SMMEs to the capacity building of other role players in the ecosystem. The Seda provincial network serves as a useful mechanism for the delivery of the Department's programmes throughout the country.

The organisation will focus on the following internal aspects:

- ICT systems to improve operational efficiency, monitoring and reporting
- Career pathing, especially for Business Advisors
- Initiatives for encouraging innovation among Seda staff
- Investing in improving the organisational climate and wellness interventions.



Ms Ntokozo Majola

Acting Chief Executive Office

OFFICIAL SIGN OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the Management of the Small Enterprise Development Agency under the guidance of Small Enterprise Development Agency Board.
- Takes into account all the relevant policies, legislation and other mandates for which the Small Enterprise Development Agency is responsible.
- Accurately reflects the impact, outcomes and outputs which the Small Enterprise Development Agency will endeavour to achieve over the 2020/21–2024/25 period.



Mr Koenie Slabbert

Acting Executive: Enterprise Development Division
18 March 2021



Ms Linzel Taute

Acting Chief Financial Officer
18 March 2021



Mr Tevern Jafta

Acting Executive: Seda Technology Programme
18 March 2021



Ms Thenjiwe Dlamini

Acting Chief Strategy and Information Officer
18 March 2021



Ms Thabang Serapelo


Acting Executive: Corporate Services
18 March 2021



Ms Ntokozo Majola

Acting Chief Executive Officer
18 March 2021

APPROVED BY:

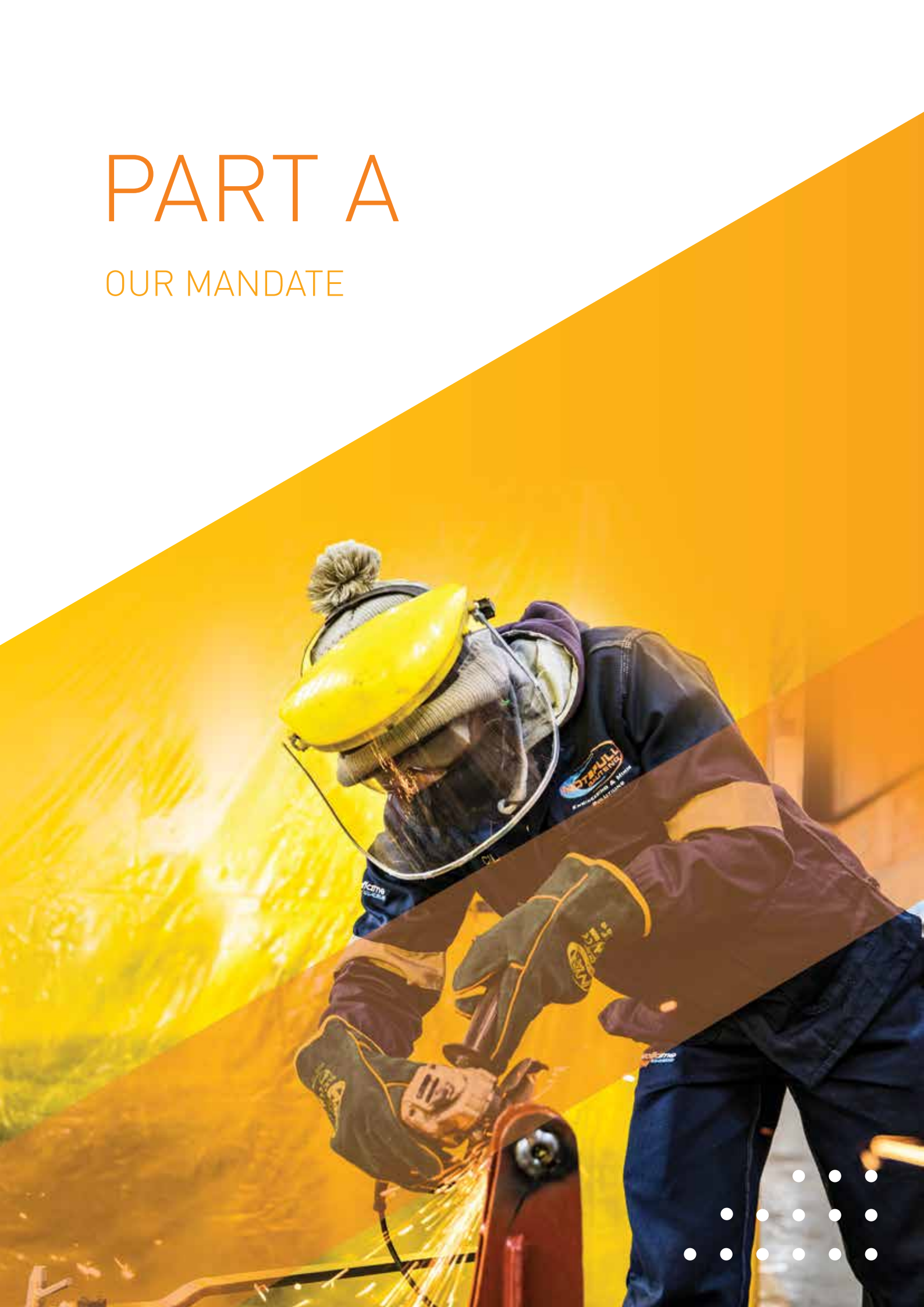


Dr Matshediso Ndlovu

Board Chairperson
18 March 2021

PART A

OUR MANDATE



1. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES

Seda's work is governed by a broad legislative framework, as outlined below:

Table 1: Seda's Legislative Framework

NAME OF ACT	PURPOSE
1. National Small Enterprise Act, No. 102 of 1996 amended by the National Small Business Amendment Act, No. 29 of 2004	<ul style="list-style-type: none"> To provide for the establishment of the Advisory Body and the Enterprise Promotion Agency; and To provide guidelines for organs of state to promote small business in the Republic; and to provide for matters incidental thereto.
2. Occupational Health and Safety Act, No. 85 of 1993	<ul style="list-style-type: none"> To provide for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery; The protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work; To establish an advisory council for occupational health and safety; and to provide for matters connected therewith.
3. Public Finance Management Act, No. 1 of 1999	<ul style="list-style-type: none"> To regulate financial management in the national and provincial governments; To ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; and To provide for the responsibilities of persons entrusted with financial management in those governments and to provide for matters connected therewith.
4. Cooperatives Act, No. 14 of 2005	To provide for the formation and registration of Cooperatives; the establishment of a Cooperatives' advisory board; the winding-up of Cooperatives; the repeal of Act 91 of 1981; and connected matters.
5. Basic Conditions of Employment Act, No. 75 of 1997	To give effect to the right to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment; and thereby to comply with the obligations of the Republic as a member state of the International Labour Organization; and to provide for matters connected therewith.
6. Income Tax Act, No. 58 of 1962	To consolidate the law relating to the taxation of incomes and donations, to provide for the recovery of taxes on persons, to provide for the deduction by employers of amounts from the remuneration of employees in respect of certain tax liabilities of employees, and to provide for the making of provisional tax payments and for the payment into the National Revenue Fund of portions of the normal tax and interest and other charges in respect of such taxes, and to provide for related matters.

NAME OF ACT	PURPOSE
7. Labour Relations Act, No. 66 of 1995	<ul style="list-style-type: none"> • To facilitate the granting of organisational rights to trade unions that are sufficiently representative; • To strengthen the status of picketing rules and agreements; to amend the operation, functions and composition of the essential services committee and to provide for minimum service determinations; • To provide for the Labour Court to order that a suitable person be appointed to administer a trade union or employers' organisation; • To enable judges of the Labour Court to serve as a judge on the Labour Appeal Court; • To further regulate enquiries by arbitrators; to provide greater protection for workers placed in temporary employment services; • To regulate the employment of fixed term contracts and part-time employees earning below the earnings threshold determined by the Minister; • To further specify the liability for employer's obligations; and to substitute certain definitions; and to provide for matters connected therewith.
8. Employment Equity Act, No. 55 of 1998	To provide for employment equity; and to provide for matters incidental thereto.
9. Promotion of Access to Information Act, No. 2 of 2000	The purpose of this Act is to give effect to the constitutional right of access to any information held by the state, as well as information held by another person that is required for the exercise or protection of any right.
10. Promotion of Administrative Justice Act, No. 3 of 2000	The purpose of this Act is to give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right written reasons for administrative action as contemplated in Section 33 of the constitution of the Republic of South Africa, 1996 and to provide for matters incidental thereto.



2. UPDATES ON INSTITUTIONAL POLICIES AND STRATEGIES

The policy and strategy mandates informing the strategic posture and intent of the Small Enterprise Development Agency are summarised below:

Table 2: Policy Mandates

INFORMING POLICY OR STRATEGY	KEY CONSIDERATIONS
1. National Development Plan, Vision, 2030 (2012)	The National Development Plan (NDP) envisions an economy that provides full employment by 2020 and is aimed at serving the needs of all South Africans. As such the economy should be inclusive, grow faster, eliminate poverty and reduce inequality. Seda plays a coordinating role in the implementation of Chapter 3 and 6 of the NDP, which respectively deal with the economy and unemployment, and inclusive rural development and growth.
2. The Medium Term Strategic Framework (2019–2024)	<p>The Medium Term Strategic Framework (MTSF) defined as the combination of an NDP Five-Year Implementation Plan for the Priorities outlined in the Election Mandate and an Integrated Monitoring Framework. Through the NDP Five-Year Implementation Plan, the Government will collaborate with the private sector, labour and civil society to contribute to the achievement of the set priorities. With regard to seven priorities identified in the MTSF, the DSBD and the Portfolio has a primary/lead role in relation to:</p> <p>Priority 1: Economic Transformation and Job Creation and their related sub-outcomes and interventions, as follows:</p> <ul style="list-style-type: none"> • Upscale and expand support to small businesses; • Creating more jobs; • Inclusive economic growth; • Re-industrialisation of the economy and emergence of globally competitive sectors; • Increased access to and uptake of ICT; and • Competitive and accessible markets through reduced share of dominant firms in priority sectors.
3. The New Growth Path	The New Growth Path is a broad framework that sets out a vision of creating five million jobs by 2020 thus reducing the country's unemployment rate by 15%. The SMMEs ecosystem is identified as a key role player in realising this goal.

