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1. Introduction

This document is the dynamic blueprint for the strategic direction, sustainability and growth of Government Printing Works (GPW) until the year 2011. It is the outcome of six months of intensive discussions by GPW management and feedback from and engagement with staff members. In essence, it is a product of a collaborative effort of all senior staff in the organisation. It also integrates feedback from the conversion process, comments on GPW's performance from the Office of the Auditor-General, the Annual Report 2006/7 and other contributions from both the Portfolio Committee and SCOPA.

This strategic plan acknowledges performance gaps and risks that GPW needs to overcome and the challenges it must meet on its path to success. Emerging out of this planning process is a clear vision of where GPW wants to be, an assessment of where it is now, and a set of criteria to measure its progress into the future. The values that prescribe how GPW does its business are defined and a list of strategies and priorities to move GPW from where it is to where it wants to be as GPW has been developed.

Since the future is uncertain, there will always be the need to face change, so it is necessary to manage it rather than react to it. GPW is going through an exciting era of transformation; this planning process has provided a system to lead, manage, and transform GPW in a well-planned, integrated manner based on strategies. This systems approach also provides a management process that will change the way GPW does its business on a day-to-day basis. Its strategic priorities become the priorities for GPW's annual budget and performance standard, ensuring that its resources are focused in those areas that will move GPW towards achieving its vision.

A strategic plan is of little value by itself. A process of cascading the strategic objectives into business unit and individual objectives is critical, if the strategic plan is to be effective. This document is the first step towards creating a high performance, customer-focused GPW that will benefit all stakeholders - the Minister, the Department of Home Affairs, GPW's employees, clients, and all those with whom it does business.

In its strategic plan for 2006/07 – 2008/09 the Department of Home Affairs sets out the Corporatisation of GPW as a key component of its strategic change plan which envisages GPW's role following successful corporatisation as follows:

Strategic position: Specialist printer and publisher (specialist to incorporate security, printing material and depth of experience and capability in execution)

Be operationally effective in:

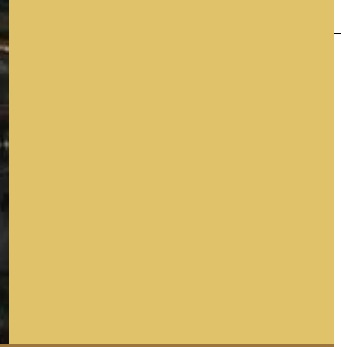
- Total cost of delivering solutions;
- Delivery of dependable and swift service (convenience); and
- Effective and efficient solutions (integrated and seamless).

Develop unique capabilities and assets that are focused on:

- In-sourcing and co-sourcing the primary functions and outsourcing the non-core functions."

GPW started the conversion process with the goal of achieving a Schedule 3B status. The establishment of state entities is a process that is governed by several governmental stakeholders such as the National Treasury, Department of Public Works, and Department of Public Enterprise. GPW considered various options and concluded that a sound business case was required but for security printing services for the South African Government, a change from its previous printing services and therefore reached a decision to develop a sound business case for its conversion and sustainability into a Government Component. The process as well as the interactions with these stakeholders led to a revised objective of pursuing the government component status. It is important to state that this is an interim short-to-medium term measure that will allow GPW to build its financial independence while cultivating a commercially orientated culture. In time GPW will be well positioned to resume the process leading to the attainment of Schedule 3B status.





2. STRATEGIC DIRECTION

2.1 The function of GPW

The principal purpose of GPW is to provide security printing services, general printing services and related services to or on behalf of governments and any organ of any state. Once the corporatisation of GPW has been completed, GPW would like to extend its current customer base to include private sector institutions and the SADC region.

2.2 GPW's vision

To be the State's mandated security printer.

2.3 GPW's mission

To achieve this vision GPW's mission is to provide:

- cost-effective, reliable and timeous services to all spheres of government in the printing and dissemination of a full range of government information through technology and services excellence
- the public with equitable information and, above all, to form a partnership with government to achieve their goals through technology and service excellence.

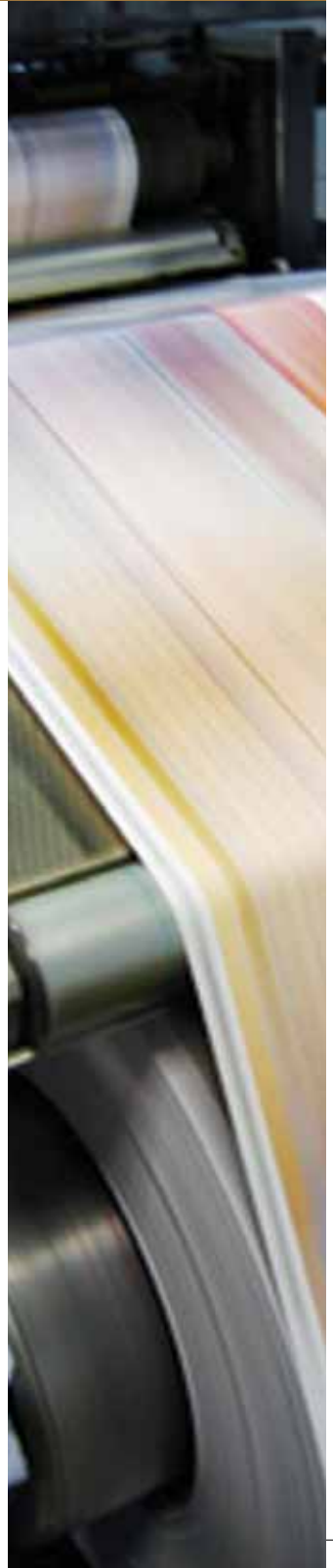
2.4 GPW's core values

To ensure client information is secure at all times in any security or non-security printing work and to commit to the GPW value system including:

- Honesty
- Reliability
- Trustworthiness
- Client satisfaction.

2.5 GPW's services

- Printing
- Retailing stationery and government publications.
- Publishing





3. Operating Principles / Mandate

The GPW has the responsibility of providing and supplying printing services to all levels of government within the Republic of South Africa.

The service entails the provision of printed security (passports, identity documents, certificates, birth and death certificates, licences, academic examinations, security inks, etc or most commonly referred to in the printing industry as high security face value documents), which includes all types of official forms referred to as standard stock (face value documents), non-standard print work or commercial print work such as business cards and letter heads, security print work and binding] and the supplying of associated services such as general printing advice and specifications. Print work that cannot be done internally is outsourced to external contractors who are appointed per term contract.

The GPW currently functions as a chief directorate under the control of the Department of Home Affairs. Despite the fact that the GPW operates in the public sector environment it has to manage its own trade account. The GPW is therefore responsible for generating its own business income and does not receive grants from National Treasury. The generating of a sustainable business income compels the GPW to utilise sound business principles that have to be supported by a solid base of accurate operational and financial business information.

