



**NYERI WATER & SEWERAGE COMPANY
LTD**

Strategic Plan

2016/17-2020/21

July, 2016

FOREWORD

I am honored to present the fourth Strategic Plan for the Company. I believe the objectives and strategies we have set for ourselves are the right choices to grow the Company to achieve excellence in its core mandate of provision of water and sewerage services.

I must acknowledge the role and dedication of the management team in ensuring that our Company continually adds value to our customers and the stakeholders. For the last 18 years, we have seen the Company grow in leaps and bounds. We have secured a strategic position with our water service provision level earning high recognition and being ranked as the best managed Water Services Provider in Kenya for the last 7 years in a row. In my opinion, the Company is stronger and has the momentum to grow now than at any other time in our history.

This Strategic Plan is intended to provide a framework that will enable the Company to move to the next level. Devolution has presented opportunities emerging in the water sector as a result of the projected population growth and rural-urban migration especially as the country continues to implement the Constitution of Kenya 2010. This strategic plan will refocus the Company to take advantage of these opportunities. The foundation of this plan is our new Vision and Mission Statements.

The Vision we have set for the Company is:

“A world class water and sewerage services provider”


It clearly states that we exist to serve anyone with interest in water and sewerage service provision within our mandate. We do that by ensuring that the service we offer is exemplary and comparable to that which is offered by the best Companies in the world.

Our Mission defines the manner in which we will operate and what our priorities will be:

“To provide quality water, sewerage and allied services at commercially and environmentally sustainable levels through application of outstanding processes and technology to the delight of our customers and other stakeholders”

It is the responsibility of everyone connected to the Company to ensure it remains futuristic through provision of sustainable service delivery. Emphasis on regulation will ensure that the Company continues to uphold public interest.

I look forward to the years ahead and I am confident that we will make great strides together in enhancing the future of the company



Joseph M. Wachiuri

CHAIRMAN

PREFACE

It is my humble duty and pleasure to present to you the future of the Company. The economy of our country is at a critical stage. The focus on the attainment of the United Nations Sustainable Development Goals, Vision 2030, County Integrated Development Plan and the Strategic Objectives is paramount to the success of the Company in the attainment of sustainable provision of water, sewerage and allied services. In addition, accountability and transparency is increasing. With the increase in corruption cases in the country, the Company is now in greater focus and scrutiny. This, coupled with the misunderstood role of the water sector to provide a public social service, makes the need for a deliberate effort and focus on meeting and exceeding our customers' expectations strengthen our systems to continually monitor and evaluate our service delivery mechanisms urgently.

The Company can therefore take two directions: we can continue to operate largely as we have done in the past and suffer the consequences of losing public trust and being read in history as the company that used to be best in water service provision, or we can choose to make bold changes in order to shape the future of the water sector and increase public goodwill. I am persuaded that we have one ethical obligation to do the latter and this transformative strategic plan is a roadmap for doing that. With the support dedication of all us together with our stakeholders, I am confident that this plan will help us build on our success, navigate the challenges and the threats we still face and ultimately ensure the future of our services.

The Strategic Plan provides a road map towards achievement of universal access to water and sanitation services within the company's area of service. Our new Vision, Mission, Slogan and Values are more direct. The five strategic objectives spelt out in this plan are key to the success of the company in the attainment of the plan. This will be achieved by embracing the principles and practices of good governance that can withstand the test of time, ensuring that the company is financially sustainable, embrace innovation and adopt new technology for enhanced service delivery, remain customer focused through provision of quality products and services for the delight of our customers, continue to provide water and sanitation services in an efficient, effective, affordable and sustainable manner.

Commitment to quality service must be lived by everyone. The Board of Directors have a critical role to create an enabling environment, provide leadership and give direction. The Management has a responsibility for servant stewardship and ensuring optimal utilization of the available resources in an economic, efficient and effective manner. The members of staff have a noble duty to serve the company's best interests as per the established policies, regulations and laws. All the players must therefore understand that we exist to serve our customers and must join hands as a team and family to realize the aspirations of this strategic plan and positively contribute and be part of the global village. In transforming to "A World Class Water Service Provider", we must perform our functions well and as effectively and efficiently as possible in order to reap the full benefits of this plan.



Peter M. Gichaaga
MANAGING DIRECTOR

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ACRONYMS AND ABBREVIATIONS

BOD	Board of Directors
CEO	Chief Executive Officer
CMT	Corporate Management Team
CSR	Corporate Social Responsibility
EAC	East African Community
ERP	Enterprise Resource Planning
EU	European Union
GDP	Gross Domestic Product
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation)
ICT	Information and Communication Technology
ISO	International Organization for Standardization
I.T	Information Technology
KFW	Kreditanstalt für Wiederaufbau (a German government- owned development bank)
MTP	Medium-Term Plan
PESTEL	Political, Economic, Social, Technological, Ecological and Legal
SDGs	Sustainable Development Goals
SME	Small and Medium Enterprise
SP	Strategic Plan
SOPs	Standard Operating Procedures
SWOT	Strengths, Weaknesses, Opportunities and Threats
TMT	Top Management Team

EXECUTIVE SUMMARY

NYEWASCO was established as a limited liability company under the water sector reforms enshrined in the Water Act of 2002. Its main mandate is to

provide high quality water and sewerage services to the people of Nyeri sub county and its environs. The Company has a functional Organizational Structure, headed by the Managing Director who leads a Management Team of Heads of Departments.

NYEWASCO has a well-defined strategic direction that is encapsulated in her vision and mission statements. The vision statement paints clearly the desired future state of NYEWASCO while mission statement articulates the purpose or what NYEWASCO wants to do.

Vision:

“A world class water and sewerage services provider”

Mission:

“To provide quality water, sewerage and allied services at commercially and environmentally sustainable levels through application of outstanding processes and technology to the delight of our customers and other stakeholders”

The main thrust in 2016 - 2021 Strategic Plan will be in the realization of the following strategic objectives:

1. Ensure the company is driven by the principles & practices of good governance that can withstand the test of time.
2. Ensure that the company is financially viable.
3. Advance and automate operations and services for enhancement of service delivery.
4. Provide water and sanitation services in an efficient, effective, affordable and sustainable manner
5. Attract, develop and maintain adequate, qualified and competent staff

NYEWASCO will build on the achievements of 2012 – 2016 strategic plan as indicated under the achievements and challenges sections. It is envisaged that NYEWASCO will satisfy Nyeri town sub county and its environs water demand through increased connections and improved infrastructure. Besides addressing infrastructure requirements NYEWASCO will embrace productivity improvement initiatives guided by:

- i. Sustainable Development Goals
- ii. Vision 2030
- iii. Medium Term Plan II
- iv. Sector Performance Standards and
- v. County Integrated Development Plan

In order to realize her dreams, NYEWASCO has identified key strategic issues namely: Corporate Governance, Financial sustainability, Service delivery, Production & operations, and Institutional capacity development. It is from the strategic issues that NYEWASCO has been able to map the strategies that will propel the company into the next level in pursuit of fulfilling its vision and mission. The Strategic Plan (2016 -2021) of NYEWASCO is structured into Six Chapters as follows:

- (a) Chapter One: Introduction and Background.
- (b) Chapter Two: Strategic direction.
- (c) Chapter Three: Strategic analysis/environmental outlook.
- (d) Chapter Four: Strategic issues.
- (e) Chapter Five: Strategic objectives and strategies.
- (f) Chapter Six: Strategy implementation framework

CHAPTER ONE

INTRODUCTION

1.1 Organizational Success and Strategy

How can an organization become successful and remain successful? This cannot happen by just playing it safe and following the traditional ways of doing business but by deliberately scanning the external and internal environments and fitting the organizations in these environments. Relevance, viability and sustainability of any organization are only assured if this deliberateness in aligning the organization to its environment is achieved. Strategic management therefore offers a managerial platform for organizational success through the holistic process of fitting the organization in the environment by developing, executing as well as monitoring and reviewing strategic plans. In order to achieve increased and sustainable results, organizations need to develop and execute sound strategies which are encapsulated in a strategic plan.

Strategic planning is a crucial moment for organizations to reflect upon where they are, where they are going, how they wish to get there and by when. By reflecting on these issues an organization comes up with a strategic plan. Strategy enables an organization to have:

- i) Clearer sense of strategic vision for the firm
- ii) Sharper focus on what is strategically important, and
- iii) Improved understanding of a rapidly changing environment

Organizations develop their strategies by going through a structured strategic planning process. This process offers a periodic opportunity to take stock and to challenge the conventional wisdom. It also provides the inspiration to develop a strategy and to ultimately determine the best fit in the prevailing circumstances that guarantees an organization's competitive advantage. The outcome of this process is a strategic plan which is a blueprint for managing the organization.

This strategic plan being the fourth one since inception of NYEWASCO provides an opportunity for the company to propel itself to the next level by capitalizing on its key success factors and avoiding pitfalls from previous experiences. A professionally and thoroughly developed strategic plan is essential for managing this Company. This plan will align everybody to the way of winning at NYEWASCO.