3. RELEVANT COURT RULINGS

There are no court judgements which have a material and/or direct bearing on the mandate and/or core operations of Seda.

PART B

OUR STRATEGIC FOCUS



4. UPDATED SITUATIONAL ANALYSIS

This section analyses the current state of the SMME ecosystem, and the broader factors affecting SMME growth and development, including the key challenges facing SMMEs.

4.1. External Environmental Analysis

4.1.1. South African SMME Landscape

The South African economy, like many others, was deeply affected by the COVID-19 pandemic. This was further exacerbated by various domestic challenges resulting in a slow recovery and economic flat lining. Business confidence remains fragile domestically, and the country is well out of favour on the global investment-grade indices. The domestic challenges that plague the economy most include governmental overspending, rising government debt, poor state delivery capabilities, governance and corruption challenges in both the public and private sectors, the unreliability and unpredictability of electricity supply, the education system's lack of delivery, and extreme unemployment.

It is important to note that the South African economy has great potential due to its access to abundant natural and other resources. The country is the most industrialised economy on the African continent and is a leader in most

economic sectors. Over the past decade, the economy has consistently grown below the expected gross domestic product and it has been consistently declining since 2011 (GEM 2020). In OECD nations, (comprising 36 countries) small and medium sized enterprises account for 99% of all businesses and between 50% and 60% of value added.

In many countries, SMMEs have been the main drivers of job creation, and they often contribute to the identity and social cohesion of local communities. As the predominant form of business and employment, they are also key actors in the promotion of more inclusive and sustainable growth. However, SMMEs face ongoing challenges, they constitute a very heterogeneous population with differences being influenced by economy size, market structures, institutions and regulation, the prevailing business environment and other factors. Secondly, although SMMEs are driving job growth, there is a need for greater investment in skills, innovation and technology to boost wages and productivity.

South Africa still has some way to go towards developing entrepreneurship as a significant driver of economic development and job creation. The graph on the next page presents the profile of the South African SMME base on the survey undertaken by GEM in 2020.

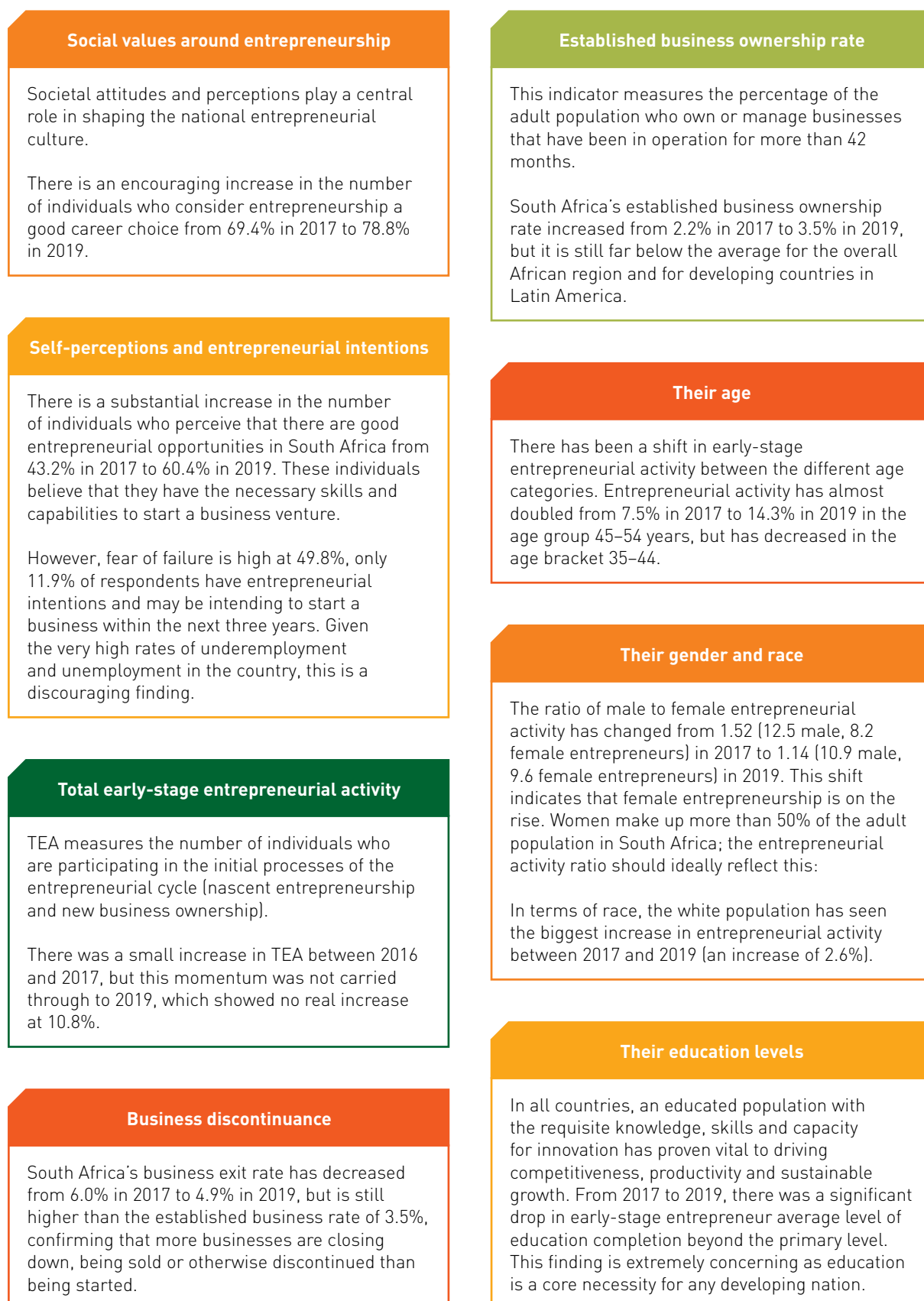
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IT IS IMPORTANT TO NOTE THAT THE SOUTH AFRICAN ECONOMY HAS GREAT POTENTIAL DUE TO ITS ACCESS TO ABUNDANT NATURAL AND OTHER RESOURCES.

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Figure 1: Entrepreneurship in South Africa



The success of entrepreneurial activity is highly dependent on the context within which it occurs. Ecosystem factors such as government policy frameworks and legislation, economic development and performance, education and a host of social dynamics directly influence and uniquely shape entrepreneurial activity and development at a country level. Education, specifically entrepreneurial education, is a foundation requirement for starting a business and succeeding as an entrepreneur.

4.1.2. Township Businesses in South Africa

Although South Africa's apartheid system ended in 1994, the effects of its segregationist policies can still be seen today. Today, more than 76 larger townships, each containing township businesses, border several South African cities. According to the World Bank, townships today contain about half of South Africa's urban population and 38% of its working-age citizens but as much as 60% of its unemployed. These communities were intentionally developed on the periphery of larger cities, the locations were chosen to separate them from the economic bustle of city centres. This socio-economic isolation resulted in the development of what is considered an 'informal' economic sector containing nearly six million businesses across the country.

These township businesses, according to a 2018 report by the First National Bank, operate in the six primary sectors of grocery stores and stores stocking fast-selling consumer goods, taverns, hair salons, educational centres, micro-manufacturing and motor and cellular repair services. The majority of these enterprises are cash businesses that can make up to millions of rand in revenue. Despite a large amount of cash in circulating in township businesses, the majority of these businesses have been historically ignored by the country's formal economic institutions such as banks and corporations. These businesses operated untaxed and unregulated.

However, the recent recognition of untapped business opportunities in townships and the benefits of collaboration between 'informal' and 'formal' businesses is marking a turning point in the relationship between these economic sectors in South Africa.

The recent movement to connect South Africa's formal and informal economic sectors is closely linked with several issues townships face like the lack of credit, crime and poverty. The high unemployment and poverty rates in townships could be improved through the growth of township economies and informal institutions. A research on poverty by North-West University found that 77% of households in townships were below the upper-bound poverty line. In addition, 50% are below the lower-bound poverty line. With the growth of township businesses through partnerships with formal economic institutions, these startling rates could decrease.

Additionally, a lack of access to credit has discouraged investments in township businesses that are necessary for growth. It has ultimately hindered the development of township economies. Government initiatives that are focused on developing physical infrastructure and encouraging regulation would create the base for a safer, investment-friendly business environment without the constant threat of crime.

The World Bank estimates that less than half of the informal businesses in townships have a bank account. However, formal institutions are taking steps to offer these businesses financial legitimacy and inclusion, starting with the cities they border. Economic advancements in townships will foster lower crime rates, especially with the reduced amounts of cash business owners will have on-hand. In addition, they help to lower poverty rates by encouraging the growth of businesses that will require more employees.

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EDUCATION,
SPECIFICALLY
ENTREPRENEURIAL
EDUCATION, IS
A FOUNDATION
REQUIREMENT FOR
STARTING A BUSINESS
AND SUCCEEDING AS
AN ENTREPRENEUR.

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4.1.3. Informal Businesses in South Africa

The Stats SA Quarter 1 Labour Force Survey showed that there were 2.9 million people employed in the informal sector (excluding agriculture). That amounts to approximately one-fifth of employed South Africans. The more detailed Survey of Employers and the Self-Employed (SESE) found that the number of persons who ran informal businesses declined from 2.3 million in 2001 to 1.1 million in 2009, before increasing to 1.8 million in 2017. Approximately 95% of informal business owners had only one business, and the majority of them have been operating the business for five years or longer. More than nine in every 10 businesses had no business debt, credit facility, mortgage loan, or asset finance.

According to the Centre for Development Enterprises (CDE), the South African informal sector consists of a multitude of industries and trades, including but not limited to spaza shops, fast food outlets, bakeries, shebeens and taverns, backroom rentals, hawkers, taxis, mechanics and panel beaters, hair salons, stylists, barbers, and many more. It is also not physically restricted to townships and rural areas. Contrary to the way the informal sector is often discussed, it does not exist in isolation from the formal economy. When our formal economy goes into recession, this has a dramatic impact on our informal businesses. The informal sector may be particularly vulnerable in times of severe cyclical downturns and this impact is particularly felt by newer, more vulnerable businesses, most of which experience a huge knock.