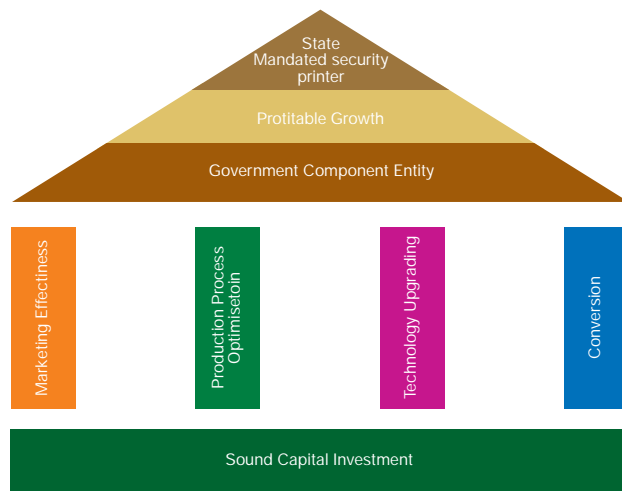


4. Strategic intent

4. Strategic intent

GPW's drivers for fundamental transformation are underpinned by four (4) strategic pillars:

To ensure that GPW is the state printer by mandate the following strategic initiatives or pillars have been identified by GPW as critical success factors:



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4.1. Conversion

Cabinet in October 2000 approved the Cabinet Committee for Economic Sector's recommendation that GPW be established as a Public Enterprise upon conclusion of various processes. Various options were considered for the transformation and conversion of GPW. These included staying "As-Is", converting into a Government Component and finally into a Schedule 3B Entity.

An assessment was done to determine the best option for conversion and to ensure that the National imperatives referred to above are achieved. It is however important that the model chosen had to address the current impediments for transformation and sustainability of GPW. It was therefore agreed that the Government Component option would be best suited for GPW, considering its current business cycle and that GPW eventually migrate to a Public Entity over a period in time if the operations, finances and mandate of GPW and the State allows, as illustrated below. The basics must first



be in place before GPW can consider moving to any other form of Entity

4.2. Technology upgrading

Over the past few years the print industry has changed substantially - it has become more high-tech, online, automated and multi-disciplined. Major international changes over the past 10 years have occurred because end-user demands on printing are changing and becoming more sophisticated. Printers are being forced to change and transform or run the risk of takeovers or business closures

For many years GPW has experienced capital stripping and lack of investment in new technologies, both in ICT and in new equipment and machinery. Funds have been made available via the MTEF process to invest in new technology for the production of all face value documents and catapult the GPW into a new theatre of operations. Indeed, thus help optimise the production processes in such a manner that printing operations establish and operate a modern printing facility, with services costing less than the prices of security printers in Europe, while supplying quality services of international standard.

From an ICT perspective, to upgrade the current ICT systems to ensure integration with all systems which will provide accurate processing and effective and efficient management reporting.

4.3. Production process optimisation

The move or relocation to a new plant or factory that will ensure a healthier work environment and increase the operational effectiveness is without any doubt very important. Funds for the move have been approved and are contained in the 2008/09 Medium Term Expenditure Framework, Infrastructure and Capital project budget for the New Accommodation Facility for GPW is available at GPW.

The envisaged technological upgrading of the outdated equipment will enhance efficiencies, reduce production costs and wastage, whilst at the same time maximising operational excellence within all departments across GPW., Labour efficiency and productivity will also be the primary focus to ensure that the right people are employed at the right jobs and get paid the appropriate salaries.

Due to the changing equipment and market requirements, communication between customers is also changing. This includes the use of electronic distribution of information that has caused a reduction in the demand for form printing and is expected to reduce even further. The print industry is also one of the large employers globally, particularly for staff with IT skills. It is globally recognised that technical printing skills are emerging as a source of competitive advantage which requires nurturing, investment and retention and this a severely lacking at GPW

4.4. Market Strategy

An effective and aggressive marketing strategy needs to be implemented in order to ensure that GPW retains high value customers but also grow the customer base to match the increased production capacity which is envisaged. The marketing efforts will involve consolidating existing markets and customers in the short term, and a planned launch into the Sub-Saharan market in the long term.

Whilst the security printing market is primarily where GPW wishes to focus their core business, the local security market's contribution to revenue is less than that of the standard printing and stationery services due to the limited number of customers served. GPW will have to explore this market. Alternatively, it will have to be supported by the Fiscus as the States Security Printer.





5. Standards

The successful transformation of GPW into a high performing business entity will depend on its ability to adopt new standards of performance. This change as envisaged in the strategic plan will require a focus on the following:

5.1 Printing standards

GPW being a printer has to adhere to both local standards as prescribed by the Printing Industry Federation of South-Africa and international standards prescribed by the International Confederation for Printing and Allied Industries. Furthermore in terms of travel documents GPW needs to adhere to the International Civil Aviation Organisation's (ICAO) standards.

5.2 Financial standards

Financial compliance to the International Accounting Standards, the National Treasury Regulations and the Public Financial Management Act. Due to outdated financial systems, faces serious problems and there is a need to introduce credible financial systems.





5.3 Performance standards

To ensure that GPW achieves its strategic objectives GPW has decided to use the balanced scorecard methodology to implement its strategy. Specific measurable key performance indicators have been identified in the score that need to be achieved on a yearly basis. Measures are monitored and evaluated on a monthly basis to ensure that appropriate action is taken by EXCO where non-achievement occurs. These performance indicators will be cascaded to all staff within GPW ensuring that there is a direct alignment between the strategic objectives and staff within GPW. The cultivation of a high performance culture is paramount to the successful transformation of GPW as it changes to a business mindset. The performance standards are also aligned to the National Treasury Framework for Managing Program Performance.

5.4 Service standards

GPW regards stakeholder perception as an important criterion of measuring the level of service. GPW has divided its stakeholder into three categories:

- customers,
- Strategic partners and
- suppliers.

Service standards for each of these categories have been developed to assess the level of compliance on a bi-yearly basis.

5.5 Internal control compliance

To ensure that GPW operates in a soundly controlled environment internal control questionnaires have been developed for all business units within the organisation. Through these questionnaires operational staff is accountable for their area of responsibility and are assessed on their compliance with key controls on a monthly basis. The areas that are assessed are:

- Assets
- Expenses
- Revenue
- Human resources
- Service delivery
- Waste management
- Performance management.

5.6 Operational standards

Operational standards focus on the inter-departmental effectiveness of departments within GPW. A set of operational standards has been developed to assess the efficiency and effectiveness of operations of each department within GPW. This assessment is done bi-annually.