The value of strategic plan may be summarized by the phrase "If you fail to plan, then you plan to fail". As NYEWASCO, we must know where we are going; we must focus on results; we must think long-term; we must establish our priorities; and we must make choices on what we will do and what we will not do. NYEWASCO, as a modern and ambitious Company, has adopted this strategic management approach which is anchored on systems thinking and

participatory decision making. This strategic plan will be the first of its kind and will provide the basis of managing the Company for the next five years, that is, 2016-2021.

1.2 Context of Strategic Planning

NYEWASCO does not operate in a vacuum. Rather the company is cognizant of the operating environment which is prevalent of a number of legal, policy, regulatory, governance and institutional frameworks. These frameworks literally provide 'beacons' within which the company has to operate. It is against this backdrop that this strategic planning process rendered itself to various provisions, policies, goals and guidelines outlined by Sustainable Development Goals, Vision 2030, the Second Medium Term Plan (MTP II), Water Sector Performance Standards, National Water Services Strategy and County Integrated Development Plan among others.

1.2.1 Sustainable Development Goals

The global strategy is in transition from the eight Millennium Development Goals (MDGs) whose implementation came to an end in 2015 to Sustainable Development Goals (SDGs) which have one hundred and sixty nine targets to be achieved by 2030. Water and sanitation was encapsulated in MDG seven which sought to ensure environmental sustainability. However, the water has now received more targeted attention by getting a dedicated goal number six 'Clean Water and Sanitation'. In this goal the overall objective is to ensure availability and sustainable management of water for all. Through this strategic plan NYEWASCO seeks to participate in achievement of these targets by committing to ensure all residents within its coverage have access to high quality water and sanitation services. The company shall also participate in conservation of catchment areas in order to mitigate against water scarcity. These are in line with SDG 6 targets.

1.2.2 Kenya Vision 2030

Kenya's strategic plan dubbed Vision 2030 has three pillars. The strategic goals on water are captured in the social pillar of the Vision. The Vision anticipates to "ensure water and sanitation availability and access for all by 2030, no Kenyan should be without access to an improved water source and sanitation". The organization also appreciates that water is also an enabler if objectives of the economic pillar are to be achieved within its catchment area. This strategic plan thus seeks to ensure it participate fully in facilitating directly in achievement of the water targets while facilitating the attainment of the economic pillar within its mandated area.

1.2.3 Second Medium Term Plan (MTP II)

The Second Medium Term Plan II (2013-2017) which operationalizes Vision 2030 seeks to "Enhance a Clean, Safe and Sustainable Environment to Access Water and Sanitation Services". The plan provides for implementation of strategies in water, irrigation, land degradation, sanitation, Biodiversity and Ecosystem Services, forests, wildlife. The program of Waste Management and Pollution Control, Rehabilitation of Urban Rivers, Modernization and

Protection of the Water Towers; Rehabilitation of Storm Water Drainage Systems in Selected Towns; Water Resources Management Programme; Transboundary Waters, Water Harvesting and Storage Programme; Urban Water Supply Sub Programme; Rural Water Supply Sub Programme; Operationalization of Water Research and Resource Centre (WARREC) Programme; Irrigation and Drainage Infrastructure. NYEWASCO has strived to ensure that its mandated area of coverage will have fulfilled relevant provisions in the above Second Medium Term Plan 2013-2017. During this plan period the company will ensure sustainability of the key achievements. This notwithstanding, the organization is will realign this strategic plan to the Third Medium term plan (MTP III) once the same has been developed and operationalized.

1.2.4 Sector Performance Standards

Table 1: NYEWASCO's Position against Sector Performance Standards

Item No.	KEY RESULT AREAS	PERFORMANCE INDICATORS	PERFORMANCE INDICATORS	
			Nyewasco's CURRENT	2030
1	Available and accessible safe water	Percentage decrease in volume of unaccounted water loss – target of in 2030 (NYEWASCO in 2017)	18%	5%
2	Available and accessible safe water	Proportion of urban population with access to clean and safe water in 2030 (NYEWASCO in 2017)	98%	100%
3	Available and accessible safe water	Proportion of rural population with access to clean and safe water 100% in 2030 (NYEWASCO in 2017)	98%	98%
4	Available and accessible safe water	Proportion of rural population with access to clean and safe water	98%	100%
5	Available and accessible safe water	Amount of water access per capita (in liters per day)	96l/d	100l/d
6	Available and accessible safe water	% of households using water from sources considered safe	98%	100%
7	Adequate Sanitation	% of urban population accessing safe/improved sanitation facilities	100%	100%
8	Adequate Sanitation	% of rural population accessing safe/improved sanitation facilities	100%	100%
9	Adequate Sanitation	% of households connected to a sewage system in urban areas	34%	100%
10	Adequate Sanitation	Proportion of population using an improved sanitation facility	74.4%	100%

Nyewasco has gradually and steadily sought to meet the water and sanitation subsector performance standards targets. Indeed, targets under items 2, 3,4,7,8 and 9 as observed in Table 1 have been achieved. This plan focuses on further reducing the NRW, while increasing the percentage of households connected to a sewage system in urban areas. The company shall also commit resources to increase the proportion of the population using improved sanitation facilities while increasing the volume of water access per capita.

1.2.5 County Integrated Development Plan

The County Water Sector Vision is “Sustainable access to clean, safe and adequate water in a clean and secure environment”. NYEWASCO’s mandate and vision is well placed to enable the county attain this vision especially on the services area covered by NYEWASCO. However a lot of funding is required to attain the Targeted county programs. Projects covered under CIDP of Nyeri, that affect the area of supply for NYEWASCO are as follows:

- Mweiga Township sanitation system with objective of improving sanitation for 5,000 households.
- Chaka sewerage System with objective of improving sanitation targeting 11,000 households with a 20km sewer network.
- Nyeri town sewer extensions covering Ruringu, Skuta, Ngangarithi and Rware targeting 50km sewer network.

1.2.6 The Constitution of Kenya

The Constitution of Kenya states under Article 43 (1) (d) that every person has a right to clean and safe water in adequate quantities. It is in the spirit of embracing the Constitution of Kenya that NYEWASCO will always position itself to provide clean, safe, and adequate water to the people of Nyeri Sub-County and its environs.

1.2.7 Water Sector Reforms

1.2.7.1 Water Act 2002

NYEWASCO seeks to align its operations with the water sector reforms in the context of Water Act 2002 that is stipulated in Act No. 8 as “An Act of Parliament to provide for the management, conservation, use and control of water resources and for the acquisition and regulation of rights to use water; to provide for the regulation and management of water supply and sewerage services; to repeal the Water Act (Cap. 372) and certain provisions of the Local Government Act; and for related purposes.”

1.2.7.2 Water Act 2016

NYEWASCO is cognizant of the existence of Water Act 2016 that has been enacted by Parliament as an Act of Parliament to provide for the regulation, management and development of water resources, water and sewerage services; and for other connected purposes.

1.2.8 County Water Act

The County Government of Nyeri is due to gazette its County water Act that will guide and direct water and related services in the region. NYEWASCO aspires to align its operations and services with the spirit of the new County Water Act.

1.3 Nyeri Water and Sewerage Company

The Nyeri Water & Sewerage Company Limited (NYEWASCO) was incorporated on 23rd September 1997 under the Kenyan Companies Act, Cap 486 and became operational in July 1998. The company's broad mandate is to provide water and sewerage services to the residents of the Nyeri Sub-County and its environs. NYEWASCO operated as an agent of the Nyeri Municipal Council until 4th October 2005, when the company signed a service provision agreement (SPA) with Tana Water Services Board as provided for by the Water Act 2002.

Mandate

NYEWASCO's specific Mandate is stated as:

- Carry on the business of water and sanitation within the area of jurisdiction of Nyeri town Sub County.
- Exercise overall control over the source and supply of water in the service area
- Provide and distribute a constant supply of water for commercial, industrial and domestic purposes.
- To be responsible for the provision, control, and maintenance of sewerage system both for domestic and industrial purposes.
- To construct weirs and support any other water conservation and reticulation works for the provision of water for domestic and industrial purposes.
- To acquire for its own use and distribution by sale to the public water pumps, pipes, and any other equipment and chemicals that might be deemed necessary for and connected to the carrying out of the said business of the company.

- To be responsible for the treatment and disposal of the sewerage within the service area
- To obtain water for the purposes of distribution and supply from all appropriate sources.
- To undertake laboratory analysis to ensure that acceptable water and effluent quality standards are maintained.
- To levy to the consumer charges in respect of the services which the company provides.

The company's performance parameters are set out and integrated in government policy which includes the National Water Service Strategy, Millennium Development Goals and Targets, license issued by WASREB as well as the performance contracts signed between Tana Water Services Board and itself. Six objectives are contained in the performance contract. These are:

- (i) to strengthen the institution and build capacity of NYEWASCO;
- (ii) to provide water and sanitation services in an efficient, effective affordable and sustainable manner;
- (iii) to increase access and availability of water and sanitation services within the Board's area of jurisdiction;
- (iv) to enhance financial sustainability of NYEWASCO;
- (v) to strengthen NYEWASCO's communication with stakeholders;
- (vi) to mainstream good corporate governance, gender, and HIV/AIDS awareness campaign in all NYEWASCO's core activities.