Immigrant businesses have recently become quite dominant in many retail categories, certainly in spaza shops, hardware and furniture, and also in some of the service sectors, such as hair care. CDE estimates that more than 80% of spaza shops in major urban metros are run by immigrant businesses with strong network supply chains and capital. The nature of these businesses has implications for the type of support that is required in the midst of the pandemic. It is important to note that the majority of immigrant firms are informal, not by choice but by necessity. As foreigners are often undocumented they find it extremely difficult to register, access support, or get formal loans.

The informal sector could be seen as more agile and adaptable than the formal sector, because the former is not as encumbered by regulations as the latter. Informal firms tend to have little capacity for resilience when there is a shock to the household, such as the death of a member, this can really deplete a business of its capacity or resources. The COVID-19 crisis has exposed many of South Africa's fault lines, especially in terms of inequality and the structure of society. This has led to senior officials, including the President, highlighting

informal labourers and especially waste pickers, who have achieved a visibility that did not exist before.

The spaza shops have been able to function more effectively within the new regulatory realities as they were able to adapt and get the required licences. Some have implemented health protocols and have started giving out food parcels in the local community to improve their branding. However, in the wake of the lockdown some spaza shops reported an immediate drop in sales of 30% on groceries and an immediate uptick in sales of 20% on airtime and electricity. Overall there is less cash in the spaza shops because they have less money coming in from grocery purchases which have the highest profit margins.

It has been noted that formalisation is a critical way to strengthen informal enterprises. The idea behind this policy consideration is that a firm that becomes part of the formal sector can operate within the broader legal framework of the country, which is supposed to protect firms and put them in line to access legal credit providers. This resonates most with proponents as the majority of small businesses are finding it extremely difficult to access microloans. Moreover, enterprises that have secure facilities, access to water, electricity, and the internet, and those that have the skills to undertake proper stock control, are much more resilient and prone to growth than those that do not have these things and these firms also employ more people.

Many weaker businesses likely prefer to operate informally because it is much easier to run a business without adhering to the various regulatory structures. Any attempt to promote formalisation must therefore consider how to lower the costs of running a formal business, and how to ensure that there are obvious benefits accruing to those who choose to formalise. However, it is unlikely that there can be a one-size-fits-all solution for such a heterogeneous sector that spans firms that provide a marginal living to a single owner-operator to businesses doing millions of Rands of annual turnover, located in bustling townships and city centres or deep, isolated rural areas. How to identify the informal sector firms that are capable of generating substantial growth is something that needs to be explored in depth. Doing this will allow for better targeting of support and incentives.

Before the outbreak of COVID-19, South Africa had an economy that was shrinking and providing very few job opportunities for poor South Africans with limited skills. That situation has been severely exacerbated by the pandemic. Even if the country embraces a comprehensive reform programme, it will take a long time to get anywhere close to the kind of economy we need to thrive as a country.

4.1.4. Small Business Competitiveness

SMME development is generally considered a major factor in economic development regardless of the economic maturity of the country. Globalisation has brought significant benefits to businesses, giving them the opportunity to explore new markets, benefit from falling trade barriers, and adapt more quickly to technological progress. However, it has also sharpened competition. As a result, it is increasingly difficult for organisations to achieve, maintain, and improve business competitiveness.

Business competitiveness, refers to the ability of organisations to produce goods or services with a favourable quality-price ratio that guarantees good profitability while achieving customer preference over its competitors. This also includes product competitiveness, production efficiency, financial position and organisation effectiveness in terms of restructuring and sales and demand stimulation. For small businesses to succeed in the market they have to focus on developing their competitive advantage and using it to get a fixed position on the market. The competitive advantage must be based on long-term differentiation from other businesses to build their own strong identity, this is particularly important in terms of competition in the sector.

In order to build and sustain competitive advantage, small businesses and governments should focus on the following five main areas:

1. Cutting bureaucracy
2. Improving SMEs' access to markets
3. Promoting entrepreneurship and skills
4. Improving the growth potential of SMEs
5. Strengthening dialogue and consultation with stakeholders in small and medium sized enterprises.

Some of the benefits that could be explored to support small businesses to remain competitive in South Africa include; establishing a one-stop-shop system of that will allow small businesses to set up a business quickly, easily and reduce the average time spent; encouraging entrepreneurship through entrepreneurship education and training; and facilitating SMMEs access to public procurement opportunities.

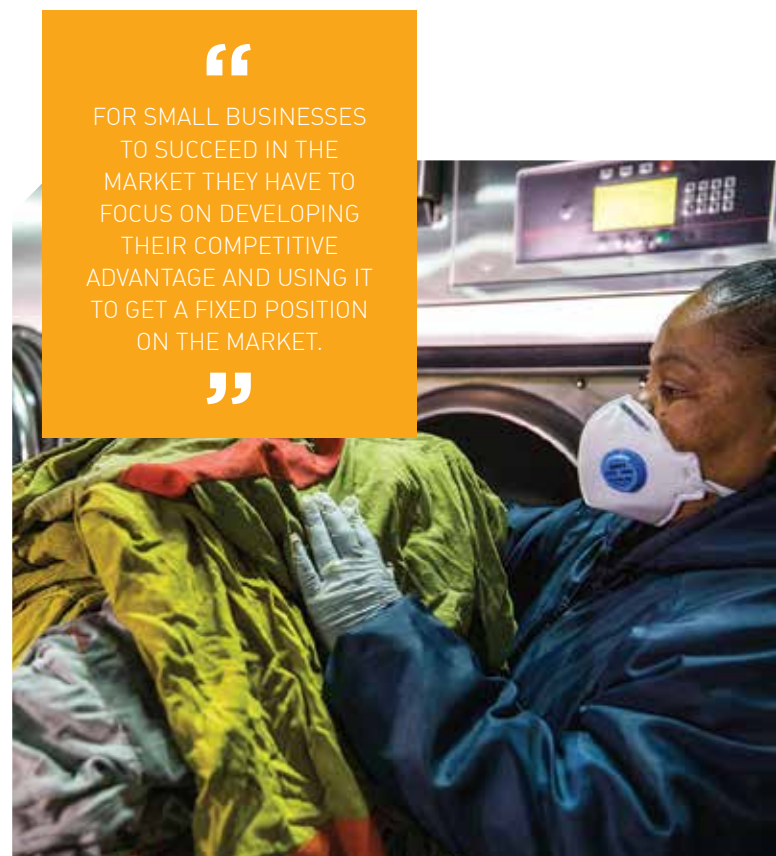
Trade and investment have long been considered powerful instruments to promote development. They open new markets and permit the expansion of productive capacity, higher levels of income and employment. One of the main concerns of developing countries with respect to their participation in global trade is their lack of competitiveness. The export competitiveness of a country depends on its domestic enterprises, including SMMEs. The export competitiveness of a firm depends on its ability to sustain or expand its position in international markets directly or indirectly by supplying quality products on time

and at competitive prices. The export capacity of local SMMEs can be enhanced through appropriate trade and investment linkages, upstream and downstream of the production and service activities of other large firms. This requires flexibility to respond quickly to changes in demand and skills to successfully manage product differentiation by building up innovative capacity and effective marketing channels.

There are various approaches to measure business competitiveness among these:

- The current efficiency and effectiveness of the use of resources;
- The willingness and ability to relate profitability to growth of capacity through continued investment; and
- The ability to innovate in technology and organisation and thus improve efficiency and effectiveness of production.

Business competitive advantage must be measured in relation to rivals in markets. It is determined by how efficient and effective the prevailing markets are for products, labour and capital. Entrepreneurship capacity refers to the introduction of new productive combinations and innovations acting as driving forces, which continually create new competitive advantages and opportunities for profit and growth.



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FOR SMALL BUSINESSES
TO SUCCEED IN THE
MARKET THEY HAVE TO
FOCUS ON DEVELOPING
THEIR COMPETITIVE
ADVANTAGE AND USING IT
TO GET A FIXED POSITION
ON THE MARKET.
”