5.7 Human capital standards

GPW people practices and policies are aligned to the six pieces of legislation governing people management in South Africa. The current transformation into a new corporate form will affect the current employment conditions of service and the implementation of a people migration plan.



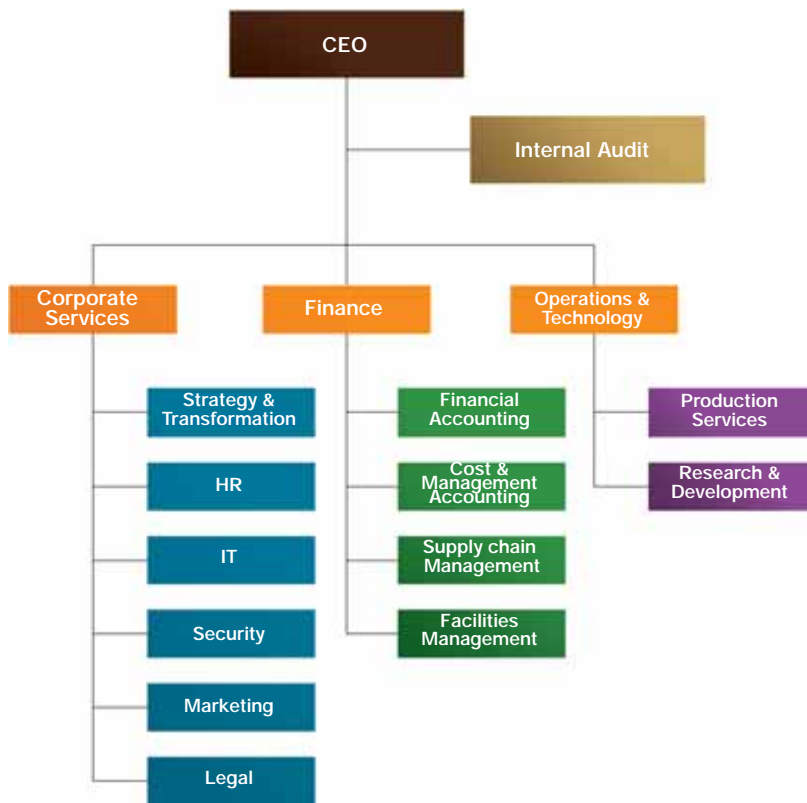


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6. Organisational structure

The governance model of GPW is designed with clear separation between the Executive Authority, Accounting Authority and the Operations of the Business; distinguishing between policy and regulatory, strategy and planning, execution and support.

Given the transitional phase of the conversion process in which GPW finds itself, it is necessary for the organisation to consider an **interim structure** that will enable the short-term implementation of the strategic plan. The proposed interim structure is aligned with the Government Component status and also influenced by the quest to sweat the current senior management resources in pursuit of financial viability.



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7. Strategic priorities

The road to GPW success will be dependent on its ability to implement its strategic priorities, the execution of which is through the functional areas.

The GPW strategic objectives are therefore reflected by nine key functional areas that will enable the achievement of the vision and mission. The key functional areas:

- Finance
- Cost management
- Operations & technology
- ICT management
- Supply chain management
- HR, strategy & transformation
- Security
- Internal audit
- Marketing



政府印刷局

KEY FUNCTIONAL AREA 1: FINANCE

Financial viability forms the corner stone of GPW's transformation into a commercially focused entity, as the organisation will need to be able to run independently of government financial support once the transformation journey is complete. The main components of financial viability that are important to GPW are revenue growth, cash status and productivity levels.

Long-term goal:

To ensure that GPW is financially viable, with special focus on revenue growth, a positive cash status and increasing productivity in terms of cost management and waste reduction.

Short-to-medium term objectives:

To meet the expenditure budget through accurate planning and forecasting

- To maintain optimal cash flow
- To ensure timeous delivery of statements and invoices
- To implement credit limits with all customers
- To build sound relationships with suppliers
- To manage financial risk
- To implement a new financial system.

Finance strategies over the next 3 years

The main components of financial viability are revenue growth, positive cash status and productivity levels.

Perspective	Objective	Performance target	Performance standard/measure	Year of Implementation		
				08/09	09/10	10/11
Revenue Growth	Accurate planning and forecasting	% Variance between forecast & actual	Meet the expenditure budget	5%	3%	2%
Positive cash status	Maintain optimal cash flow	Average debtors days outstanding	56% of rand value < 60 days	55 days	45 days	30 days
		Average creditors days outstanding	Payment of creditors within 30 days after received by finance.	45 days	30 days	30 days
Revenue Growth	Accurate planning and forecasting	% Variance between forecast & actual	Meet the expenditure budget	5%	3%	2%
Positive cash status	Maintain optimal cash flow	Average debtors days outstanding	56% of rand value < 60 days	55 days	45 days	30 days
		Average creditors days outstanding	Payment of creditors within 30 days after received by finance.	45 days	30 days	30 days
Manage & Mitigate Risk	Manage Financial Risk	Reduce number of qualification in audit report	Reduce the number of qualifications in the audit by 50%	50%	60%	80%
	New financial system	Implementation of a financial management system	Identify a system. Start implementing the system and finalize implementation	Identify	Start implementation 50%	Functional 100%



Action Plan

The business plan contains the actions that need to be taken to achieve the strategic objectives

Performance Objective 1: Revenue Growth: Meet the Expenditure Budget				
Key Action Activities	Performance Indicator	Target dates	Responsible person	Monitoring and evaluation process
Compile monthly variance reports that are acceptable to all our internal stakeholders	Monthly variance reports	Monthly Budget reports Monthly-starting end June 2008	CFO	CEO
Provide variance reports to departmental heads	Departmental variance reports received by departmental heads	Monthly-starting end June 2008	CFO	Departmental Heads
Business unit heads to sign-off variance analysis report and forward it to finance	Signed –off variance reports	Monthly-starting end August 2008	Business unit heads	CFO
Finance to consolidate variance analysis report by 15th of each month and provide to EXCO	Monthly consolidated variance analysis report	Monthly-starting end August 2008	CFO	CEO
EXCO to approve variance analysis on a monthly basis	EXCO approved variance analysis	August 2008	CFO	CEO
Finance to provide monthly budget variance reports to National Treasury and Home Affairs	Monthly submitted report to Home Affairs	August 2008	CFO	CEO