1.3.1 NYEWASCO's Operational Framework

The Ministry of Water & Irrigation is responsible for policy formulation to create an enabling environment for efficient operation and growth of the sector. It sets the strategic direction and provides a long term vision for all institutions in the sector.

NYEWASCO has signed a SPA with Tana Water Services Board (TWSB) as provided for by the Water Act 2002. The company's broad mandate is to provide water and sewerage services to the residents of the Nyeri Sub-County and its environs. In order to fulfill her mandate, NYEWASCO works closely in partnership with other institutions in the sector.

Some of the institutions that partner with NYEWASCO in the water sector include; Water Services Regulatory Board (WASREB) that exercises national regulatory powers, Tana Water Service Board (TWSB) and/or its assignee/successor and also the licensee for the board area and has signed

Service Provision Agreement (SPA) with NYEWASCO, Water Resource Management Authority (WARMA) which has the authority to manage the catchment areas and sources of water. WARMA authorizes abstraction of water from the catchment areas and water sources. Water Services Trust Fund (WSTF) mobilizes grants and cheap finances for the water companies mainly on pro-poor areas, Water Appeals Board (WAB) with mandate of dispute resolution relating to water issues.

1.3.2 Company Governance and Management Structure

The company is governed by a Board of directors comprising various stakeholders representing the County Government (shareholder), the Government, the business community, the consumers and the women. The Board has two roles; supervisory and advisory roles to the management of NYEWASCO. The top management of NYEWASCO is led by the Managing Director (MD) and supported by senior managers from both technical and commercial sections.

1.3.3 Departments

The current organizational structure for NYEWASCO is composed of two departments namely:

1. Technical department headed by the Head of Technical Services (HTS)
2. Commercial department headed by the Head of Finance & Administration (HFA)

The technical department is composed of two main sections namely Water and Sewerage sections; the Water Section (WS) which is responsible for the production, treatment and distribution of water. To achieve the above, the section is supported by the following units: Water Production unit, Laboratory Services Unit, Non-Revenue Unit, Water Distribution Unit, Metering Unit, Electrical Mechanical Unit, Geographical Information Systems (GIS) and the Sewerage Section

Conversely, the commercial department is composed of the following sections/units; Accounting, Finance and Budgeting, Revenue Collection, Accounts and Records, Payroll Unit, Human Resource Department, Transport Unit, Procurement Unit, Stores Unit, Meter Reading Unit, Customer Relations, Information and Communication Technology and Debt Collection.

The managing director's department houses the internal audit unit which has the responsibility of:

- i. Checking for compliance with company's internal control systems.
- ii. Ensuring that the company's assets, data etc. are well protected and safeguarded

1.4 The Rationale for Development of this Strategic Plan

‘Good is an enemy of great’ is guiding rationale for this plan. The company is proud of the journey it has traveled in governance, management and achievement of its mandate. Building on the review of the previous strategic plan that has just come to an end, NYEWASCO aspires to develop the 2016-2021 strategic plan that creates a roadmap for the company to move from the current position to the next level. The lessons learnt from the implementation of previous strategic plan and insights acquired through scanning of both internal and external environments remain the basis for the development of this strategic plan.

The development of this Strategic Plan is the NYEWASCO’s demonstration of its commitment to fulfilling its mandate and addressing various policy and environmental factors while outlining the key partners and resources required for successful enforcement of its mandate as provided for in the Water Act 2002.

The Strategic Plan 2016 -2021 sets out the basis of NYEWASCO’s existence and guides its operations. The plan is intended to consolidate institutional and management capacity in the implementation of the Company’s policies and programs, which in turn supports the development of policies and strategies adopted by the Government of Kenya as part of the on-going public sector reform process for enhanced service delivery.

1.4.1 Review of Implementation of 2012-2016 Strategic Plan

The implementation of the 2012-2016 strategic plan is coming to an end. This section therefore is a summary of the review of the implementation of the plan with a view of taking stock. Table 2 presents the summary.

Table 2: Summary of Implementation of Strategic Plan (2012-2016)

Strategic Objective	Comments on implementation	Percentage Score in Implementation
Objective 1: To enhance financial sustainability through expansion of revenue base and effective cost management	The revenue has been increased by 44.56% from 293,775,281 to 424,705,161. The level of active connections was also increased from 17918 to 25,000 way above the target. The company has moved towards financial sustainability except the challenge of implementing the new tariff which is in the final stages.	80%
Objective 2: To enhance efficiency in infrastructure	All the activities marked under this objective have been carried out except for feasibility study of the dam which has been	90%

Strategic Objective	Comments on implementation	Percentage Score in Implementation
operations.	pushed forward to 2016-2021 strategic plan. Installation of mechanical aerators at Gatei sewerage was found not to be necessary after the increase in sewage flows. Installation of chlorine booster points was found not to be necessary after the water demand went up reducing water stagnation in the pipes	
Objective 3: Formulate and implement a robust risk management	Most of the activities earmarked under this objective have been started and draft reports produced. The company needs to finalize, adopt and seek relevant approval for the same. The bench marking exercise is a continuous process	70%
Objective 4: To Advance and automate our operations and services	The company envisaged to attain the objective. The following activities were done; implementation of E-billing, implementation of online data backup and storage, introduction of revenue collection agents and bill delivery and installation of vehicle tracking devices. The company is in the process of networking Kamakwa works with the main office after the installation of fibre cable which is underway, however the challenge of finances made the company not procure an ERP but upgrade the existing programs to meet the need. The ERP has been pushed forward to 2016-2021 strategic plan. Automation of meters and automation of pressure management have not been done due to cost implications.	60%
Objective 5: To maintain and attract a competent, skilled and adequate human capital.	The company has achieved the objective and the process is ongoing	95%
Objective 6: To uplift the company image and publicity	The company has envisaged to achieve all the planned activities under this objective and where they have not been achieved only the attainment date has changed but the focus remain the same	70%

From Table 2, it is clear that the implementation of all the strategic objectives was above 60 percent. The outcomes of this implementation can be linked to achievement along sector performance standards together with key achievements listed in Section 1.4.2. Short falls in some of the targets have been enumerated in the table and also teased out as challenges in Section 1.5. These form a basis for the lessons learnt as explained in Section 1.6.

1.4.2 Key Achievements

NYEWASCO is proud to be identified with the following achievements in the past plan period (2012-2016):

- ❖ Increased the number of connections;
- ❖ Maintained revenue collection to > 95% of the billing within the 5 years;
- ❖ Developed sewer infill in the densely populated area;
- ❖ Reduced and maintained the NRW to below 20%;
- ❖ Maintained the ratio of staff per 1000 below 5;
- ❖ Extended water pipelines to the un-served areas;
- ❖ Renewed plant and equipment;
- ❖ Carried out a tariff study on tariffs which expired in 2012;
- ❖ Developed and implemented annual project plans in water and sewerage through WSTF;
- ❖ Marketed the alternative revenue generation products like manure and realized good sales;
- ❖ Commercialized the laboratory services - Water testing and meters calibrations;
- ❖ Commercialization of the benchmarking and educational visits;
- ❖ Identified areas with old infrastructure in water and sewerage network and started gradual replacement of the same using internally generated funds;
- ❖ Sought for strategic alliance with development partners like WSTF for extension of water and sewerage network;
- ❖ Optimization on the use of water treatment chemicals through accuracy in water analysis and administering of chemical solutions;
- ❖ Identified sources of poor effluent to our sewers for pre-treatment;
- ❖ Created awareness to all the stakeholders of our services through newsletters, brochures and fliers and participation in the ASK show
- ❖ Use of composite material water meters;
- ❖ Use of resin materials for manhole covers, frames and chamber covers;
- ❖ Welding of sluice valves and air valves;
- ❖ Prosecuted offenders to curb vandalism;
- ❖ Successful lobbying for banning of scrap metal trading;

- ❖ Put in place plans for future extensions for water and sewerage infrastructure and Sourcing for extension funds;
- ❖ Developed performance management scheme including policy and tools;
- ❖ Reviewed and updated the business continuity plan;
- ❖ Nominated key personnel to the disaster management team to develop and steer implementation of the disaster management plan;
- ❖ Timely implementation of CBA;
- ❖ Introduced performance related pay schemes for senior management staff (on contract);
- ❖ Reviewed and implemented the results of the training needs assessment plan;
- ❖ Developed a policy and strategy on Corporate Social Responsibility;
- ❖ Participates in ASK show annually;
- ❖ Trained internal quality auditors and staff to spear head implementation of ISO 9001: 2008 Quality Management System;
- ❖ Reviewed and updated the Customer Service Charter;
- ❖ Developed and institutionalized a BOD charter;
- ❖ Reviewed and updated the code of ethics and code of conduct.