4.1.5. Small Business Viability

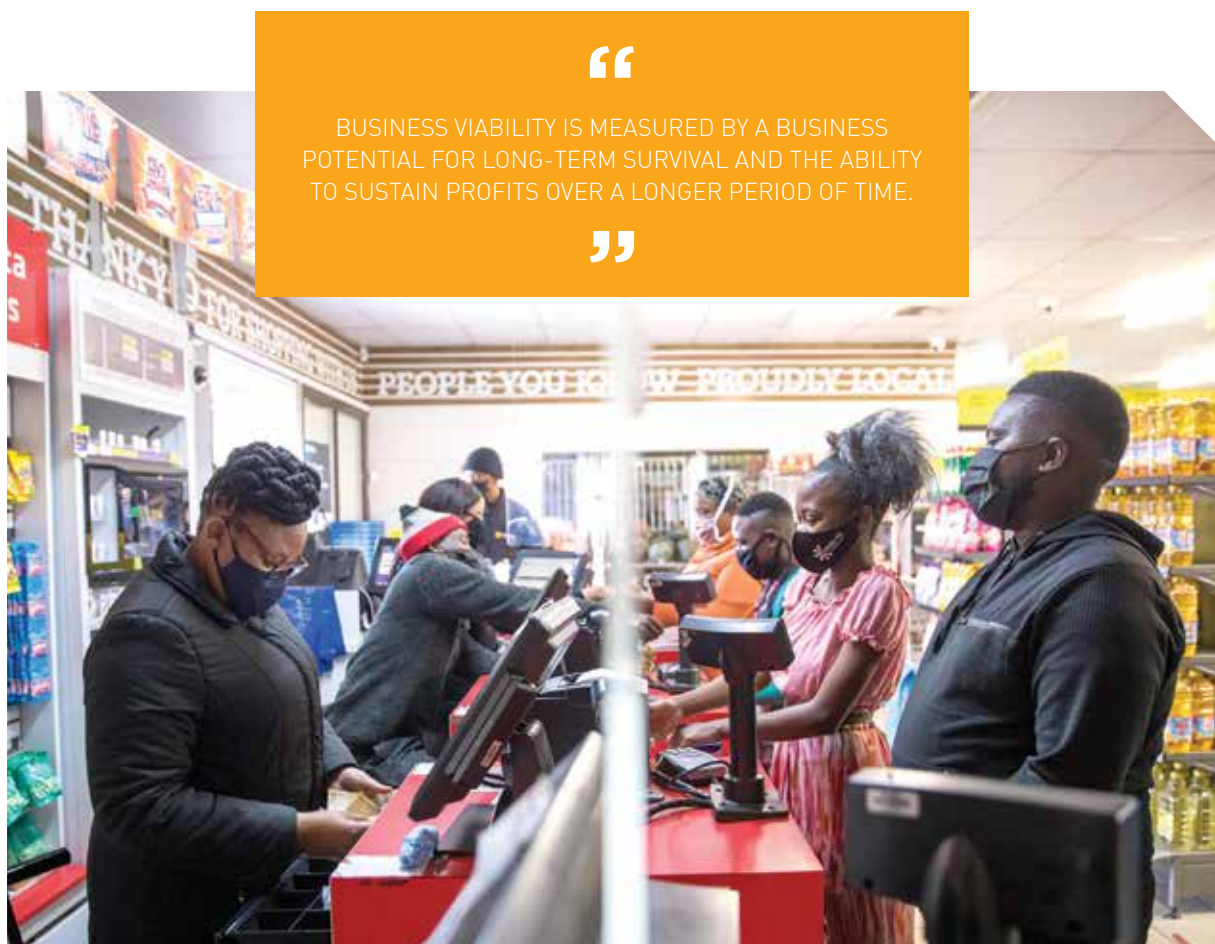
Entrepreneurs start business ventures for independence and to generate economic wealth but many do not succeed. Small businesses face both internal and external obstacles that make survival difficult. However, research on success versus failure tends to focus more on the internal environment, such as capital and management, more so than the external environmental factors that clearly influence business success or failure. In South Africa there are over 100 000 new start-ups, and around the same number close each year. There is an abundant body of literature on causes of small businesses failure among these are; under capitalisation, lack of planning, trade credit, tax burden and regulation, personal issues, unrealistic expectations, poor cash flow, loss of a key person, growing pains, lack of technology, poor location, natural disaster, poor record keeping, and failure to use advice.

Business viability means that a business is (or has the potential to be) successful. A viable business is profitable, which means it has more revenue coming in than it is spending on the costs of running the business. If a business is not viable, it is difficult to operate as a going

concern. Ultimately, the business would need to increase revenue, cut costs, or both. Business viability is measured by a business potential for long-term survival and the ability to sustain profits over a longer period of time.

Annual business check-ups are necessary to assess business viability for small businesses. The checklist is a control tool that can identify potential problem areas before they lead to major problems. As with the SWOT and BSC models used in large businesses, the strategic longevity and business health evaluation serves as the foundation for developing strategic plans that must be effectively and efficiently implemented to proactively prevent or solve problems that can lead to business failure, with the focus on business success. Below are a few other ideas for strategic action related to the business health evaluation:

1. Membership in a Chamber of Commerce
2. Participating in free webinars on relevant topics on a regular basis
3. Active compliance with a regulatory agency
4. Easy access to professional accountant when needed
5. Easy access to lawyers if and when needed
6. Finding a business coach



4.2. Internal Environmental Analysis

Seda has prepared itself to respond to the priorities of the sixth administration and these priorities include focusing on:

- Township and rural entrepreneurship;
- Strengthening informal businesses;
- Localisation through targeted import replacement and support the utilisation of local businesses;
- Business viability of small businesses;
- Economic transformation for an inclusive economy by supporting:
 - Black-owned enterprises — 200,000 competitive enterprises
 - Youth-owned enterprises — 100 000 young entrepreneurs
 - Women-owned enterprises — 250, 000 women-owned enterprises
 - People with disability — major weakness on support programmes

Therefore, the service offerings and the programmes developed will be geared to respond to these priorities.

The targeted small enterprises for township and rural support are as follows:

- Panel beaters, motor mechanics, auto spares and auto-fitment
- Small scale bakeries and confectionaries
- Clothing, leather and textiles
- Butcheries
- Manufacturing support (part of localisation)
- Artisan businesses

Informal businesses

Based on the principle of formalising informal businesses for improved traceability, support, government planning and budgeting; formalisation also helps with accuracy of impact measurement to the economy. The informal and micro business sector are identified as a route to SMME products and services — as we build capacity for SMMEs to the light consumer goods manufacturing sub-sector, and provider services to other SMMEs:

- Informal and micro businesses only focus for high impact (redirect expenditure to townships and rural areas enterprises):
- Spaza and general dealer support
- Personal care (Hair and beauty salons, massage parlours)
- Informal and micro restaurants and tshisanyama
- Fruit and vegetable vendors

Localisation

To provide a framework for increasing and accelerating participation in the localisation programme, in particular for township and rural based man and to target specific products/ services and support production and advocate for the high tariff protection and public sector procurement reservations for such products. To use the localisation programme to prepare the SMME-manufactured product market and improve the balance of trade for South Africa. To stimulate domestic demand for South African manufactured goods, particular through public sector procurement. To foster changes in the structure of the manufacturing sector towards manufacturing.



High Level View of the Roles and Functions of the SBD Portfolio:

ROLE OF NATIONAL DEPARTMENT (DSBD)	ROLE OF DSBD AGENCIES (SEDA, SEFA)
<p>Provide DIRECTION and LEADERSHIP to the small business and Cooperatives sector broadly and across all three spheres of government:</p> <ul style="list-style-type: none"> • Articulate and communicate a compelling small business development agenda. • Coordinate the enhanced integration of SMMEs and Cooperatives into the economy (mainstreaming). • Lead evidence based legislative and regulatory review and refinement. • Strengthen MINMEC and Technical MINMEC. • Strengthen Inter-Departmental Forum – towards an Integrated Planning Framework for joint indicators and targets. • Establish policy mechanisms and frameworks for others to follow. • Develop and enforce guidelines and sectoral indicators to promote coherence. • Define an approach to influence a district-based development model. <p>OVERSIGHT and GOVERNANCE of entities:</p> <ul style="list-style-type: none"> • Ensure oversight and good governance of boards and institutions. • Strengthen integrated planning and streamlined reporting. 	<p>IMPLEMENT the DELEGATED MANDATE from DSBD:</p> <ul style="list-style-type: none"> • Deliver on roles and functions as outlined in the Shareholder Compact. • Ensure alignment of strategy, budget and implementation programmes. • Ensure sound governance and effectiveness of delegated functions. <p>Develop and roll out IMPLEMENTATION LEVEL POLICY and PROTOCOLS:</p> <ul style="list-style-type: none"> • Develop implementation level policy and protocols.
<p>RESEARCH, MONITORING and EVALUATION of the impact of investments made in small business development and its contribution to economic growth and job creation, so as to inform evidence-based decision making:</p> <ul style="list-style-type: none"> • Institutionalise implementation of the Small Business Act – conduct impact assessments of regulations on the SB sector. • Identify lucrative opportunities and design high level policy interventions. • Provide intellectual leadership to the sector and more broadly – guidance in terms of trends and indicators in the sector. • Package research to inform decisions on location and spread of services and service points. • Monitor and evaluate the impact of government support in the whole sector. • Identify, package and communicate best practices that might be further modelled – share learning. <p>DEVELOP and IMPLEMENT SECTOR WIDE DATABASES and M&E TOOLS:</p> <ul style="list-style-type: none"> • Ensure instruments and mechanisms are structured to be responsive, agile and adaptable. 	<p>PROGRAMME LEVEL RESEARCH that informs TARGETED PROGRAMME DESIGN and PACKAGING, which supports a holistic sector view:</p> <ul style="list-style-type: none"> • Programme specific research and intelligence. • Targeted programme design and development. • Implementation level programme design and packaging/development. <p>MONITORING and EVALUATION AT PROGRAMME IMPLEMENTATION LEVEL, to inform refinements to programmes:</p> <ul style="list-style-type: none"> • Monitor and report on programme implementation. • Assess the impact and ongoing relevance of programmes.

ROLE OF NATIONAL DEPARTMENT (DSBD)	ROLE OF DSBD AGENCIES (SEDA, SEFA)
<p>PLAN, COORDINATE and MOBILISE RESOURCES for the implementation and delivery of small business and Cooperatives development projects, programmes and services:</p> <ul style="list-style-type: none"> • Propose policy at high level. • Engage partners for the piloting of programmes. • Coordinate implementation of programmes to support consistency. • Ensure coordinated systems and mechanisms to promote linkages and upliftment of SMMEs and Cooperatives (resources and tools to link SMMEs to markets – databases or systems). • Identify mechanisms to tap into resources available in the small business space (public and private sector). 	<p>IMPLEMENTATION of WELL CONCEPTUALISED AND TARGETED PROGRAMMES, aligned to overall sector policy stance and sectoral indicators:</p> <ul style="list-style-type: none"> • Adhere to and comply with national policy and standards for programme implementation. • Implement sectoral programmes and interventions. • Ensure effective and efficient implementation of programmes and services. • Streamline and simplify processes, and ensure increased access to services and online services.
<p>Strengthen ACCOUNTABILITY, PARTNERSHIPS and COMMUNICATION with sector stakeholders, communities and key role-players in the sector, both nationally and internationally:</p> <ul style="list-style-type: none"> • Enhance stakeholder consultation and engagement to inform the responsiveness and ensure the relevance of the agenda and programmes. • Support and enable the Executive Authority, and ensure alignment and delivery against mandate, priorities and commitments. • Secure Transversal Agreements with departments and other stakeholders – to influence, mobilise and monitor the application of available resources for SMME and Cooperatives development. • Lead and strengthen IGR mechanisms and fora – improve coordination with national departments, agencies, provinces and municipalities. 	<p>Ensure a COORDINATED REGIONAL/PROVINCIAL PRESENCE TO SUPPORT IMPLEMENTATION:</p> <ul style="list-style-type: none"> • Strengthen the governance arrangement between National agencies and the provincial offices – align a clear view on roles and integrated functions. • Strengthen engagement with the local sphere where implementation occurs. <p>PARTNERSHIPS and COMMUNICATION in support of delivery mandate.</p>