Annual budgeting				
Finalisation of annual strategic plan	Approved strategic plan	January of each year	CFO	CEO
Determine budget guidelines	Approved budget guidelines	January of each year	CFO	CEO
Review budget	Review the budget for 2008 2009. Virement	September 2008	CFO and Heads of units	CEO
Provide training of budget guidelines	Completed training of relevant staff	October 2008	CFO	CFO
Strategic plan for the next 3 years	Finalise the draft strategic plan	October 2008	CFO	CEO
Budget for the next 3 years	Draft Budget	November each year	EXCO and MANCO	CFO
Link strategic plan to the budget	Draft strategic plan and budget	November each year	CFO	CEO
Compile annual budget and submit to Home Affairs	Consolidated a draft budget	December of each year	CFO	CEO
Finalisation of annual strategic plan	Approved strategic plan	January of each year	CFO	CEO
Obtain EXCO approval	EXCO approved budget	February of each year	CFO	CEO
Submit budget to Home Affairs	Submitted budget	February of each year	CFO	CEO



Performance Objective 2: Revenue Growth: Meet the Revenue Budget				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
Monthly budget process				
Please refer to the expenditure budget for the process			CFO	CEO
Annual budget process				
Please refer to the expenditure budget for the process			CFO	CEO
Performance Objective 3: Positive Cash Status: Debtors Management				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
Appointment of key finance staff	Staff appointed as per staff plan	June/July 2008	HR / CFO	CEO
Improvement of customer relationships				
Improve customer relations through personal contact - Debt Collection	Contact with key customers	May 2008	Account managers	Assistant-Director Finance
Credit limits to be controlled and functioning	No credits limits are exceeded	June 2008	Debtors account managers	CFO
Other				
Compiling of monthly Cash Flow Report	Monthly signed off cash flow report	May 2008	CFO	CEO
Submit of cash flow report to Home Affairs	All cash flows submitted	May 2008	CFO	CEO
Make provision for bad debts	No qualification of bad debt in the audit report	Monthly	CFO	CEO

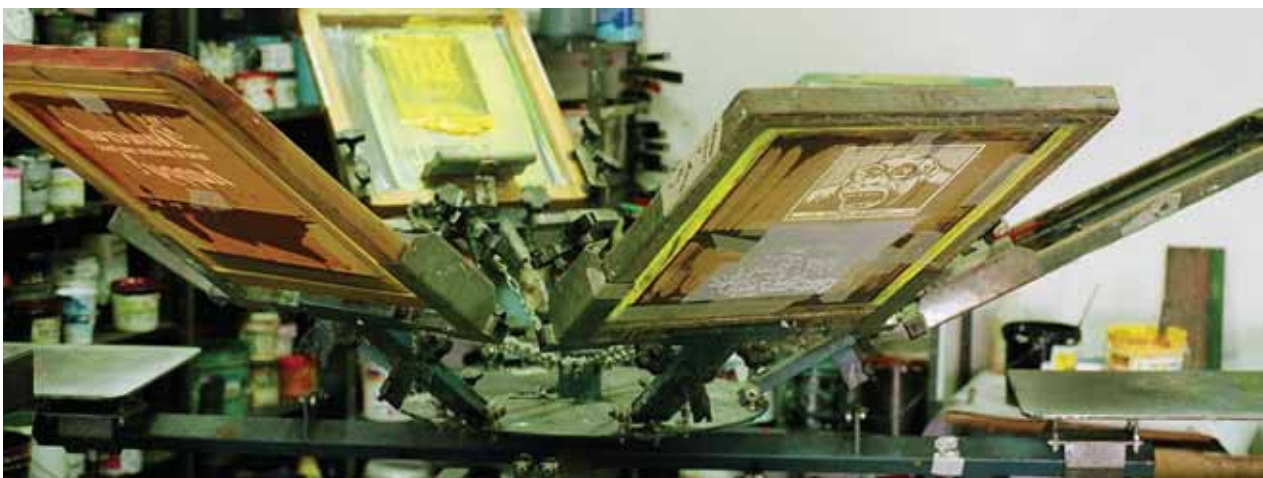
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Performance Objective 4: Positive Cash status: Creditors Management				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
Appointment of creditors clerks	All identified positions are filled	June 2008	HR/Finance	CFO
Monthly reconciliation of supplier statements	100% reconciled supplier statements	June 2008 – as soon as posts are filled	Creditors clerks	Assistant-director Finance
Performance Objective 5: Stakeholder Perception				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
Implement stakeholder communication plan - Customers and Suppliers	Communication Pla and implement it	Ongoing	Senior Managers - Finance	CFO
Conduct partner engagement meetings - internal	All Partner Meeting schedule for the year	Quarterly	Senior Managers - Finance	CFO





Performance Objective 6: Manage Financial Risk				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
Reduce the qualifications in the audit report				
Compile an action plan to reduce the number of qualifications in the audit report	Complete action plan	After the management letter has been issued - September 2008	CFO	CEO/Audit committee
Implementation of action plan	100% implementation of action plan	After the management letter has been issued - September 2008	CFO	CEO/Audit committee
Monthly submission to Home Affairs - September 2008	100% monthly submission to Home Affairs	After the management letter has been issued -	CFO	CEO/Audit committee
Improvement in internal control environment				
Development of internal control self assessment (CSA) for Budget process, Debtors, Creditors	Signed-off CSA's	July 2008	Senior Managers	CFO
Implementation of CSA	100% implementation	September 2008	Senior Managers	CFO
Monthly monitoring of CSA	Monthly submission of CSA's	After September 2008	As determined through the internal control questionnaire	CFO
Implementation of SOP	Complete monthly internal control questionnaire	June 2008	Senior Managers	CFO





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KEY RESULT AREA 2: COST MANAGEMENT

Financial viability cannot be achieved without an effective cost management regime. Implementing a process of controlling costs and reducing inefficiencies within the organisation is critical. It is also important to ensure that the factory receives correctly planned work at the right time to ensure smooth flow of production.

Long-term goal:

To ensure that GPW adopts cost effective methods of delivering service to its clients.

Short-to-medium term objectives:

- To increase levels of productivity
- To implement change in cost/ product pricing system
- To build sound relations.
- Deliver great products
- Report on machine efficiency

Cost Management strategies over the next 3 years

Perspective	Objective	Performance Target	Performance standard/ measure	Year of implementation		
				2008	2009	2010
Financial Viability	Increase levels of productivity	Cost Management centre as a (Saving on budget expenditure)	Diminish cost per % of revenue	1%	1%	1.5%
Financial Viability	Change in cost/ product pricing system	Propose and implement new cost system	Implementation of system	March 2009	Improvement	
Stakeholder perception	Build great relations	Level of expectation (10% improvement y-o-y)	% improvement of CSI	√	√	√
Customer Perception	Deliver great products	Cost, Quality, time and service delivery of products (10% improvement y-o-y)	% improvement of CSI	√	√	√
Organisational Effectiveness	Report on Machine Efficiency	Report to EXCO on a monthly basis (15th of the month)	Work with production to improve efficiency by 5% y-o-y		√	√
People effectiveness	Walk the talk	Leadership effectiveness within the organisation	10% improvement in leadership levels in baseline	√	√	√
Financial Viability	Planning and Forecasting	Level of compliance with Budget	Meet the expenditure budget	√	√	√