1.5 Key Challenges

- ❖ Perception that water is a free service;
- ❖ Financial constraints to undertake expansion programs both on sewer and water through internally generated funds due to non- gazettement of new Tariffs;
- ❖ Holding of VAT refund by KRA which forms part of our budget;
- ❖ Under utilization of water treatment plant capacity due to limited demand.

1.6 Lessons Learnt

Throughout the implementation and following the summative evaluation of the 2012-2016 strategic plan. The following re the main lessons that can be drawn;

- ❖ It's necessary to carry out annual and or mid-term review of the implementation of the strategic plan to ensure that our operations are within the stipulated time frame and also incorporate any emerging issues e.g. devolution;
- ❖ It is important to tie the operationalization of the strategic plan, more specifically, extraction of annual work plans performance contracting and the budgeting process;

- ❖ Good governance, capacity building and teamwork have enabled the company to excel in performance as evidenced by the indicators defined in impact assessment reports (WASREB);
- ❖ The company's good performance and corporate image has attracted development partners (WSTF, World Bank) who enabled the company to expand beyond its service area;
- ❖ Cordial relationship with our suppliers has enabled business continuity on credit facilitation;
- ❖ Motivated staff has contributed to the achievement of most of activities in the expiring strategic plan;
- ❖ Sound financial systems and control procedures and effective ICT have instilled a source of and good communication in both internally and externally;

1.7 The Strategic Planning Process

The success of NYEWASCO does not come by chance. It is as the result of consistent and focused hard work by its 'dream team' intending to move the Company from its present position to its desired future. This third Strategic Plan (2016-2021) was facilitated by Ansoffs Consulting Limited. The consultants worked together with the '*Dream Team*' to support the planning process. The team served as the link between the Consultant and the rest of NYEWASCO. The process involved a careful consideration of the aspirations of NYEWASCO leadership, articulation of the vision and mission statements, careful strategic analysis, highlighting strategic issues, objectives and designing means of achieving them.

The first step of the strategic planning process involved inception meetings by the top management team followed by a five days' *Dream Team* planning workshop. The workshop began by conducting a detailed evaluation of the implementation of the 2012/16 strategic plan. This helped the participants answer the question 'where are we?' Arising from the situational analysis the workshop carefully crafted a draft strategic direction (vision, mission statement and core values). This step of the process allowed the team to clarify what NYEWASCO is aspiring to be in future and why it exists, hence defining the Company's strategic direction and to piece together the content of this strategic plan. Throughout the planning processes the context within which the Company operates and how the future is likely to unfold under the changing environment were taken into consideration.

The second step involved environmental scanning and intensive strategic analysis, touching on external (PESTEL), internal, SWOT, and stakeholder

analysis. This was an intensive exercise to go through so as to identify key strategic issues that need targeted resources as well as opportunities or opposing environmental factors that could affect the Nyewasco's strategy. The third step focused on strategic gap analysis to answer the question: "Where are we compared to where we want to be?" The analysis was done in light of the strategic issues evident in various Company functions. All the areas were identified and targeted for strategy through the gap analysis process. The fourth step was to group the strategic issues into thematic areas and developing both strategic objectives and corresponding strategies. The outcome of this process is a five-year strategic plan, which is a blueprint for managing and growing the Company.

An implementation framework, with corresponding control process has also been developed to offer NYEWASCO an opportunity for periodic reviews. A back and forth process between the consultant's and the Company's strategic planning task force ensued. This enabled clarification and concretization of loose ends. Afterwards, the Nyewasco's Board of Directors took a three day workshop to dive deep into the draft plan. During this workshop, members critically looked at the draft 2016/17-2020/21 strategic plan. The climax of the workshop was that the Board was able to deliberate and concretize on the strategic direction of the company. The directors likewise provoked thoughts and provided insights in all the other components of the plan. Arising from the deliberations of this workshop, all the directors input was considered and factored in the enhanced version. The plan was then submitted to the Management for further review before being presented to the Board.

CHAPTER TWO

STRATEGIC DIRECTION

2.1 Introduction

Arising from a detailed scan of the environment and appreciating what is obtaining both internally and externally, the organization sought to answer the question; where do we want to go? This chapter presents the strategic direction of NYEWASCO through the Vision, Mission and Core Values as stated below:

2.2 Vision

“A World Class Water and Sewerage Services Provider”

2.3 Mission Statement

The Company’s mission statement is:

“To provide quality water, sewerage and allied services at commercially and environmentally sustainable levels through application of outstanding processes and technology to the delight of our customers and other stakeholders”

2.4 Core Values

Customer Service

Customer delight remains NYEWASCO’s priority. NYEWASCO strives to keep their customers happy and wanting to come back. NYEWASCO’s culture of speed of service, ready to listen to customer feedback and complains, its professionalism, and desire to continuously improve has made the company a leader in water and sewerage services provision.

Ownership

Every NYEWASCO’s stakeholder owns a piece of the company. Each of us shall therefore act like an owner, take initiative, be self-driven and do what we do well to ensure the interests of the company are safeguarded.

Environmental Consciousness

NYEWASCO is cognizant of the importance of the environmental conservation and protection. The company undertakes all activities conscious of the impact on the environment. The organization shall therefore continuously commit resources to sensitize stakeholders on the ecological issues as well as conserve the environment. The organization shall also endeavor to transact with suppliers that deliberately conserve the environment.

Continual Improvement

NYEWASCO applies different successful management and leadership styles that ensure we are better than we were yesterday, without stopping. This is a mixture of both deliberate training programs informed by training needs assessment as well as supervisors and managers finding on-the job teaching time as part of the business routine.

Team Work and Efficiency

At NYEWASCO we believe that together everyone achieves more. We value each and every one inside and outside the organization. Everyone to us matters. The cliché ‘a chain is as strong as its weakest link’ defines our team spirit we shall therefore drive our business by ensuring everyone is on Board. While doing this the company, through use of cutting edge technology and conscious approach will transact at the lowest unit cost possible without compromising on quality.

Corporate Social Responsiveness

NYEWASCO is a responsible corporate citizen. We treasure the society in which we operate. As such the company shall deliberately engage, contribute or participate in all relevant events within our immediate environment. Further, the organization shall continue to comply with all the statutory and regulatory requirements such as taxation and reporting. We shall therefore dovetail our core business and mandate with continuous community participation and engagement programs

Research and Innovation

To ensure we deliver on our mandate, the company values new ways of doing things. Change remains alive to us as an organization because we expect better and different results all the time. To this end, the company shall commit a percentage of its resources to research and innovation in the core areas of operations, processes as well as services delivery.

CHAPTER THREE

STRATEGIC ANALYSIS/ENVIRONMENTAL OUTLOOK

3.1 Introduction

Environmental analysis involves scanning both external and internal forces whose occurrence may have an influence on growth and performance of an organization. Nyewasco, alive to the strategic implications of environmental occurrences both internally and externally sought to scan both environments and craft strategic responses for each occurrence. This is well done through use of PESTEL and subsequently the SWOT analysis tools. Environmental scanning enables Nyewasco to identify her strengths, weaknesses as well as opportunities and threats. It is from these external and internal factors that Nyewasco is able to single out key strategic issues that are facing the company. Emanating from the key strategic issues are strategic objectives and strategies. Consequently, Nyewasco is able to craft the roadmap for the next five years.

3.2 External (PESTEL) Analysis

External environment is composed of a set of forces that are beyond the control of individual organization. This encompasses political, economic, social, technological, ecological and legal forces.

3.2.1 Political Factors

The political forces facing NYEWASCO include:

- Kenya is looking up to an upcoming general election which involves election of presidential, gubernatorial, parliamentary and county representative. These elections have a bearing on political support, political stability and governance of the water company;
- There has been change of guard at the international level in Britain and soon the USA. This could have a bearing on the policy framework in global organizations and the overall global strategic direction;
- Britain has recently exited the EU. This may have an implication on the funds available from the country for projects;
- The Kenyan government continues to strengthen ties with the outside world with the current government foreign policy which seems to attract strategic partners in water from countries such as Netherlands, Israel among others;
- The County Government of Nyeri continues to play an active role as the shareholder of the company in the appointment of the BOD and the guidance of the company thus influencing strategic direction of the company;

3.2.2 Economic Factors

The economic factors affecting NYEWASCO are:

- There has been evidence of rising inflation rates;
- The period between 2014 to date has seen unstable foreign exchange rate with the Kenyan shilling weakening against major foreign currencies;
- Labour Unions increased lobbying has seen a steady and continuous rise in the minimum wage;
- The banking industry has equally experienced unstable interest rates with the trajectory that is unfavorable to commercial borrowers. Current rates are operating between 23-29 percent per annum.
- Multiple taxation regimes. There are taxation regimes both at the county and national level which have an implication to the purchasing power of the consumer
- Public private partnership that has enhanced resource mobilization and support from various stakeholders
- Adoption of SDGs with water and sanitation having an independent goal.