Seda and DSBD Outcomes and Programme alignment:

SEDA IMPACT STATEMENT	SEDA OUTCOMES	DSBD OUTCOMES	SEDA PROGRAMME
Competitive and innovative SMMEs, particularly from within township and rural communities, are producing products and services that are traded in local and international markets, within a supportive integrated ecosystem and are creating decent jobs and contributing to inclusive economic recovery.	1. Improve SMME and Cooperatives growth through the development of competitive local products and services with access to local and international markets	1. Increased participation of SMMEs and Cooperatives in domestic and international markets	Programme Two: Business Competitiveness and Viability
	2. Improve competitiveness, viability and innovation of SMMEs and Cooperatives through the facilitation of enterprise development ecosystem focusing on targeted sectors	2. Expanded access to financial and non-financial support and implement responsive programmes to new and existing SMMEs and Cooperatives	Programme Two: Business Competitiveness and Viability Programme One: Township, Rural and Informal Business
	3. Promote entrepreneurship and provide targeted support to township and rural based SMMEs and Cooperatives to be competitive and create decent jobs		
	4. Ensure the delivery of the Seda mandate through an agile, innovative, excellent and customer-centric organisation		Programme Three: Administration

Seda Outputs and Linked Outcomes

OUTCOMES	OUTPUT
Outcome 1 Improve SMMEs and Cooperatives growth through the development of competitive local products and services with access to local and international markets	1. Facilitate access to local markets 2. Facilitate access to international markets 3. Facilitate import replacement
Outcome 2 Improve competitiveness, viability and innovation of SMMEs and Cooperatives through the facilitation of enterprise development ecosystem focusing on targeted sectors	1. Facilitate business development through ecosystem support 2. Improve stakeholder management 3. Improve SMMEs and Cooperatives competitiveness 4. Facilitate sector specific support
Outcome 3 Promote entrepreneurship and provide targeted support to township and rural based SMMEs and Cooperatives to be competitive and create decent jobs	1. Facilitate entrepreneurship awareness 2. Improve informal business support 3. Facilitate township and rural based SMMEs and Cooperatives support 4. Facilitate job creation
Outcome 4 Ensure the delivery of the SEDA mandate through an agile, innovative, excellent and customer-centric organisation	1. Increase innovation within the organisation 2. Improve staff recognition and engagement 3. Improve customer satisfaction 4. Improve stakeholder satisfaction 5. Reduce vacancy rate 6. Allocate most funds to core delivery

5. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

PROGRAMME 1:

TOWNSHIP, RURAL AND INFORMAL BUSINESS PROGRAMME

Purpose:

To support rural, township based enterprises and informal businesses to ensure that they are competitive and contribute meaningfully. This includes providing compliance support to aid business formalisation to enable business growth by providing necessary support to ensure that they are competitive.

OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS									
OUTCOMES	OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
			Audited Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Promote entrepreneurship and provide targeted support to township and rural based SMMEs and Cooperatives to be competitive and create decent jobs	Facilitate entrepreneurship awareness	Number of SMMEs and Cooperatives reached through entrepreneurship awareness sessions	Not Measured	Not Measured	Not Measured	16 666	37 104	40 000	45 000
	Improve informal business support	Number of spaza shops and general dealers supported	Not Measured	Not Measured	Not Measured	16 666	9 276	10 000	12 000
		Number of personal care businesses supported	Not Measured	Not Measured	Not Measured	1 500	2 000	2 200	2 500
		Number of informal and micro restaurants and tshisanyama supported	Not Measured	Not Measured	Not Measured	1 000	1 500	2 000	2 500
		Number of fruit and vegetable vendors supported	Not Measured	Not Measured	Not Measured	2 600	4 638	6 819	8 757
		Number of panel beaters, motor mechanics, auto spares and auto-fitment businesses supported	Not Measured	Not Measured	Not Measured	2 600	4 638	6 819	8 757
		Number of small scale bakeries and confectionaries supported	Not Measured	Not Measured	Not Measured	1 500	2 000	2 200	2 500
		Number of clothing, leather and textile businesses supported	Not Measured	Not Measured	Not Measured	1 500	2 000	2 200	2 500
		Number of butcheries supported	Not Measured	Not Measured	Not Measured	1 500	2 000	2 200	2 500
		Facilitate job creation	Number of jobs created	Not Measured	Not Measured	Not Measured	3 500	4 638	6 819

OUTPUTS INDICATORS: ANNUAL AND QUARTERLY TARGETS					
OUTPUT INDICATORS	2021/22	QUARTERLY MILESTONES			
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Number of SMMEs and Cooperatives reached through entrepreneurship awareness sessions	37 104	9 276	18 552	27 828	37 104
Number of spaza shops and general dealers supported	9 276	2 319	4 638	6 957	9 276
Number of personal care businesses supported	2 000	500	1 000	1 500	2 000
Number of informal and micro restaurants and tshisanyama supported	1 500	300	500	750	1 500
Number of fruit and vegetable vendors supported	4 638	1 160	2 319	3 479	4 638
Number of panel beaters, motor mechanics, auto spares and auto-fitment businesses supported	4 638	1 160	2 319	3 479	4 638
Number of small scale bakeries and confectionaries supported	2 000	500	1 000	1 500	2 000
Number of clothing, leather and textile businesses supported	2 000	500	1 000	1 500	2 000
Number of butcheries supported	2 000	500	1 000	1 500	2 000
Number of jobs created	4 638	1 160	2 319	3 479	4 638

Explanation of planned outcomes over the medium term period

- Programme 1 intends to respond to the priorities of government's sixth administration which emphasises the importance of localisation, economic recovery, business viability and providing structured support to township and rural based enterprises. Support provided to informal businesses is central to economic recovery as the supported informal businesses can be meaningful contributors to economic growth. The NPD indicates that 90% of the 10 million jobs envisaged by 2030 will come from SMMEs, therefore township, rural and informal businesses should be capacitated and supported to be competitive and innovative. All programmes implemented within Seda will mainstream women, youth and disabled owned businesses.
- All output measures are structured to provide an indication of whether the outcome goal of promoting entrepreneurship and providing targeted support to township and rural based SMMEs and Cooperatives to be competitive and create decent jobs will be achieved over the strategic period. Outputs will be monitored annually to see if they are yielding the desired results; where adjustment becomes eminent such will be implemented.
- The following outputs – facilitate entrepreneurship awareness, improve informal business support, facilitate township and rural based SMMEs and Cooperatives support, and facilitate jobs creation – all contribute to the outcome of promoting entrepreneurship and providing targeted support to township and rural based SMME and Cooperatives to be competitive and create decent jobs.

PROGRAMME 2:

BUSINESS COMPETITIVENESS AND VIABILITY PROGRAMME

Purpose:

To support SMMEs and Cooperatives by providing them with necessary support to develop and enhance business production capacity and capabilities. This also includes improving their competitiveness in order to access local and international markets.

OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS									
OUTCOMES	OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
			Audited Performance				Estimated Performance	MTEF Period	
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Improve SMEs and Cooperatives growth through the development of competitive local products and services with access to local and international markets	Number of competitive SMEs and cooperatives supported	Number of SMEs and Cooperatives supported to be competitive in local markets	Not Measured	Not Measured	Not Measured	Not Measured	2 500	3 000	3 500
		Number of SMEs and Cooperatives listed to supply wholesalers and retailers	Not Measured	Not Measured	Not Measured	Not Measured	1 000	1 250	1 500
		Number of SMEs and Cooperatives exposed to international markets	Not Measured	Not Measured	Not Measured	Not Measured	1 000	1 250	1 500
		Number of SMEs and Cooperatives registered on export platforms	Not Measured	Not Measured	Not Measured	Not Measured	1 000	1 250	1 500
		Number of SMEs and Cooperatives assisted through incubation programme	Not Measured	Not Measured	Not Measured	Not Measured	3 247	4 546	4 379
		Number of SMEs and Cooperatives assisted with productivity improvement	Not Measured	Not Measured	Not Measured	Not Measured	2 783	3 637	4 379
		Number of SMEs and Cooperatives assisted with quality improvement	Not Measured	Not Measured	Not Measured	Not Measured	2 783	3 637	4 379

OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS									
OUTCOMES	OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
			Audited Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Improve competitiveness, viability and innovation of SMMEs and Cooperatives through the facilitation of enterprise development ecosystem focusing on targeted sectors	Facilitate business development through ecosystem support	Number of SMMEs and Cooperatives assisted through the ecosystem	Not Measured	Not Measured	Not Measured	Not Measured	70 000	75 000	80 000
	Improve stakeholder management	Percentage of identified stakeholders participating in the ecosystem	Not Measured	Not Measured	Not Measured	Not Measured	75%	75%	75%
	Improve SMMEs and Cooperatives competitiveness and viability	Number of SMMEs and Cooperatives whose turnover has increased	Not Measured	Not Measured	Not Measured	Not Measured	2 783	4 091	5 254
	Facilitate sector specific support	Number of SMMEs and Cooperatives supported in the manufacturing sector	Not Measured	Not Measured	Not Measured	Not Measured	2 783	4 091	5 254
		Number of SMMEs and Cooperatives supported through sector specific training	Not Measured	Not Measured	Not Measured	Not Measured	2 783	4 091	5 254
		Number of SMMEs and Cooperatives supported with enterprise coaching	Not Measured	Not Measured	Not Measured	Not Measured	2 783	4 091	5 254