Action Plan

Strategic Objective 1:				
Key Action Activities	Performance indicator	Target dates	Responsible Person	Monitoring and evaluation process
Monthly report by cost centre	Monthly reporting	June 2008	Cost Manager	CEO/EXCO
Cost Centre savings	Identify cost savings per department	Monthly 2008/09	Cost Manager	CEO
Consolidated cost centre report for GPW	Consolidated report	June 2008	Cost Manager	CEO/EXCO
Cost centre savings	Saving report	June 2008	Cost Manager	CEO
Strategic Objective 2:				
Key Action Activities	Performance indicator	Target dates	Responsible Person	Monitoring and evaluation process
Monthly monitoring of new machinery	Monthly report	Arrival of new machine (July 2008 and Jan 2009)	Cost Manager	CEO
Waste Management	Spoilage report	August 2008	Cost Manager	CEO
Outsourcing of work	Contract printing performance	March 2009	Cost Manager	CEO
Work in progress	Reduce and Maintain WIP in the Factory (5%)	September 2008	Cost Manager/ Factory Manager	CEO
Work in progress	Reduce and Maintain WIP in the Factory (5%)	September 2008	Cost Manager/ Factory Manager	CEO

Operations & Technology strategies over the next 3 years

Perspective	Objective	Performance Target	Performance standard/ measure	Year of implementation		
				2008	2009	2010
Organisational effectiveness	Recapitalisation of machinery	Use of the latest technology	% implementation of approved recapitalisation plan	50%	30%	20%
Financial viability	Increase productivity level	Waste management improvement	Diminish % of waste as per revenue	10%	20%	30%
Organisational effectiveness	Manage production risk	Efficiency level of machines	% Improvement of machine efficiency	10%	20%	30%
Organisational effectiveness	Manage production risk	Delivery of Jobs on time	% delivery on time	5%	30	60





KEY RESULT AREA 3: OPERATIONS & TECHNOLOGY

The Government Printing Works (GPW) printing operations are focused on providing security printing services, at best cost options, to the South African Government. A competitive edge will be attained by offering high technology services, such as laser-based security features in paper documents and the manufacturing of electronic passports, which have become essential capabilities for international high security printers.

Long-term Goal:

The long-term goals of operations and technology are to become a high value security printer utilising modern printing technology and to establish itself as market leader in providing security printing services to all spheres of government in South Africa.

Short- to-medium Term Objectives:

- To implement the machinery recapitalisation programme
- To increase productivity levels
- To manage production risk

Operations & Technology strategies over the next 3 years

Perspective	Objective	Performance Target	Performance standard/ measure	Year of implementation		
				2008	2009	2010
Organisational effectiveness	Recapitalisation of machinery	Use of the latest technology	% implementation of approved recapitalisation plan	50%	30%	20%
Financial viability	Increase productivity level	Waste management improvement	Diminish % of waste as per revenue	10%	20%	30%
Organisational effectiveness	Manage production risk	Efficiency level of machines	%Improvement of machine efficiency	10%	20%	30%
Organisational effectiveness	Manage production risk	Delivery of Jobs on time	% delivery on time	5%	30	60





Action Plan

Strategic Objective 1: Machine recapitalisation)				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
Draft and Submit spec docs	Doc submitted and approved	30 July 2008	Exec Direc Ops and Tech and Factory manager	CEO
Finalise appointment of supplier,	Tenders adjudicated and awarded	30 Sept 2008	R Mohanlal	CEO
Strategic Objective 2: Waste management				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
Identifying areas and courses of wastage	All areas where wastage occurs identified and possible courses identified.	30 June 2008	Factory managers and all Divisional heads	Exec Dir Ops and Tech
Implementation of proposals for waste management	Proposals for waste management adopted and implemented.	1 September 2008	HR and T, Factory manager and Divisional Heads	Exec Dir Ops and tech
SOP for waste management	Drafting and implementation of SOP for waste management	30 July 2008	Factory Manager and Divisional Heads	Exec Dir Ops and Tech
Implementation of charts for waste awareness	Charts put monthly in all Division to indicate level of wastage	30 July 2008	Factory Manager/ Divisional Heads	Exec Dir Ops and Tech
Training of all GPW staff on wastage	Training of all GPW staff on waste management	30 August 2008	HR and T	Factory Manager



KEY RESULT AREA 4: ICT MANAGEMENT

The plan proposes and provides a basic priority, benefits, and rationale, for projects supporting the infrastructure for ICT services within GPW. However, part of GPW mandate is to comply with Treasury regulations as audited by the Office of the Auditor General and it will be necessary to complete a master system plan (MSP) for a period of three fiscal years.

Long-term Goal:

To ensure that appropriate systems and ICT infrastructure are in place for the harvesting and dissemination of knowledge and information, and to continually?? improve core business processes.

Short- to-medium Term Objectives:

- To develop and implement a comprehensive and formal Disaster Recovery Plan
- To implement a Master System Plan (MSP) in line with PMFA and SITA requirements
- To implement a System Development Life Cycle (SDLC) Methodology
- To upgrade and integration of ICT systems.

ICT Management strategies over the next 3 years

Perspective	Objective	Performance Target	Performance standard/ measure	Year of implementation		
				2008	2009	2010
Operational Effectiveness	Develop a comprehensive and formal Disaster Recovery Plan Refer to Section 10 ICT R1	Compliance with PMFA	DRP approved by CEO / EXCO for comprehensive Business recovery strategy	100%		
	Implement Disaster Recovery Plan Test Disaster Recovery Plan	Compliance with PMFA Compliance with PMFA	Procure and install Hardware Restore data from Disk & from Tape	100% 100%		
	Monthly Compliance Testing of restores	Compliance with PMFA	Restore data from Disk & from Tape	100%	100%	100%
	Master System Plan (MSP) Refer to Section 10 ICT R2	Compliance with PMFA and SITA Regulations	CEO / EXCO Approved MSP for 3 years	100%		
	System Development Life Cycle (SDLC) Methodology Refer to Section 10 ICT R3	System development and implementation within the GPW to follow a standard process	Methodology to acquire new Integrated System and faced-out of current System	50%	100%	100%