3.2.3 Social

The social factors facing NYEWASCO include:

- There is a general perception by the populace that water service is or should be free;
- Provision of water and related services to uncontrolled informal settlements and low income areas
- Population influx
- Increased activism – Activists lobbying for water provision to be a free service
- Vandalism – Destruction, theft or even disconnection of water and sewerage infrastructure and its accessories such as water meters, pipes, water valves, and water pumps e.t.c. This vice leads to losses to the company thus affecting its operations.
- Social media- Use of social media to market the company and its products. Groups and individuals use social media such as face book, tweeter, and others to raise concerns or critic water services in the region. These could either positively or negatively affect water services in Nyeri and its environs.
- Demographic changes – Changes in human population such as rate of births, deaths, income or incidences of diseases, which have impact on the rate of water consumption.

3.2.4 Technological

The technological forces facing NYEWASCO include:

- Rapid and dynamic Technological advancement
- Low uptake of technology by customers
- Cloud computing- cloud computing structure allows access to information as long as an electronic device has access to the web. This type of system allows employees to work remotely.

3.2.5 Ecological

The ecological factors influencing NYEWASCO include:

- The world, Kenya being no exception is faced with the global warming challenges. This affects aspects such as vegetation and forest cover which affects rainfall. This climatic change brings about unpredictable changes resulting in droughts and floods posing a danger in low flows and destruction of the infrastructure
- Pollution – Due to farming activities within Nyeri region, this has led to high levels of siltation from use of fertilizers, deforestation of catchment areas around Aberdare region, and manifestation of landslides due to environmental degradation.
- Topography- Physical features that make up the landscape of an area including mountains, valleys, plains, hills, terrain, creeks, and bodies of water that affect installation of water and sewerage infrastructure in the region.

3.2.6 The legal forces facing NYEWASCO include:

- Multiple legislations affecting the same organization
- New constitution dispensation
- Changing regulations

3.3 Competitive Environment

- Direct abstraction from water sources
- Water Bottling Companies
- Neighboring Water Service Providers
- Private alternative water sources e.g. bore holes, pumping station.
- Rain water harvest- water dams

Table 3: Summary of Opportunities and Threats

	Opportunities	Strategic Implication	Strategic Response
1	Political support from the elected leaders after the general elections	<p>The leadership will likely bring in increased support at the political, social and economic front</p> <p>This can be an opportunity as in the incumbent may want to prove his credibility and efficiency during the wee period of his incumbency.</p> <p>An opportunity as the predecessor may want to prove that he can do things better.</p>	Lobby with new leadership for support and financing through presentation on company brief, annual reports and project proposals.
2	Water and sanitation receiving more global focus through SDG 6.	More global resources dedicated to water and sanitation	Develop proposals for funding from global agencies such as World bank, JICA ,EU, GTZ, KFW Germany, etc
3	Population growth- Population growth in urban centers provides an opportunity for increased water and sewerage connections which in turn increases revenue	<ul style="list-style-type: none"> Higher demand for water and sewerage services 	<ul style="list-style-type: none"> Develop a water extension master plan and project proposals for funding using various financing instruments Increase the range of our products Create awareness of products and services
4	Social media	<p>Can be used as an opportunity to sell the brand name to the public.</p> <p>The availability of social media platform provide an opportunity for the company to communicate to its stakeholders on critical and emerging issues</p>	Use the social media to market the company products.
5	Rapid Technological advancement	Availability of new technology provides an opportunity for the company to provide the services in a better and cost effective method.	Constant review and updating of the existing technology and processes. Constant training, research and bench marking. Adopting latest and modern technology to provide water and sewerage services
6	Cloud computing	This provides the company with an opportunity to do data back up and retrieval in case of a breakdown or disaster	Adopt the latest technology in data processing and storage

	Opportunities	Strategic Implication	Strategic Response
7	Topography	<ul style="list-style-type: none"> Take advantage of favorable topography to reduce operation cost (use of gravity system in place of pumped system). 	To engage the relevant stake holders in the effort to preserve the ecosystem in the water catchment areas.
8	New constitution dispensation	The constitution provision that water is a right to every citizen could impact positively to service provision	Use it to lobby for more resources from the county government and national government.
9	Changing regulations	Changing regulations in both national and County Governments can lead changes to service delivery.	The company should align its water development activities with the both government levels
10	ISO Certified Laboratory	<ul style="list-style-type: none"> Efficiency and effectiveness in our operations Opportunity to extend laboratory services to outsiders 	<ul style="list-style-type: none"> Extend laboratory services to other users Provide high quality products and services to customers
11	Rapid growth of CHAKA area as industrial and commercial hub	<ul style="list-style-type: none"> High population growth thus higher demand for our services 	<ul style="list-style-type: none"> Enhance market penetration in terms of water and sewer coverage

	Threats	Strategic Implication	Strategic Response
1	Upcoming General Election	It could destabilize service delivery by politicization of crucial issues such as tariff review; payment for services rendered and hampers ongoing projects.	Sensitize the customers and general public on the role of the company and its mandate as well as their responsibility to ensure they continue enjoying the service
2	Political instability occasioned by incitement during campaign period.	It could lead to violence and destruction of water infrastructures	Sensitize the customers and general public on the role of the company and the need to protect the installations.
3	Change of leadership in Government	Should there be any change in the governance of the County/Country; the new administration could come up with new policies and change of manifesto that can affect administration of water services.	Continuous engagement with elected leaders to brief on the strategic plan for support.

	Threats	Strategic Implication	Strategic Response
4	Change of leadership in BOD	The new County Government can trigger a change of leadership in the BOD resulting to lack of continuity at the BOD level.	Develop proper policies and procedure and ensure their implementation. Ensure compliance with corporate governance guidelines.
5	Special projects without commercial sustainability.	Leads to unsustainable water extensions	Have a master plan with proper mapping of project with relevant data to indicate the level of viability and financing options Seeking for funds to cushion against unsustainable projects Adhere to the approved budget.
6	High rate of Inflation	Leading to increased cost of doing business.	<ul style="list-style-type: none"> • Tie tariffs to inflation rate • Engage in currency hedging when dealing with foreign transactions e.g. Loans, contracts and commitments.
7	Increasing wage bill	Puts pressure to company operations and cash flows and can cause financial stress	Maximize control of expenses. Adhere to remain within the sector bench marks. Efficient utilization of human resource to maximize productivity.
8	Unstable Interest rates	The treasury bill rate has been fluctuating between 7.5 to 15% which affects the banks lending rates leading to unstable project financing	Avoid non-viable projects and where necessary engage the county government for funding. Commercial loans should only finance commercially viable projects
9	Multiple taxation regime	The introduction of multiple taxation affect company surplus available for reinvestment	Pass on the cost to the consumer through regular tariff adjustment. Engage relevant institutions for tax exemptions
11	Perception that water is expensive and should be free	The constitution provision that water is a right to every citizen could impact negatively to service provision	Develop a competitive price. Sensitizing the public. Efficient water and sewerage service delivery.
12	Uncontrolled informal settlements	The uncontrolled development of informal sector could put pressure	Engage the society and other stakeholders to

	Threats	Strategic Implication	Strategic Response
		to the existing water infrastructure since they do not fall under the existing master plan and the company has an obligation to provide water.	appreciate and accommodate the company's infrastructure in their plans and activities
13	Increased activism	Could put pressure on the stable provision of water services	Sensitization and engagement of activists and stake holders.
14	Vandalism	The vice of vandalism on metallic and related fittings is likely to pose a threat to water installations. Replacement of vandalized fittings eats into company's savings reducing revenues for reinvestments	Sensitize the customers and general public on the need to protect and safeguard the company installation Use plastic and copolymer materials which are not prone to vandalism.
15	Social media	Social media can magnify none issues out of proportion and thus denting the company image	<ul style="list-style-type: none"> • Incorporate the social media in the company communication policy and develop a rapid response mechanism to negative criticism. • Well managed company website.
15	Demographical changes	This brings divergent demand of service delivery levels in terms of technology and resources	Develop a research and innovation team to come up with alternative methods of service delivery to satisfy various groups.
16	Rapid Technological advancement	This requires constant improvement and update of existing system to keep up with the changes	Constant review and updating of the existing technology and processes. Constant training, research and bench marking.
17	Low uptake of technology by customers	The customer resistant to change may hamper quick implementation and adoption of new technology	Sensitize the customers on the advantages of technology
18	Climate change <ul style="list-style-type: none"> • This climatic change brings about unpredictable changes resulting in droughts and floods posing a danger in low flows and destruction of the infrastructure • This affects aspects such as vegetation and forest cover 	<ul style="list-style-type: none"> • floods posing a danger in low flows and destruction of the infrastructure • low uptake and poor quality water 	<p>Come up with a comprehensive mitigation in the disaster management plan.</p> <ul style="list-style-type: none"> • Lobby and participant in environmental conservation initiatives