OUTPUTS INDICATORS: ANNUAL AND QUARTERLY TARGETS					
OUTPUT INDICATORS	2021/22	QUARTERLY MILESTONES			
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Number of SMMEs and Cooperatives supported to be competitive in local markets	2 500	625	938	1 251	2 500
Number of SMMEs and Cooperatives listed to supply wholesalers and retailers	1 000	300	600	800	1 000
Number of SMMEs and Cooperatives exposed to international markets	1 000	300	600	800	1 000
Number of SMMEs and Cooperatives registered on export platforms	1 000	300	600	800	1 000
Number of SMMEs and Cooperatives assisted with incubation programme	3 247	812	1 623	2 435	3 247
Number of SMMEs and Cooperatives assisted with productivity improvement	2 783	696	1 391	2 087	2 783
Number of SMMEs and Cooperatives assisted with quality improvement	2 783	696	1 391	2 087	2 783
Number of SMMEs and Cooperatives assisted through the ecosystem	70 000	15 000	30 000	45 000	70 000
Percentage of identified stakeholders participating in the ecosystem	75%	-	-	-	75%
Number of SMMEs and Cooperatives whose turnover has increased	2 783	696	1 391	2 087	2 783
Number of SMMEs and Cooperatives supported in the manufacturing sector	2 783	696	1 391	2 087	2 783
Number of SMMEs and Cooperatives supported through sector specific training	2 783	696	1 391	2 087	2 783
Number of SMMEs and Cooperatives supported with enterprise coaching	2 783	696	1 391	2 087	2 783

Explanation of planned outcomes over the medium term period

- a) Programme 2 also amplifies the priorities of government's sixth administration with greater focus on business viability, export promotion and import substitution. Greater focus is placed on improving productivity and production capacity of the supported enterprises providing structured sector specific support with clear goals. Business competitiveness cuts across all businesses irrespective of their location. The importance of the enterprise development ecosystem is highlighted as an important enabler in the expansion of Seda services to the broader SMME community; this will be achieved in collaboration with partners. Gender mainstreaming will also be highlighted in all outputs being measured.
- b) There are two outcomes in this programme – improve SMME and Cooperatives growth through the development of competitive local products and services with access to local and international markets and improve competitiveness and innovation of SMME and Cooperative through the facilitation of enterprise development ecosystem focusing on targeted sectors. Both these outcomes are supported by corresponding outputs, which are intended to track the implementation of the strategy over the MTEF period.
- c) The following outputs – facilitate access to local markets, facilitate access to international markets, facilitate import replacement and improve SMMEs and Cooperatives competitiveness – align very well with the outcome improve SMME and Cooperatives growth through the development of competitive local products and services with access to local and international markets and improve competitiveness. Similarly the following outputs – facilitate business development through ecosystem support, improve stakeholder management, improve SMMEs and Cooperatives competitiveness and facilitate sector specific support – align very well with improved competitiveness and innovation of SMME and Cooperative through the facilitation of enterprise development ecosystem focusing on targeted sectors.

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PROGRAMME 2
ALSO AMPLIFIES
THE PRIORITIES OF
GOVERNMENT'S SIXTH
ADMINISTRATION WITH
GREATER FOCUS ON
BUSINESS VIABILITY,
EXPORT PROMOTION AND
IMPORT SUBSTITUTION.

”



PROGRAMME 3:

ADMINISTRATION

Purpose:

To provide strategic leadership and support to core delivery to ensure successful implementation of the organisations strategy. This includes monitoring organisations performance, strategic alignment with the shareholders' expectations and capacitating the organisation to achieve its set objectives .

OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS									
OUTCOMES	OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
			Audited Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Ensure the delivery of the Seda mandate through an agile, innovative, excellent and customer-centric organisation	Increase innovation within the organisation	Percentage of innovative ideas implemented	Not Measured	Not Measured	Not Measured	Not Measured	25%	30%	35%
	Improve staff recognition and engagement	Percentage of staff recognised for excellence	Not Measured	Not Measured	Not Measured	Not Measured	25%	30%	35%
		Percentage of staff satisfaction	Not Measured	Not Measured	Not Measured	Not Measured	75%	80%	85%
	Improve customer satisfaction	Percentage of customer satisfaction	Not Measured	Not Measured	Not Measured	Not Measured	80%	85%	85%
	Improve stakeholder satisfaction	Percentage of stakeholder satisfaction	Not Measured	Not Measured	Not Measured	Not Measured	80%	85%	85%
	Reduce vacancy rate	Percentage of vacancy rate	5%	5%	5%	5%	10%	10%	10%
	Allocate most funds to core delivery	Percentage of funds allocated to core delivery	Not Measured	Not Measured	Not Measured	Not Measured	75%	75%	75%

OUTPUTS INDICATORS: ANNUAL AND QUARTERLY TARGETS					
OUTPUT INDICATORS	2021/22	QUARTERLY MILESTONES			
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Percentage of innovative ideas implemented	25%	-	-	-	25%
Percentage of staff recognised for excellence	25%	-	-	-	25%
Percentage of staff satisfaction	75%	-	-	75%	-
Percentage of customer satisfaction	80%	-	-	-	80%
Percentage of stakeholder satisfaction	80%	-	-	-	80%
Percentage of vacancy rate	10%	10%	10%	10%	10%
Percentage of funds allocated to core delivery	75%	75%	75%	75%	75%

Explanation of planned outcomes over the medium term period

- Programme 3: Administration, intends to ensure that the organisation is innovative and agile to respond to the priorities of government's sixth administration. Issues of stakeholder engagement, customer satisfaction evaluation and employee engagement are prioritised.
- All the outputs measured are structured to provide indication if the outcome goal of ensure the delivery of the Seda mandate through an agile, innovative, excellent and customer-centric organisation will be achieved over the strategic period. Outputs will be monitored annually for whether they are yielding the desired results; where adjustments become eminent such will be implemented.
- The following outputs – increase innovation within the organisation, improve staff recognition and engagement, improve customer satisfaction, improve stakeholder satisfaction, reduce vacancy rate and allocate most funds to core delivery –all contribute to the outcome of ensure the delivery of the Seda mandate through an agile, innovative, excellent and customer-centric organisation.

“

PROGRAMME 3: ADMINISTRATION, INTENDS TO ENSURE THAT THE ORGANISATION IS INNOVATIVE AND AGILE TO RESPOND TO THE PRIORITIES OF GOVERNMENT'S SIXTH ADMINISTRATION.

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6. PROGRAMME RECOURSE CONSIDERATION

Seda applies the zero-based budgeting approach which ensures that only value-added activities are included. Such activities are tested for value addition, as well as contribution to actual delivery of small enterprises. It further allows Seda to manage the available budget effectively.

6.1. Expenditure Estimates

The table below details Seda's budget for the three year planning cycle as per the MTEF allocation. Seda's MTEF allocation was cut by R284 million over the MTEF period 2021/22 to 2023/24 which will have a huge impact on service delivery.

Most of the fixed costs like office rental, goods and services increase with rates that are mostly above the rate of inflation, meanwhile the allocated budget amounts

are increased at minimal rates that are below the rate of inflation. This results in the amount available for programmes and projects being reduced accordingly as the total budget amount is limited.

Seda has also experienced reduced funding from partner organisations. A reduction in partnership initiatives has resulted in Seda having to seek alternative funding to continue with such initiatives. Seda often cannot terminate these initiatives which often include service centres. Seda is a service organisation and as such, needs to allocate adequate funds to the compensation of employees to combat staff loss often having to pay salaries seen to be uncompetitive. The current allocation to compensation of employees is below the industry benchmark, due to available financial resources.

Table 4: Seda Budget 2017/18–2023/24

INCOME (R'MILLION)						
	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
	Audited		Budget			
Seda – DSBD from ENE budget	580.2	607.3	566.2	606.5	616.7	620.7
STP – DSBD from ENE budget	144.6	152.3	146.7	156.5	159.4	160.5
Seda – National Gazelle programme	0.2	2.8	–	–	–	–
Seda – DSBD specific projects	51.8	37.6	34.7	29.3	29.8	30.0
STP – Capacity Building programme	24.5	36.9	15.9	15.9	16.2	16.3
STP – Enterprise Incubation programme	52.9	57.8	61.0	59.6	62.0	62.4
External earnings	6.1	34.0	55.0	12.1	12.0	12.5
Other income	17.8	23.7	18.2	5.0	6.0	6.3
Total income	878.2	952.4	897.7	884.8	902.2	908.7
EXPENDITURE (R'MILLION)						
Compensation of employees	340.0	367.4	353.7	390.0	409.5	421.7
Goods and services	476.5	534.4	502.2	454.6	450.9	439.6
Depreciation	16.3	14.3	18.1	17.8	18.7	19.6
Sub-total	832.8	916.1	874.0	862.4	879.1	880.9
Capital expenditure	6.3	15.0	23.6	22.4	23.2	27.7
Total expenditure	839.2	931.2	897.7	884.8	902.2	908.7

6.2. Asset and Liability Management

Seda's asset and liability management works towards ensuring a balance between assets and liabilities. The largest asset is cash and cash equivalents, while trade and other payables make up a sizeable portion of the liabilities.

Table 5: Asset and Liability Management

ASSETS (R'MILLION)						
	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
	Audited		Budget			
Carrying value of assets	39.46	39.46	35.43	38.13	40.13	42.53
Inventory	0.42	0.30	0.45	0.46	0.47	0.49
Receivables and prepayments	13.30	34.14	5.00	5.30	5.62	5.96
Cash and cash equivalents	261.04	204.01	151.44	91.22	68.68	65.73
Total assets	314.22	277.91	192.32	135.11	114.90	114.71
LIABILITIES (R'MILLION)						
Accumulated surplus/deficit	124.00	128.80	92.00	35.00	15.00	15.00
Operating Lease	2.75	3.59	4.32	4.11	3.90	3.71
Trade and other payables	154.78	111.87	44.00	44.00	44.00	44.00
Provisions	32.70	33.65	52.00	52.00	52.00	52.00
Total equity and liabilities	314.22	277.91	192.32	135.11	114.90	114.71

6.3. Cash Flow Projections

The table below details the organisation's cash flow projections for the 2017/2018 to 2023/2024 period.