Operations & Technology strategies over the next 3 years

Perspective	Objective	Performance Target	Performance standard/ measure	Year of implementation		
				2008	2009	2010
Operational Effectiveness	Implement Various Policies (Change Control, Information System Security, User Management & Others)	Circumvent fraudulent activities which may lead ultimately to financial loss to the organisation.	Policies approved by CEO / EXCO	100%		
	Refer to Section 10 ICT R4					
	Review and update approved Policies	Verify effectiveness of polices and update	Reviewed Policies approved by CEO / EXCO yearly.	100%	100%	100%
	Contractor / Vendor Management with SLA Refer to Section 10 ICT R5	Segregation of Duties, avoid fraudulent activities, which might ultimately result in financial loss to the Organisation	SLA signed by parties	100%		
	Upgrade and integration of ICT Systems	1) Replace PECAS with integrated System 2) Electronic Document Management and workflow	With URS, SDLC and Tender Process acquire new Integrated System	30%	100%	

Action Plan

Strategic Objective 1: ICT Alignment with GPW business strategy as define with the Business plan				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
ICT plan aligned with GPW business strategy	ICT plan aligned with GPW Business Plan	Jul 2008	ICT Manager	CEO
The ICT processes aligned with GPW Business Plan	ICT systems assists GPW s security printer to be financial viable, profitable Government Component	March 2009	ICT Manager	CFO
ICT Policies, Standard Operating Procedures (SOP)	Draft and forward Policies, SOP to CEO for Approval	March 2009	ICT Manager	CFO
ICT Policies	Review Policies Yearly	March 2009	ICT Manager	CFO
Strategic Objective 2: Map out an action plan for realisation strategy				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
Approved MSP as required by current legislation	MSP support businesses in achieving value for money and quality in ICT operations.	Jul 2008	ICT Manager	CEO
Strategic Objective 3: Acquire an fully integrated system for various silo systems to either enhance and / replace it totally				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
A fully integrated system with the introduction of Workflow processes, Electronic Documen Management, nformatio Systems Security	Improve GPW operational ffectiveness to be viable profitable Organisation	Jul 2008	ICT Manager	CEO



Strategic Objective 4: Anywhere, anytime access to information which will link various mobile staff members and key stake holders in the future Key				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
Business Continuity strategy	of a Business Continuity solution that supports redundancy and functionality with recovery within predefined time of a failure.	Sept 2008	ICT Manager	CEO
Backup Data to Disk	Daily Backups	Oct 2008	ICT Manager	CEO
Backup Disk to Tape	Daily, Monthly, Yearly	Oct 2008	ICT Manager	CEO
Strategic Objective 5: Implement Disaster Recovery Plan (DRP) with a Business Continuity (BC) strategy to minimise business disruptions				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
The introduction of various Security technologies such as Firewalls, Intrusion Detection Systems, Virtual Private Networks and alternative remote access for Regional Offices,	Optimum activities to ensure systems and infrastructure operate at prescribe service levels.	March 2009	ICT Manager	CEO
Strategic Objective 6: Focus on acquiring or develop the required manpower				
Key Action Activities	Performance indicator	Target dates	Responsible person	Monitoring and evaluation process
ICT Structure,	Required skills to support the ICT environment.	July 2008	ICT Manager ED: HR & T	CEO
Plan staff requirements and recruit	Filled of positions as approved in structure	July 2008	ICT Manager ED: HR & T	CEO



KEY RESULT AREA 5: SUPPLY CHAIN MANAGEMENT

According to National Treasury's SCM framework, supply chain management comprises four functions, namely demand management, acquisition management, logistics management and disposal management. GPW is going through the process of business renewal after years of limited investments in its resources, which will see deliberate investments in new equipment and technology. This places supply chain at a critical position in ensuring that proper processes are in place.

Long-term Goal:

The focus will be the development of an optimised and responsive supplier base and a fast an efficient process that seeks to manage supply and demand such that total costs are reduced.

Short- to-medium Term Objectives:

- To reduce SCM stores stock levels
- To phase out slow-moving items
- To push and market fast-moving items to generate more revenue
- To build a direct relationship with our mills
- Electronic suppliers database and order information
- To have access to store management information
- To arrange revision of stock/ stores approach and procedures

Supply Chain strategies over the next 3 years

Perspective	Objective	Performance target	Performance standard/measure	Year of Implementation		
				2008	2009	2010
Financial viability						
1	To reduce SCM stores stock levels	An average of 10% reduction in store values of the SCM stores*	Rand value reduction	10%	10%	10%
2	To phase out slow-moving items	Reducing of slow-moving items in the stores by 10% in the first year	Percentage reduction	10%	20%	30%
3	To push and market fast-moving items to generate more revenue	Increasing of fast-moving items in store by 5% in the first year	Percentage increase	5%	10%	15%
Stakeholder management						
4	To have a direct relationship with our mills	Ensure value-adding or elim-inating of middle man in raw mat-erial purchase** enabling a direct relationship with our mills, seamless raw material supply	A 10% reduction in input / material cost	0%	5%	15%
5	Electronic suppliers database and order information	To investigate and motivate electronic suppliers database***** and electronic order information	More effective supplier management	Depending On Approval		
Improving organizational effectiveness						
6	To have access to store management info	Available reports and information allowing store management	Depending on IT: Adequate reports	50% Complete	75% Complete	100% complete
7	To arrange revision of stock/ stores approach and procedures	More streamlined procedures between SCM and sections linking with SCM, e.g. TP, Crs	Revised and adjusted procedures and understandings	50% Complete	75% Complete	100% complete
People effectiveness						
8	Approval of proposed SCM organogram and filling of posts	Better planning, better control and higher consistence in approach between stores	Depending on HR. Savings on bottom-line ***	Partly	In full	In full
9	Improving SCM staff morale	A more motivated SCM team	Better co-operation and working together			