	Threats	Strategic Implication	Strategic Response
	which affects rainfall		
19	Pollution	Introduction of pollutants by human activities upstream of the intake works leading to the water being unfit for human consumption. Especially for pollutants not factored in during the design stages of water treatment plant	Establish a water quality monitoring programme to constantly provide data on the concentration of the pollutants in order to curb at source. Liaise with other government agencies in sensitization of the communities on the dangers and negative effects of pollution
	Environmental degradation	This leads to destruction of the catchment areas thus affecting its capacity to harness water.	Participate in the reforestation programmes through the relevant government agencies
	Topography	The steep topography along the river riparian would lead to landslides thus drastically affecting the quality of raw water and as well as pressure management	Participate in the reforestation programmes through the relevant government agencies and stakeholders
	Multiple legislations affecting the same organization	Many legislation e.g. NEMA, WARMA, WASREB, KEBS demand levies from company's income.	Lobby for reduction of the levies through WASPA
	New constitution dispensation	The constitution provision that water is a right to every citizen could impact negatively to service provision	<ul style="list-style-type: none"> Operationalization of the new water act would clarify on the issue. Continue sensitizing consumers on importance of paying for water services.
	Changing regulations	Changing regulations in both national and County Governments can lead changes to service delivery.	The company should align its water development activities with the both government levels

3.4 Internal Analysis

3.4.1 Institutional Review

Figure 1: Current Organization Structure

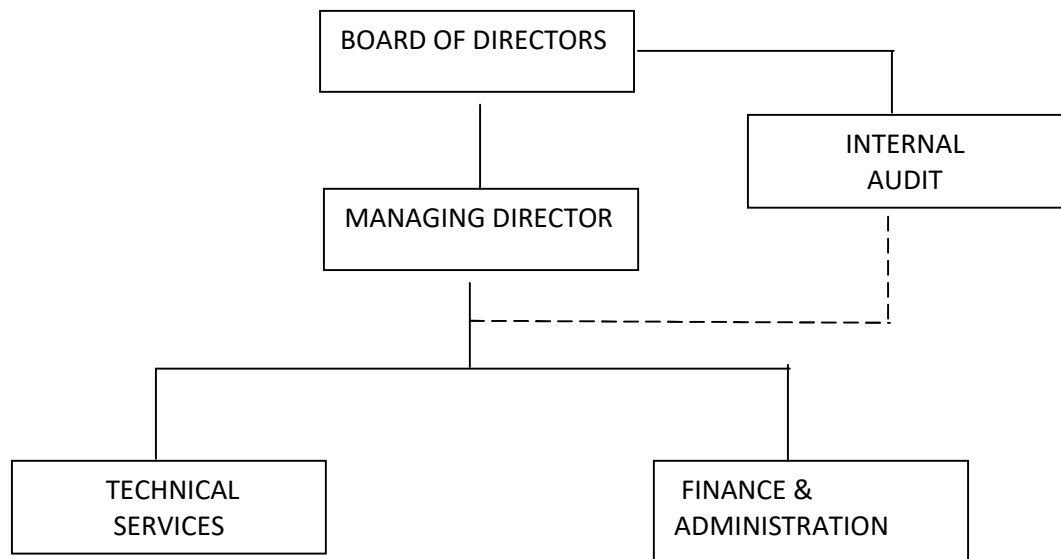
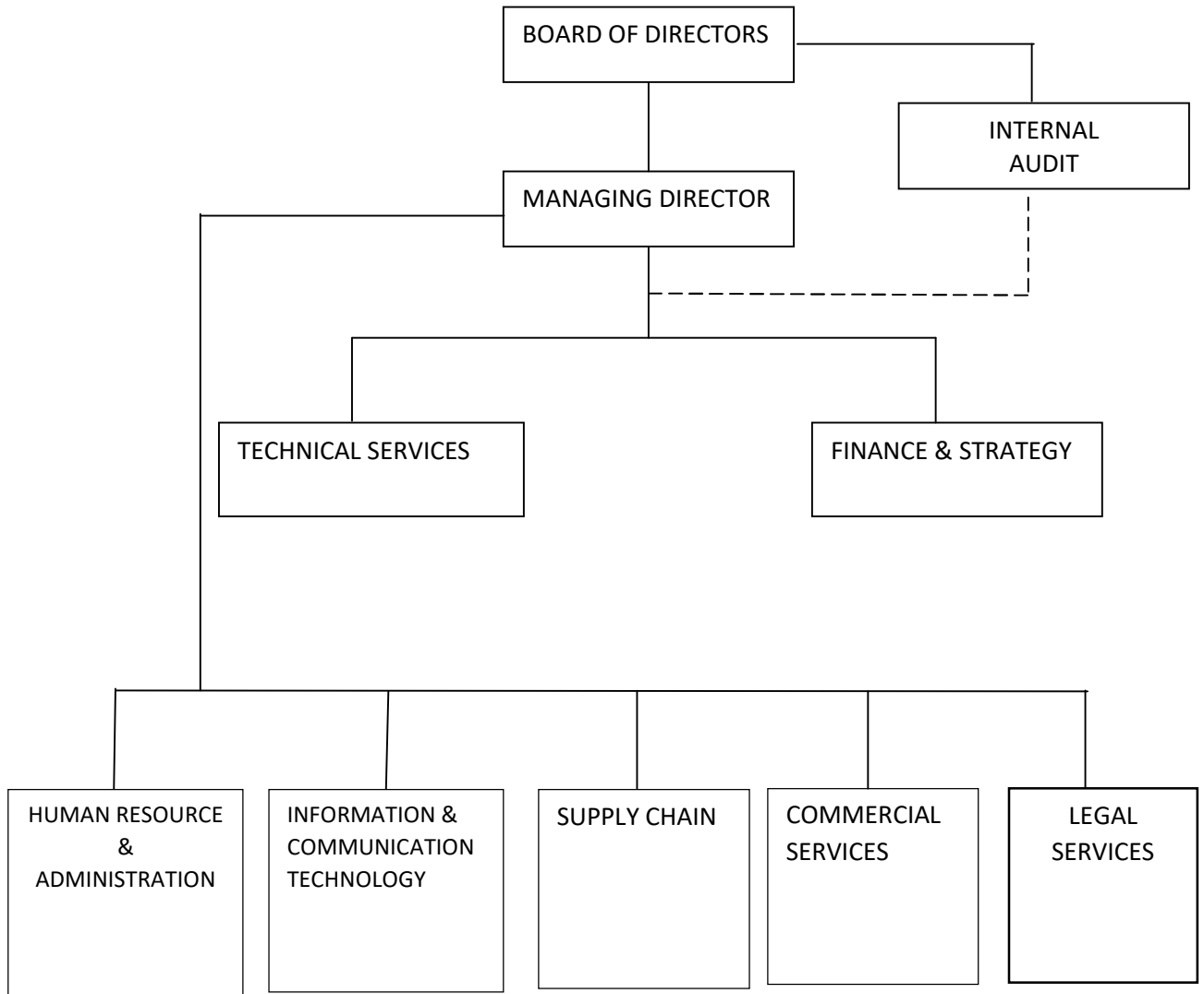


Figure 2: Proposed Organization Structure



3.4.2 Analysis of the Company's Past Performance

NYEWASCO is one of the leading companies in the region in provision of water and sewerage services to the residents of Nyeri Sub-County and the environs. The company has realized high performance due to having a focused management team and committed staff. NYEWASCO has been able to implement a good number of strategies in the previous strategic plan. This has been possible due to the fact that NYEWASCO understands what is strategically important to do and not to do. However, the company still has a lot more that needs to be done in order to realize optimal performance thus leading to customer satisfaction.

Figure 3: Summary of Strengths and Weaknesses

	Strengths	Strategic Implication	Strategic Response
1	Adequate treated water.	this is key not only to the current situation but also for future expansion.	<ul style="list-style-type: none"> Enhance water loss measures i.e. maintain NRW at a low % (16.5%) Expand service coverage
1	High production capacity.	This has an important bearing on cost structure and ability to fight competition and is critical for future expansion.	To increase production in terms of volume water produced at a lower cost
2	Competent Board of Directors	<ul style="list-style-type: none"> This is very helpful in advancing company agenda and shielding the company from unnecessary political and social pressures. Able to support the management. 	<ul style="list-style-type: none"> Compliance to the provisions of the article 6 of the constitution on integrity leadership & governance. Use the Board to lobby for financial support
3	Sound financial controls and procedures	<ul style="list-style-type: none"> This gives sense of discipline in financial management and reduces over reliance of the company on individuals. Confidence that the owner (County Government) has in the company Proper procedures and controls 	<ul style="list-style-type: none"> Adherence to the company financial regulations Able to win creditors and financiers Enhance efficiency and performance
4	100% metered connections:	<ul style="list-style-type: none"> Reducing Non Revenue Water. Information and data analysis for planning purposes 	<ul style="list-style-type: none"> Use the intelligence to enhance revenue generation and planning Monitor and digitize meters to