Table 6: Cash Flow Projections

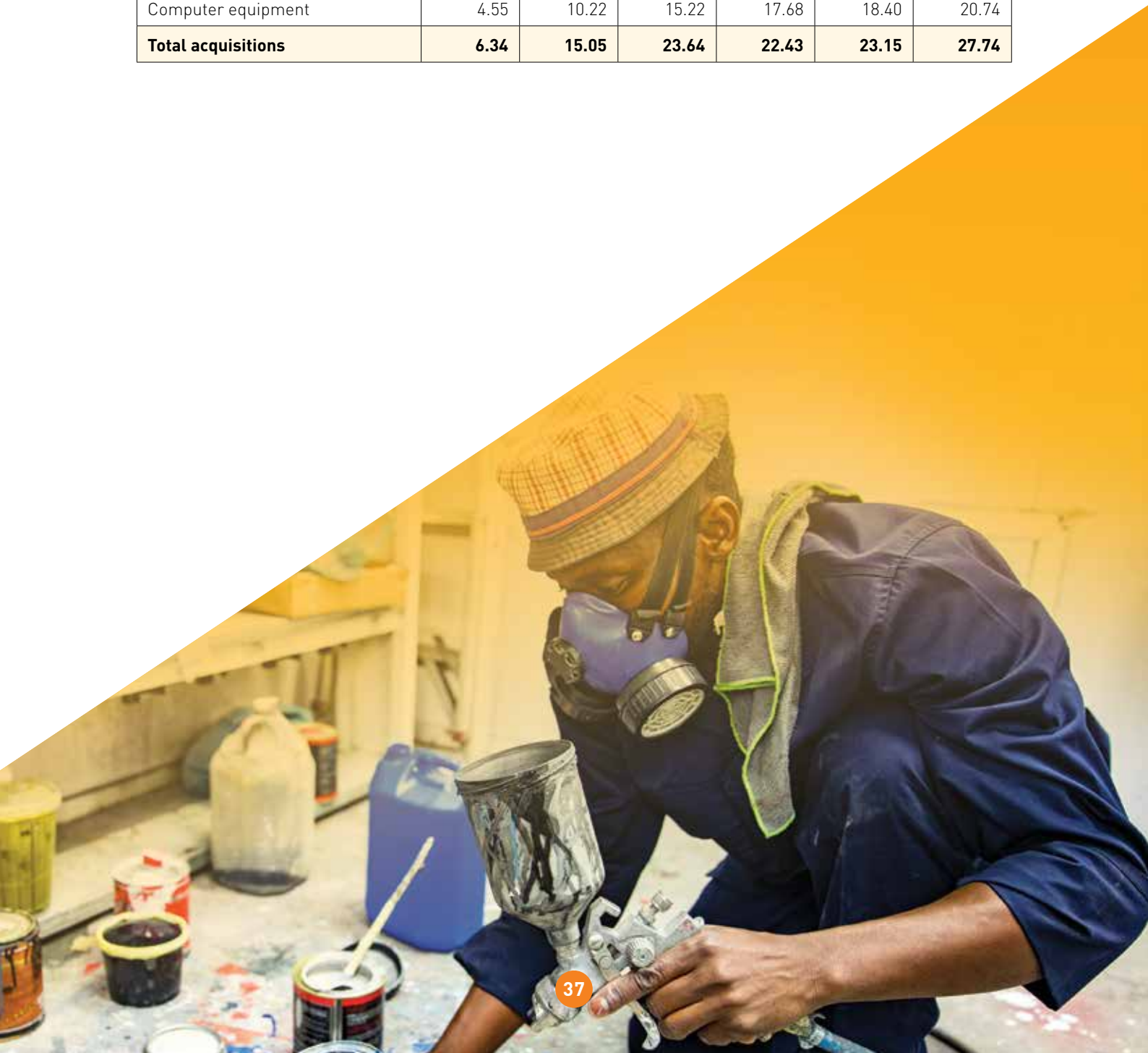
CASH FLOW DATA (R'MILLION)						
	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
	Audited		Budget			
Cash flow from operating activities	73.2	-11.0	-28.9	-37.8	0.6	24.8
Cash flow from investing activities	-6.3	-14.6	-23.6	-22.4	-23.2	-27.7
Cash flow from financing activities	0.0	-31.5	0.0	0.0	0.0	0.0
Net increase/(decrease) in cash and cash equivalents	66.8	-57.0	-52.6	-60.2	-22.5	-3.0
Cash and cash equivalents at the beginning of the year	194.2	261.0	204.0	151.4	91.2	68.7
Estimate of available cash	261.0	204.0	151.4	91.2	68.7	65.7

6.4. Capital Expenditure Programmes

Seda's planned capital expenditure programme aims to ensure equitable access by small enterprises to support services. As a result, Seda branches need to be equipped to service large volumes of clients and also to reach clients in outlying areas.

Table 7: Capital Expenditure

ACQUISITIONS (R'MILLION)						
	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
	Audited		Budget			
Buildings: non-residential	0.94	0.53	1.17	1.50	1.50	1.80
Transport equipment	0.66	1.81	5.41	1.75	1.75	3.20
Furniture and office equipment	0.20	2.48	1.84	1.50	1.50	2.00
Computer equipment	4.55	10.22	15.22	17.68	18.40	20.74
Total acquisitions	6.34	15.05	23.64	22.43	23.15	27.74



7. UPDATED KEY RISKS

The Seda Board and management annually assess the organisation's risk environment and come up with strategic risks that the Board manages through the Audit and Risk Committee. Management through Exco manages operational risks. The risks take into account the organisation's strategic objectives, the strategic focus areas and the high impact programmes/themes.

STRATEGIC RISK REGISTER – 2021/22

OUTCOMES	KEY RISK	RISK MITIGATION
Improve SMME and Cooperatives growth through the development of competitive local products and services with access to local and international markets	<ul style="list-style-type: none"> Inadequate business growth Limited access to Seda service by SMMEs and Cooperatives Insufficient resources to deliver on planned initiatives Inability to produce a desired quality by SMMEs and Cooperatives 	<ul style="list-style-type: none"> Identify SMMEs in high growth sectors and support them Expand service access points Leverage funding from partners Provide mentoring and coaching including quality testing and certification interventions
Improve competitiveness and innovation of SMMEs and Cooperatives through the facilitation of enterprise development ecosystem focusing on targeted sectors	<ul style="list-style-type: none"> Limited access by SMMEs and Cooperatives to opportunities and barriers to participate in priority sectors Non-alignment of Seda offerings to the market Insufficient collaboration from public and private sector Failure to integrate technology with ecosystem partners 	<ul style="list-style-type: none"> Enable support through business linkages Conduct SMME needs analysis and benchmark with the market Actively pursue stakeholder engagement Identify win-win benefits for Seda and targeted partners
Promote entrepreneurship and provide targeted support to township and rural based SMMEs and Cooperatives to be competitive and create decent jobs	<ul style="list-style-type: none"> Inadequate customisation of Seda services to an identified or profiled rural areas and townships Poorly designed initiatives Lack of market development Lack of industry standards and requirements Limited buy-in from big Cooperatives 	<ul style="list-style-type: none"> Conduct needs analysis for township and rural based businesses and craft interventions that are suitable to their needs Develop industry standards through collaboration Identify Cooperatives who can benefit from Seda interventions
Ensure the delivery of the SEDA mandate through an agile, innovative, excellent and customer-centric organisation	<ul style="list-style-type: none"> Lack of Seda innovation strategy Inadequate ICT systems, infrastructure Incoherent performance focused culture Lack of skills alignment with organisational goals High dependency on service providers Uncertainty of organisational efficiency post-merger with sefa 	<ul style="list-style-type: none"> Develop and implement innovation plan Identify required infrastructure and consolidate resources to develop or acquire it Identify skills deficiencies and develop a skills plan to mitigate deficiencies Identify service provider replacement through capacity increases and skills development Engage with DSBD and Ministry on the way forward

PART C

TECHNICAL INDICATOR DESCRIPTION (TID)



Indicator title	Number of SMMEs and Cooperatives reached through awareness session	Number of spaza shops and general dealers supported	Number of personal care businesses supported
Definition	SMMEs and Cooperatives attending the awareness sessions	Informal small businesses supplying essential groceries to local customers	Informal small businesses providing personal care, hairdressing services, massage services to customers
Source of data	Attendance register	Business formalisation, compliance, business verification, business assessment, training and interventions implemented	Business formalisation, compliance, business verification, business assessment, training and interventions implemented
Method of calculation/ assessment	Total number of SMMEs and Cooperatives who attend awareness sessions	Total number of spaza shops and general dealers supported	Total number of personal care businesses supported
Assumption	SMMEs and Cooperatives who have interest in starting a business have been identified	Spaza shops needs are identified	Personal care shops needs are identified
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7%
Spatial transformation (where applicable)	Township and rural areas	Township and rural areas	Township and rural areas
Reporting cycle	Quarterly	Quarterly	Quarterly
Desired performance	37 104	9 276	2 000
Indicator responsibility	Executive Manager: EDD	Executive Manager: EDD	Executive Manager: EDD

Indicator title	Number of informal and micro restaurants and tshisanyama supported	Number of fruit and vegetable vendors supported	Number of panel beaters, motor mechanics, auto spares and auto-fitment supported
Definition	Informal small businesses providing braai meat and micro restaurants to customers	Informal small businesses selling fruit and vegetables to local customers	Informal small businesses providing panel beaters, motor mechanics, auto spares and auto-fitment supported services to customers
Source of data	Business formalisation, compliance, business verification, business assessment, training and interventions implemented	Business formalisation, compliance, business verification, business assessment, training and interventions implemented	Business formalisation, compliance, business verification, business assessment, training and interventions implemented
Method of calculation/ assessment	Total number of informal and micro restaurants and tshisanyama supported	Total number of fruit and vegetable vendors supported	Total number of panel beaters, motor mechanics, auto spares and auto-fitment supported
Assumption	Informal and micro restaurants and tshisanyama needs are identified	Fruit and vegetable vendors needs are identified	Panel beaters, motor mechanics, auto spares and auto-fitment needs are identified
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7%
Spatial transformation (where applicable)	Township and rural areas	Township and rural areas	Township and rural areas
Reporting cycle	Quarterly	Quarterly	Quarterly
Desired performance	1 500	4 638	4 638
Indicator responsibility	Executive Manager: EDD	Executive Manager: EDD	Executive Manager: EDD