To follow up having software able to identify slow -moving items		July 2008	Face Value
To investigate possible strategic shift towards limited product range on conventional printing, thus saving store - and input costs by reducing range of paper.	Advice clients of the availability of paper.	June 2008	Interdivisional
To work towards and motivate strategy to push slow movers on conventional printing out, e.g. once-off lower price, and then to discontinue their use, to sell or write off	Less slow -movers in our store	August 2008	Interdivisional
Strategic objective 2: To push and market fast -moving items to generate more revenue			
To get statistics as to past usage of fast movers per our main customers	Analysis done with recommendations	June 2008	Interdivisional, Costing, T/P
To motivate market research to establish future needs	Arrangements made and agreed upon	July 2008	To be identified
Strategic objective 3: To have a direct relationship with our mills			
Investigate effects of BEEs on input costs, to possibly exempt some fast -moving paper items from future paper contract	Better management and monitoring, utilising shared info opportunities	December 2008	Supply Chain Management
Strategic objective 4: Electronic suppliers database and order information			
To motivate a new suppliers database system for implementation enabling amongst others software to differentiate HDI from non -HDI.	Submission approved/ disapproved	June 2008	Supply Chain Management
To investigate having order information on a software application	Outcome of research and recommendations	August 2008	Face Value
Strategic objective 5: To have access to stock and store -related management information			
Identifying management and other reports needed, e.g. <ul style="list-style-type: none"> ⚡ concise information enabling graphs with historic usage per item, range and store, store turnover etc ⚡ reconciling information between paper planning, paper usage and waste per job and per paper item, with relevant reporting of deviations ⚡ exception/variance reports whereby short notice for paper 	Reports and needs been identified and communicated	October 2008	Face Value
Following up of responsibilities to be assigned for constant monitoring of the factors derived at above, with channels to follow up deviations affecting other divisions	Assigned responsibilities discussed and clear accountabilities and improved inter -divisional efficiencies as a result	December 2008	Interdivisional
Strategic objective 6: To arrange revision of stock/ stores approach			
To motivate for an outside SCM specialist to relook GPW SCM approach and procedures	Approved/disapproved submission	November 2008	Face Value
Strategic objective 7: Approval of proposed SCM organogram and filling of posts			
Follow up on implementing of new organogram and filling of posts	Adequate follow -up for HR to have structure in place and posts filled	September 2008	Supply Chain Management
Strategic objective 8: Improving staff morale			
Follow up on factors easing doing a daily job, e.g. computer hardware and software	Problem factors followed up	December 2008	Supply Chain Management
Motivate and negotiate for SCM team-building opportunities off -the-premises, including selected staff of other sections	Team building session to have occurred	September 2008	Supply Chain Management





KEY FUNCTIONAL AREA 6: HUMAN RESOURCES & TRANSFORMATION

The implementation of the GPW Strategic Plan is largely dependant on the organisation's ability to galvanise the effort of all its human capital towards a common goal. This will be a challenging task given the fact that the staff profile suggests that GPW is faced with the aging workforce problem. What makes the challenge bigger is that whilst there will be attrition of the older and more skilled staff, historically there were no processes put in place to ensure that there is a systematic succession, progression, and development of staff. The difficulty in attracting the right printing skills into the government salary structures compounds the problem

Long-term Goal:

The rejuvenation of human capital in line with the technology-driven business modernisation process at GPW is the long term goal.

Short- to-medium Term Objectives:

- Building a high performance business culture
- Develop and Implement Talent Management & Leadership Development Strategies and Policy
- Drive GPW change and transformation
- Develop and Implement Human Capital Strategy

Human Resources & Transformation strategies over the next 3 years

Perspective	Objective	Performance target	Performance standard/measure	Year of Implementation		
				08/09	09/10	10/11
Institutionalised high performance culture	Build/cultivate a performance culture	Maintain Level one	Culture Survey Score.	Maintain level one	Move to level 2 Denisson Model	Move to level 3 Denisson Model
Talent Management and Leadership Development	Develop and Implement Talent Management & Leadership Strategies and Policy	Plan, Develop and get Approval	1. Plan Approval 2. % Implementation	Plan, Develop and get Approval	Have 30% of top 50 trained and training programmes for	Achieve 50 % Approval
Perspective	Objective	Performance target	Performance standard/measure	Year of Implementation		
				08/09	09/10	10/11
Improving Organisational Effectiveness	Drive GPW change and transformation	Progress toward Conversion as per National Treasury evaluation	Progress toward conversion	"As is"	Government Component	Government Component
Human Capital Development.	Develop and Implement Human Capital Strategy	100% Roll out of training/development to all staff by 2010	% Roll out	10 % Roll out	60 % Roll out	100 % Roll out





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Action Plan

Strategic Objective 1: Build/cultivate a performance culture				
Key Action Activities	Performance Indicator	Target dates	Responsible Person	Monitoring and evaluation process
Build Skills on Performance Management	Conduct training on Performance management Align performance of different business functions to organisational objectives Completion of Business Plans Complete Strategic/Corporate Plan	30 June 2008	ED: HR & T	Training conducted
		Signed IPC of all supervisory levels by 31 May 2008	ED: HR & T	Signed IPC
		30 April 2008	ED: HR & T	Signed GPW Business Plan by 30 April 2008
		30 April 2008		Signed by Exco 30 April 2008
Implement a proper performance system	60%IPC's implemented and assessed	31 July 2008	AD: HR	60% IPC's done.
Strategic Objective 2: Develop and Implement Talent Management & Leadership Strategies and Policy				
Talent Management and Leadership Development	Policy Development Strategy Development	31 August 2008	ED: HR & T	Signed off policy by Exco
	20% of top 50 enrolled into training programmes	31 March 2009	ED: HR & T	Enrollment / partnership
	All Managers trained in 3 Leadership competencies	30 November 2008	AD: HR	Competencies identified and quarterly reporting.
Strategic Objective 3: Drive GPW change and transformation				
Drive GPW change and transformation.	Transformation initiatives	Quarterly	ED: HR & T	Quarterly initiatives
	5% increase in 2006 culture survey	31 March 2009	ED: HR & T	Culture survey
Strategic Objective 4: Develop and Implement Human Capital Strategy				
Human Capital Development. Performance management Module	Policy developed & Strategy Implementation of the Performance management Module	31 December 2008 31 March 2009	ED: HR & T ED: HR & T	Signed policy by Exco Roll out training
	Implementation of the E - Learning and Technical training.	31 March 2009	ED: HR & T	Facilities in place and training commenced
	100% implementation	31 March 2009	ED: HR & T & HR Staff	10% Roll out of training policy.



KEY FUNCTIONAL AREA 7: SECURITY

The security function within the context of GPW is a strategic area. GPW's core business is the provision of security printing to the government and, because this is what sets GPW apart from other printers in the market, the provision of high level security is of paramount importance.

Long-term goal:

To provide security best-in-class services to safeguard security printing material, assets and personnel and to provide the best customer service.

Short- to-medium Term Objectives:

- Introduction of new security systems
- Implement measures to manage security risk in Production
- Implement a vetting strategy
- Managing Security Services Budget.