	Strengths	Strategic Implication	Strategic Response
			<ul style="list-style-type: none"> get accurate data. • Reduce NRW through analysis, monitoring and evaluation. • Control vandalism • Enhance meter maintenance • To install zonal meter for monitoring purposes • To install pressure reducing valves • Provide the NRW technicians with monitoring equipment and capacity building.
5	Over 95% billing	<ul style="list-style-type: none"> • Over 95% collection • Opportunity for the company to receive support from financiers 	<ul style="list-style-type: none"> • Strive to a collection efficiency of over 98% • To increase billing to a 100% • Approach for potential financiers for financing
6	Cordial relationship with suppliers	This is key to management of supply chain ensuring that the company gets favourable credit facilities from suppliers and supply of high quality goods	<ul style="list-style-type: none"> • Enhance and maintain cordial relationship with suppliers and exploit more business engagement and opportunities
7	Effective internal communication system	This ensures timely management reports for timely decision making	<ul style="list-style-type: none"> • To adhere to the company's communication strategy • Ensure timely dissemination of information to the staff by the management. • Use accurate information to make sound decisions

	Strengths	Strategic Implication	Strategic Response
8	Customer goodwill	<ul style="list-style-type: none"> • This promotes the good image of the company which builds more confidence to our entire stakeholder. • More purchases from customers 	<ul style="list-style-type: none"> • To ensure continuous provision of quality services • Continuous engagement for feedback. • Use incentives to retain customers
9	Modern sewerage with high treatment capacity:	This permits the company to increase turnover while keeping the cost per unit down.	<ul style="list-style-type: none"> • To ensure proper maintenance of the treatment plant • To increase sewerage coverage
10	Motivated and satisfied workforce:	This helps us to achieve our performance targets which translates into more productivity	<ul style="list-style-type: none"> • To ensure competitive remunerations of staff • To ensure continuous capacity building. • To improve working condition • Utilize talent for creativity and innovation
11	Effective and efficient IT system	This fosters good communication and processing of information	<ul style="list-style-type: none"> • To embrace relevant new technology • Embrace research and innovation for quality products and services
12	Financial Stability and sustainability	<p>The company is able to meet its financial obligations as and when they fall due.</p> <p>Enjoys goodwill of the development partners.</p> <p>Allows for expansion through internally generated income</p> <p>Able to engage in corporate Social Responsibility activities.</p>	<ul style="list-style-type: none"> • Utilize this strength to access credit • Develop new products and projects • To ensure proper maintenance of our infrastructure • Increase revenue through more connections • Reduction of operations and

	Strengths	Strategic Implication	Strategic Response
			<p>maintenance costs.</p> <ul style="list-style-type: none"> • To ensure efficiency in billing • To maintain the NRW at the acceptable levels
13	Good Corporate governance and leadership	<p>It enhances image and reputation of a company and makes it more attractive to investors.</p> <p>It increases the accountability of the company to avoid disasters before they occur</p>	<ul style="list-style-type: none"> • Woo more investors to invest in the company • Approach financiers for financial support • Compliance with all regulations.
14	ISO Certified laboratory:	<ul style="list-style-type: none"> • Boosts the confidence of our customers in our products. This can be leveraged upon if we need to start bottled water business. • This generates income from external customers • Has built a good corporate image • More purchases by customers 	<ul style="list-style-type: none"> • Market the company and products and create awareness • Commercialize the laboratory • Continuous conformity to the ISO accreditation requirements.
15	Experienced and skilled staff	<p>Better customer service and safe work practices leading to improved productivity.</p> <p>Improves staff loyalty and retention.</p> <p>Increased staff motivation.</p>	<ul style="list-style-type: none"> • To continuously keep the staff abreast with new technology through capacity building • Utilize talent for creativity and innovation
16	Good infrastructural assets	<p>This has led to minimal operational & maintenance costs</p> <p>Effectiveness and efficiency in production</p>	<ul style="list-style-type: none"> • Maximize utilization of good infrastructure to improve production and operations • To develop and implement proper maintenance schedules and plans
17	Gravity flow water system	<p>This has enabled the company save on power costs</p>	<ul style="list-style-type: none"> • Identify areas with favourable topography and run pipes

	Strengths	Strategic Implication	Strategic Response
			<p>through</p> <ul style="list-style-type: none"> To continuously patrol and maintain the raw water gravity main lines
18	Low staff turnover:	It's within the acceptable levels of 5%. There is sustainability and shorter learning curve.	<ul style="list-style-type: none"> To maintain competitive reward systems Improve conditions of work Training, staff development, and Capacity building
19	Goodwill of external financiers	This has enabled the company to expand on cover translating to increased revenue.	<ul style="list-style-type: none"> Continuous engagement through proposals
20	A risk management plan	The company is able identify risks and put timely mitigation measures	<ul style="list-style-type: none"> Continuous review to incorporate emerging issues Always benchmark with other companies Use this strength to engage financiers
21	Brand Name	More demand for water and sewerage services.	Develop a programme for extension of water and sewerage services

	Weaknesses	Strategic Implication	Strategic Response
1	Inadequate transport system for both motor vehicles and cycles	This affects the entire operations of the organization.	Develop and implement a transport system plan Proper management of the available transport
2	Lack of motor vehicle replacement plan	This results in unplanned and un-anticipated expenditure in repairs and replacement of motor vehicles	<ul style="list-style-type: none"> Develop and implement a fleet management plan. Develop and implement a disposal plan for unserviceable ones
3	Ageing infrastructure(inherited from municipal council)-	Has a negative effect on the levels of the	Revising and implement a rehabilitation plan for

		NRW	the dilapidated infrastructure
4	Lack of funds to expand sewer reticulation system	The company does not have capacity to finance expansion of major undertakings from internal funds.	Engage development partner for funding
5	Absence of online disaster recovery site	This can bring a halt to the company operations in the event that a disaster strikes	To identify a site that has a connectivity with the main office
6	Inadequate space for expansion at the head office	This has posed a challenge especially when the company recruits new employees	Reinforce the existing foundation and elect storey blocks The underground can be used as a parking lot.
7	Lack of clear succession plan	This has failed to spell out a clear path for business continuity creating anxiety	<ul style="list-style-type: none"> • Develop and implement a succession plan • Review the Organization Structure to meet current needs.
8	High gearing(high debt as a percentage to equity)	The company would find it difficult to get debt financiers until the current debt is substantially paid or the equity has grown to comfortable level	<ul style="list-style-type: none"> • Honoring the loan servicing schedules. This will create confidence to other financiers afterwards or even in the midst of the current loan. • Re-investment of surplus will improve on this.
9	Replacement of mechanical and inefficient meters	This has a negative impact on NRW management	Develop and maintain a meter replacement policy
10	Lack of Marketing strategy plan	There is no clear path of product growth and continuity	Develop and implement a Marketing strategy plan
11	Staff turnover	The growth in economy and job sector may pose a serious threat to the company seeking and retaining experience skilled manpower	Develop a competitive human resource policy.

3.5 Stakeholders Analysis

NYEWASCOS' key stakeholders include:

Figure 4: Stakeholder Profiling and Analysis

Stakeholder	What NYEWASCO expects from the stakeholder	What the stakeholder expects from NYEWASCO	Responsibility	Strategy of managing the stakeholder
Customer	<ul style="list-style-type: none"> Consumption and prompt payment of bills for services rendered To report vandalism, water bursts, leakages, illegal connections Positive and Negative feedback 	<ul style="list-style-type: none"> Affordable, quality, reliable and efficient services 	All departments	<ol style="list-style-type: none"> Quality and timely customer service. Regular communication and seeking feedback. Speedy resolution of complains. Conflict management
Regulators	<ul style="list-style-type: none"> Provide Policy guidelines. Develop standards and service levels. Approval of Tariff. Monitor the Implementation of Tariff and policies 	Conformance	Managing Director	Regular reporting and Consultative meetings.
County Government	<ol style="list-style-type: none"> Develop the county water master plans. Provide funds for infrastructure developments Support (Political, Moral, Financial etc.) 	<ol style="list-style-type: none"> Provision of quality service. Service delivery to County residents 	Board of directors/MD	<ul style="list-style-type: none"> Engagement, reporting , communication Structured consultative meetings.
Board of Directors	<ul style="list-style-type: none"> Provide proper leadership to NYEWASCO Mobilization of funds from potential donors Represent NYEWASCO 	<ul style="list-style-type: none"> Efficiency and effective use of NYEWASCO resources Organizational efficiency, 	MD	<ul style="list-style-type: none"> Offer reliable advisory to the BOD Develop and lobby for approval of viable policies Organize for agenda meetings with the BOD