Indicator title	Number of small scale bakeries and confectionaries supported	Number of clothing, leather and textile vendors supported	Number of butcheries supported
Definition	Informal small businesses providing small scale bakeries and confectionaries to customers	Informal small businesses providing clothing, leather and textile supported to local customers	Informal small businesses selling raw meat to customers
Source of data	Business formalisation, compliance, business verification, business assessment, training and interventions implemented	Business formalisation, compliance, business verification, business assessment, training and interventions implemented	Business formalisation, compliance, business verification, business assessment, training and interventions implemented
Method of calculation/ assessment	Total number of small scale bakeries and confectionaries supported	Total number of clothing, leather and textile vendors supported	Total number of butcheries supported
Assumption	Small scale bakeries and confectionaries needs are identified	Clothing, leather and textile vendors needs are identified	Butcheries needs are identified
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7%
Spatial transformation (where applicable)	Township and rural areas	Township and rural areas	Township and rural areas
Reporting cycle	Quarterly	Quarterly	Quarterly
Desired performance	2 000	2 000	2 000
Indicator responsibility	Executive Manager: EDD	Executive Manager: EDD	Executive Manager: EDD

Indicator title	Number of jobs created
Definition	Enterprises who have created new jobs post receiving business support
Source of data	Improvement assessment forms, confirmation of employees, aggregate employee calculations,
Method of calculation/ assessment	Total number of new jobs post-intervention vs jobs at pre-intervention
Assumption	SMMEs in the ecosystem are creating jobs
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	Township and rural areas
Reporting Cycle	Quarterly
Desired performance	4 638
Indicator responsibility	Executive Manager: EDD and STP

Indicator title	Number of SMMEs and Cooperatives that are competitive in local markets	Number of SMMEs and Cooperatives listed to supply wholesalers and retailers	Number of SMMEs and Cooperatives supported to access international markets	Number of SMMEs and Cooperatives registered on export platforms
Definition	SMMEs and Cooperatives who are capacitated to access local markets	SMMEs and Cooperatives who are registered to supply their products to wholesalers and retailers	SMMEs and Cooperatives who are capacitated to export their products to international markets	SMMEs and Cooperatives who are registered on platforms to improve their international market access
Source of data	Attendance registers/local exhibitions/online support	List of SMMEs and Cooperatives supplying wholesalers and retailers	Attendance registers/international exhibitions/online support	Electronic registers/list downloaded from export platform
Method of calculation/assessment	Total number of SMMEs and Cooperatives supported to access local markets	Total number of SMMEs and Cooperatives supplying wholesalers and retailers	Total number of SMMEs and Cooperatives supported through export, exhibitions and trade facilitation	Total number of SMMEs and Cooperatives registered on export platforms
Assumption	SMMEs are ready to access local markets	SMMEs are ready to supply wholesalers and retailers	SMMEs are ready to access international markets	SMMEs are ready to access international markets
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7%
Spatial transformation (where applicable)	Township and rural areas	Township and rural areas	Township and rural areas	Township and rural areas
Reporting cycle	Quarterly	Quarterly	Quarterly	Quarterly
Desired performance	2 500	1 000	1 000	1 000
Indicator responsibility	Executive Manager: EDD & STP	Executive Manager: STP	Executive Manager: EDD	Executive Manager: EDD

Indicator title	Number of SMMEs and Cooperatives assisted with incubation programme	Number of SMMEs and Cooperatives assisted with productivity improvement	Number of SMMEs and Cooperatives assisted with quality improvement
Definition	SMMEs and Cooperatives are receiving mentorship and coaching through the incubation programme	SMMEs and Cooperatives who are supported to improve their productivity	SMMEs and Cooperatives who are supported to improve their quality
Source of data	Incubation contract and growth wheel assessment	Proof of technology or technical assistance awarding SLA/Minutes of adjudication for equipment or tools/ attendance register for innovation forums and compliance sessions	Training records, proof of intervention implemented
Method of calculation/ assessment	Number of SMMEs and Cooperatives assisted through incubation	Number of SMMEs and Cooperatives who received technology and technical assistance support	Number of SMMEs and Cooperatives supported with product testing and conformity assessment, quality training, certification
Assumption	SMMEs are ready for incubation	SMMEs are ready for expansion	Identified clients are ready to receive interventions
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7%
Spatial transformation (where applicable)	Township and rural areas	Township and rural areas	Township and rural areas
Reporting cycle	Quarterly	Quarterly	Quarterly
Desired performance	3 247	2 738	2 738
Indicator responsibility	Executive Manager: STP	Executive Manager: STP	Executive Manager: STP

Indicator title	Number of SMMEs and Cooperatives whose turnover has increased	Number of SMMEs and Cooperatives assisted through the ecosystem	Percentage of identified stakeholders participating in the ecosystem
Definition	SMMEs and Cooperatives whose turnover has increased post receiving business support	SMMEs and Cooperatives who are supported by all ecosystem partners	Stakeholders identified in the ecosystem vs those that are participating in the ecosystem
Source of data	Improvement assessment forms, income statements, aggregate turnover calculations, ecosystem management reports	Business formalisation, compliance, business verification, business assessment, training and interventions implemented	<ul style="list-style-type: none"> Stakeholder identification Stakeholder engagement records
Method of calculation/ assessment	Total turnover for all enterprises supported through the ecosystem	Number of SMMEs and Cooperatives supported by ecosystem	Number of stakeholders identified vs those who are participating in the ecosystem
Assumption	There are enterprises supported through the ecosystem	Ecosystem partners are ready to support SMMEs and Cooperatives	Identified stakeholders are prepared to participate in the ecosystem
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> Women 40% Youth 30% Disabled persons 7% 	<ul style="list-style-type: none"> Women 40% Youth 30% Disabled persons 7% 	N/A
Spatial transformation (where applicable)	Township and rural areas	Township and rural areas	Township and rural areas
Reporting cycle	Quarterly	Quarterly	Quarterly
Desired performance	2 738	70 000	75%
Indicator responsibility	Executive Manager: EDD & STP	Executive Manager: EDD & STP	Executive Manager: STP

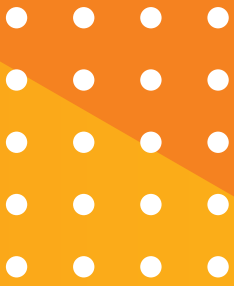
Indicator title	Number of SMMEs and Cooperatives supported in the manufacturing sector	Number of SMMEs and Cooperatives supported through sector specific training	Number of SMMEs and Cooperatives supported enterprise coaching
Definition	SMMEs and Cooperatives who are in the manufacturing sector	SMMEs and Cooperatives who are supported with sector specific training	SMMEs and Cooperatives who are supported through enterprise coaching
Source of data	Business formalisation, compliance, business verification, business assessment, training and interventions implemented	Gap analysis, assessment reports, training conducted, intervention implemented	Gap analysis, assessment reports, training conducted, intervention implemented
Method of calculation/ assessment	Total number of SMMEs and Cooperatives in the manufacturing sector	Total number of SMMEs and Cooperatives supported with sector specific training	Total number of SMMEs and Cooperatives supported through enterprise coaching
Assumption	There are enterprises in the manufacturing sector ready for support	SMMEs and Cooperatives are ready to receive sector specific training	SMMEs and Cooperatives are ready to receive enterprise coaching
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7% 	<ul style="list-style-type: none"> • Women 40% • Youth 30% • Disabled persons 7%
Spatial transformation (where applicable)	Township and rural areas	Township and rural areas	Township and rural areas
Reporting cycle	Quarterly	Quarterly	Quarterly
Desired performance	2 738	2 738	2 738
Indicator responsibility	Executive Manager: EDD & STP	Executive Manager: EDD	Executive Manager: EDD

Indicator title	Percentage of innovative ideas implemented	Percentage of staff recognised for excellence	Percentage of staff satisfaction
Definition	Creative and novel ideas suggested for implementation	High performing staff members are recognised for excellence	Measure the level of satisfaction among staff members
Source of data	<ul style="list-style-type: none"> Idea generation register Innovative idea implementation report 	Staff recognition report, record of rewards offered	<ul style="list-style-type: none"> Staff satisfaction survey result Staff satisfaction survey report
Method of calculation/assessment	Number of innovative ideas generated vs ideas implemented	Number of staff recognised for excellence	Number of satisfied staff members vs all staff members
Assumption	There is a drive to encourage innovation within the organisation	There is a drive to encourage staff members to excel	There is a drive to encourage and engage staff members
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A
Reporting cycle	Quarterly	Quarterly	Quarterly
Desired performance	25%	25%	75%
Indicator responsibility	All executives	Executive Manager: Corporate Services	Executive Manager: Corporate Services

Indicator title	Percentage of customer satisfaction	Percentage of stakeholder satisfaction	Percentage of vacancy rate
Definition	Measure the level of satisfaction among customers	Measure the level of satisfaction among stakeholders	Measure the number of vacant position in the approved structure
Source of data	<ul style="list-style-type: none"> Customer satisfaction survey result Customer satisfaction survey report 	<ul style="list-style-type: none"> Stakeholder satisfaction survey result Stakeholder satisfaction survey report 	Consolidated vacancies
Method of calculation/assessment	Number of satisfied customers vs all customers surveyed	Number of satisfied staff members vs all staff members	Number of vacancies vs filled positions in the approved structure
Assumption	There is a drive to improve customer service	There is a drive to improve stakeholder satisfaction	There is a drive to fill vacant positions
Disaggregation of beneficiaries (where applicable)	N/A	N/A	N/A
Spatial transformation (where applicable)	N/A	N/A	N/A
Reporting cycle	Quarterly	Quarterly	Quarterly
Desired performance	80%	80%	10%
Indicator responsibility	Executive Manager: EDD & STP	CEO	Executive Manager: Corporate Services

Indicator title	Percentage of funds allocated to core delivery
Definition	Amount of budget allocated to core delivery
Source of data	Financial report
Method of calculation/assessment	Budget allocated to core delivery vs total Seda budget
Assumption	Bulk of the allocated budget is allocated to delivery network
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Reporting Cycle	None
Desired performance	75%
Indicator responsibility	CFO





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