Security strategies for the next three years

Perspective	Objective	Performance target	Performance standard/measure	Year of Implementation		
				08/09	09/10	10/11
Financial Viability	Managing Security Services Budget	Efficiency level of cost effectiveness	% improvement of cost effectiveness	50%	70%	Financial Viability
Improving organisational effectiveness Improving organisational effectiveness	Introduction of new security systems	Efficiency level of security systems	% improvement of security techniques	25%	45%	Improving organisational effectiveness
	Manage security risk in Production	Compliance with standard security operational procedures	% improvement of compliance	25%	35%	
	Introduce a vetting strategy	Security compliance of members and contractors with vetting policies and procedures	% improvement on security competence	20%	35%	





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Action Plan

Strategic Objective 1: Improving the organisational effectiveness				
Key Action Activities	Performance indicator	Target dates	Responsible Person	Monitoring and evaluation process
Outsourcing the wide enterprise risk assessment process including fraud risk assessment and providing education on risks and risk management. Develop the risk management plan and fraud risk assessment Monitor the implementation of the risk management plan Implementation of Fraud Prevention plan	Risk assessment report submitted	June 2008	Head of Internal Audit	Audit Committee/CEO
	Risk management plan presented and approved	30 July 2008	Head of Internal Audit	Audit Committee/CEO
	Completion of risk management quarterly questionnaires	Quarterly after the 31 July 2008	Head of Internal Audit	Audit Committee/ CEO
	Obtain the approval of the whistle blowing policy from the EXCO	30 May 2008	Head of Internal Audit	Audit Committee/CEO
	Develop fraud awareness programmes.	30 June 2008	Head of Internal Audit	Audit Committee/CEO





KEY FUNCTIONAL AREA 8: INTERNAL AUDIT

The internal audit area provides functions such as risk assessment, risk monitoring, whistle-blowing policies and fraud prevention awareness to the staff of the Government Printing Works.

Long-term goals:

To be a valued, effective and continually improving support service for Government Printing Works achieved by bringing a systematic, disciplined approach to the conduct of efficient and effective audits of the GPW's systems and services and to evaluate and improve the effectiveness of risk management, control and governance processes.

Short-to-medium term objectives:

- To implement a risk management plan
- To entrench a risk management culture
- To deliver superior services to the internal customers
- To develop a plan to reduce the Auditor General findings and assist the GPW in the compliance with the PFMA and the Treasury regulations.

Perspective	Objective	Performance target	Performance standard/measure	Year of Implementation		
				08/09	09/10	10/11
Improving organisational effectiveness	Implementation of a Risk management plan Embedding of risk management culture	Percentage of implementation Level of conformance	50% of implementation and monitoring	50%	100%	100%
Stakeholder management	Delivery of great services to the internal customers	Performing the internal audit based on the risk assessment	Internal audit reports	75% of the annual plan	90% of the annual plan	100% of the annual plan
Stakeholder management	Develop a plan to reduce the Auditor General findings and assist the GPW in the compliance with the PFMA and the Treasury Regulations.	Plan approved by EXCO	Quarterly assessment of the plan	Reducing the findings by 30%	Reducing the findings by 50%	Reducing the findings by 70%



KEY FUNCTIONAL AREA 9: MARKETING

The marketing function of GPW has a critical role to play in repositioning GPW and its renewed capabilities to the government in South Africa and to the SADC region in future. The planned investments in increased production capacity will challenge GPW to broaden its market reach and increase its sales forecast.

Long-term goals:

To drive GPW's growth strategy through deepening its reach in the existing market through client retention and to reposition the GPW brand based on its new capabilities.

Short-to-medium term objectives:

- To maintain and retain current customers
- To employ a competent sales and marketing team
- To develop a growth-driven marketing strategy
- To develop a branding strategy.

3 Year Marketing Focus

Marketing function					
Focus Area	Supporting Elements	Action Plans	Year of implementation		
			2007/2008	2007/2008	2007/2008
Product & Service Quality	Achieve product leadership through latest technology	Receive new equipment		✓	
		Introduce latest technology products to local market		✓	✓
		Introduce latest technology products to Africa market			✓
	Delivery & Distribution	Establish effective delivery and distribution processes		✓	✓
	Trained and service oriented staff	Upskill staff on service delivery			
		Implement initiatives to support the development of a service oriented culture		✓	✓
	Develop service delivery support processes	Develop service delivery support processes i.e. order tracking, query resolution contact centre			✓
		Implement service delivery support processes		✓	✓



Marketing function					
Business Development	Local customer retention	Establish relationship management processes			
	Local business development	Utilise relationship management processes to retain and grow local business	✓	✓	✓
	Business development in African market	Establish relationship management processes Utilise relationship management processes to grow business		✓	✓
Competitive Product Pricing	Accurate product costing and pricing	Develop product pricing models		✓	
	Manage manual labour costs	Reduce the need for manual labour with the introduction of new equipment	✓		
	Manage input costs	Identify key suppliers where costs can be negotiated i.e. paper suppliers	✓		
		Negotiate cost containment strategies with key suppliers	✓	✓	
Develop the GPW brand	Develop GPW brand locally	Develop a communication and branding campaign	✓	✓	
		Implement the communication and branding campaign	✓	✓	✓
	Develop GPW brand in Africa	Obtain formal endorsement from key customers such as local Government	✓	✓	
		Roadshows to highlight GPW brand in Africa		✓	✓
		Sustained implementation of the communication and branding campaign		✓	✓
Relationship Management	Customer relationship management	Establish relationship management processes	✓	✓	✓
	Supplier relationship management	Utilise relationship management processes to retain and grow local business	✓	✓	✓
	Partner relationship management				
Information Management	Product information	Define information system requirements	✓		
		Investigate and source relevant information systems		✓	
		Implement information systems		✓	
		Monitor information and take corrective action where required		✓	✓
	Customer information	Define information system requirements	✓		
		Investigate and source relevant information systems		✓	
		Implement information systems		✓	
		Monitor information and take corrective action where required		✓	✓
	CSI measurement	Conduct regular CSI measures	✓	✓	✓
		Monitor information and take corrective action where required	✓	✓	✓



8. ANNUAL APPROPRIATION & VOTE STRUCTURE (MTEF)

Historically GPW as a trading entity has never had funds apportioned to it by National Treasury. However the situation is changing given the transformational imperatives, such as the conversion process, the new passport system and the new production facility. All these business renewal processes demand that urgent investments be made to modernise the business in line with the business transformation endeavours. The table below tabulates the funds for the GPW MTEF programme as approved by National Treasury. A detailed motivation and programme structure is that includes objectives and outcomes is covered in the relevant business plans.

Item	2008/2009 R'000	2009/2010 R'000	2010/2011 R'000
Banking cost	222	234	248
Talent management (training and development)	5 000	3 160	0
Passport system	130 000	0	0
GPW new building	0	56 800	93 661

9. Budgets and Planning

GPW BUDGET FOR THE PERIOD 2008 TO 2011			
	2008/2009	2009/2010	2010/2011
PROJECTED REVENUE			
EXPENDITURE			
EMPLOYEE BENEFITS	114,103,600	137,120,272	150,832,299
ADMINISTRATIVE EXPENDITURE	30,721,600	31,476,888	34,302,615
PRODUCTION AND STORES	380,120,600	412,254,368	446,783,117
EQUIPMENT	1,665,000	1,827,440	1,962,519
PROFESSIONAL SERVICES	17,892,300	23,292,612	25,310,849
SUNDRY EXPENDITURE	17,469,900	22,989,764	99,811,425
TOTAL	561,973,000	628,961,344	759,002,824
NET SURPLUS/ LOSS			



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