	<p>in relevant forums</p> <ul style="list-style-type: none"> Promote good image of NYEWASCO to the public 	<p>performance and growth</p> <ul style="list-style-type: none"> Proper customer service Growing financial returns 		
Suppliers	Prompt Supply of quality goods and services.	<ol style="list-style-type: none"> Prompt payment of goods and services provided. Feedback. Timely communication Clear specification. Transparent procurement systems 	Managing Director/Procurement officer	Proper Tendering process/ Adherence to PPAD Act
National Government	<ol style="list-style-type: none"> Policy direction. Setting of values and standards. Funding Legislation 	<ul style="list-style-type: none"> Compliance and implementation of policies Efficient service delivery 	Board of Directors/MD	<ul style="list-style-type: none"> Reports Lobbying Consultative meetings
Employees/W orkers union	<ul style="list-style-type: none"> Harmony in industrial relation Productivity 	<ul style="list-style-type: none"> Improvement of staff welfare, and remittance of union dues Proper Remuneration Conducive Working Environment Capacity building Compliance with set regulatory framework on workforce Timely communication 	Managing Director/HR	<p>Signing of Collective Bargaining agreement/ Performance Management Skills & knowledge development. Coaching and mentorship. Effective CBA Capacity Building</p>
Water Resources Users Association	Catchment protection and conservation.	Payment of annual membership fee	Managing Director	Attend meetings and participate in planned events
WASPA	Lobbying and advocacy	Payment of annual	Managing	Attend meetings and participate in

		membership fee	Director/Chairman	planned events
Community Based organisations	Participate in stakeholders consultative forums	Assistance through C.S.R	Managing Director	Through forums and planned events.
WASREB	Favourable regulations & guidelines	Compliance	MD	Compliance to license conditions
Civil Society	<ul style="list-style-type: none"> • Fairness & understanding • Partnership during public partnership 	Compliance with the constitution (Bill of Rights)	MD	Continuous engagement
Development partners	Financial & Technical Support	<ul style="list-style-type: none"> • Project Funding Proposals • Proper Implementation • Regular reports 	MD/County Government	Continuous engagement
Financial institutions	<ul style="list-style-type: none"> • Financial advise Customized financial services 	Conformity to the MOU	HFA	Continuous engagement
WARMA	<ul style="list-style-type: none"> • Catchment Conservation 	Payment of Abstraction fee	MD/BOARD/COUNTY GOVERNMENT	Continuous engagement
Kenya Forest Service	<ul style="list-style-type: none"> • Grant of Access to forest 	Payment of relevant fees	MD	Continuous engagement
KENHA, KERRA/KUR A	<ul style="list-style-type: none"> • Grant of Road reserve for laying of pipe network • Proper care and consideration 	<ul style="list-style-type: none"> • Designs and layout maps for pipe network • Conformity to road reserve access guidelines 	MD/HTS	Continuous engagement
Community along the raw mains	<ul style="list-style-type: none"> • Grant accessibility • Abide by contractual agreements, monitor and report as appropriate 	<ul style="list-style-type: none"> • Prompt repair works • Compensation for damages 	HTS	Continuous engagement Intelligence gathering

CHAPTER FOUR STRATEGIC ISSUES

4.1 Introduction

Strategic issues are key concerns that call for close attention by the top management and the entire team of NYEWASCO in order to address emerging issues that may cause negative effects if neglected. These are issues that if not well addressed can derail the performance of the organization. Emanating from the strategic issues are strategic objectives and subsequently strategies that provide a roadmap for the future of NYEWASCO. The key priority issues or strategic issues facing NYEWASCO include:

4.2 Corporate Governance

Corporate Governance is concerned with the establishment of an appropriate legal, economic and organizational environment that would facilitate and allow business enterprises to grow, thrive and survive as institutions for maximizing shareholder value while being conscious of and providing for the well-being of all other stakeholders and society. Governance thus, is concerned with the processes, systems, practices and procedures that govern institutions. This also relates to the manner in which rules and regulations are applied and followed, the relationships that these rules and regulations determine or create, and the nature of those relationships. Essentially, governance addresses the leadership role in the institutional or organizational framework.

Today, NYEWASCO is operating in a rapidly changing environment. This is evidenced by new constitutional dispensation that has ushered in new political governing structure. First the ownership of the company was transmitted from the defunct municipal councils to the County Government of Nyeri. Secondly, there are multiple legislations including the draft Water Bill (2014), National water Act and County water Act which could affect the governance of the company and the sector at large. The company has equally a multiple reporting and regulatory and oversight structures that guide the governance of the company. The existing and anticipated changes have seen NYEWASCO experience new policies governing water sector thus forcing the company to re-adjust in approach and style of doing business. The company has seen new leadership (BOD) come in the spirit of embracing the new constitution. The constitution also provides for public participation in all the endeavors that involves the citizenry. NYEWASCO has also experienced implementation of special projects that sometimes makes it a challenge to make independent decisions.

NYEWASCO aspires to develop proper governance structure and address issues relating to governance in order to fit into the changing political environment as well as proper stakeholder engagement. This effort will enable NYEWASCO chart its way forward in the endeavour to strategically position

itself in the environment. It remains futile for NYEWASCO to develop this strategic plan without addressing these governance issues.

4.3 Financial Sustainability

Financial resources are key in driving NYEWASCO from one point to the other in the business environment. Proper management and utilization of financial resources will enable NYEWASCO to thrive even in harsh economic conditions. Financial allocation and budgeting are important business activities that seek to place the organization in an economically stable position. Issues that concern NYEWASCO in regard to financial sustainability include unstable foreign exchange rates, inflation, unstable interest rates, and multiple taxation regimes among others. Unstable economic conditions affects the way NYEWASCO handle business operations including purchase and acquisition of goods and services, increasing wage bill, client concentration risk and others. The company has sound financial management policies, enjoys goodwill from development partners, bills accurately and collects nearly 95 percent of all billing. This has positioned the company in proper financial health so much that it is able to meet its financial obligations as and when they fall due. Conversely, the company lacks funds to expand sewer reticulation system among other needs.

The company is sensible to the fact that the current respectable position is as a result of past efforts. This position can therefore be sustained only if the principle of continuous improvement is inculcated in the organization. To this end the Organization will seek to increase connectivity in order to increase revenue bases

4.4 Service Delivery

Service delivery and customer satisfaction remains the core business of NYEWASCO. The company serves a community composed of clients who are increasingly becoming well informed, have preferences and tastes, clearly understand their rights, and always want their voices heard. It remains difficult for NYEWASCO to make milestones forward without critically addressing issues surrounding service delivery and customer satisfaction.

Some of the issues affecting the way NYEWASCO does her business include; vandalism of water accessories, uncontrolled informal settlements, demographical changes, low uptake of technology by customers, and increased activism among others. NYEWASCO seeks to address these issues by deliberately embracing new technology such as social media, automation of services, and speed of service as well as striving to offer high quality services and products. The company also seeks to map out client concentration risk in order to address emerging divergent customer issues.

4.5 Production and Operations

Production and operations pose as the wheels for NYEWASCO driving the company from point A to point B in her business operations. Production and operations facilitate NYEWASCO to offer high quality goods and services to the customers thus strategically creating value for the society. This calls for NYEWASCO to remain keen on how her operations could add value to the society without necessarily affecting the environment negatively. NYEWASCO is operating in a dynamic environment characterized by such phenomena such as climate change, pollution, environmental degradation, and topography among others.

NYEWASCO will endeavor to engage in activities that lead to environment protection, going green and promote good stewardship of the environment while serving her customers. The company seeks to remain environmentally friendly through proper waste disposal being guided by National and County government policies on environmental conservation. As NYEWASCO produces and offers high quality goods and services, environment protection remains at the centre of her operations. This includes activities such as corporate social responsibility and sensitization of the society on the need to protect the environment. NYEWASCO will continuously partner with the National government and Nyeri County government to promote Vision 2030 Flagship projects as well as Nyeri County Government projects.

Production and operations heavily rely on new technologies and improved systems in order to offer quality services and products to serve our customers efficiently. This includes factors such as integrity and credibility of data in servers and making sure access to data is safeguarded thus no unauthorized alteration of data. It also calls for proper billing system with credibility and that is well protected from manipulation.

4.6 Institutional Capacity Development

NYEWASCO endeavours to strategically address issues relating to institutional capacity development by embracing the culture of innovation and continuous learning, talent management, and putting in place succession planning system among others. It becomes strategically important for NYEWASCO to position itself by making sure there is in place business continuity and disaster recovery plan as well as mitigating high management staff turnover. NYEWASCO will seek to build capacity in her employees through training, coaching and staff development. This will be achieved through contacting job analysis and Human Resources needs assessment as well as establishing proper organizational structure that fits the operations and mandate of NYEWASCO. Capacity building equips staffs of NYEWASCO with skills and knowledge in diverse areas including job performance, professionalism, and implementation of strategic plan.

CHAPTER FIVE

STRATEGIC OBJECTIVES AND STRATEGIES

5.1 Introduction

Emanating from the strategic issues are strategic objectives that will be subsequently addressed through strategies. These strategic objectives will be drawn from the strategic issues through careful evaluation of underlying factors that need NYEWASCO's attention and implementation. Strategic objectives are measurable targets that when realized, NYEWASCO will experience growth and great achievements. Under each strategic objective are strategies that will explain how NYEWASCO will achieve those objectives.

5.2 Strategic Objectives and Strategies

Strategic Objective 1: To ensure the company is driven by the principles & practices of good governance that can withstand the test of time.

Strategies:

- i. Ensure the company has competent and qualified Directors.
- ii. Ensure there is wide representation on the BOARD.
- iii. Ensure compliance with Chapter 6 of the constitution and Mwongozo code of governance
- iv. Ensure compliance with guidelines on good corporate governance issued by various Government agencies.
- v. Develop and sign a new service provision agreement (SPA) with the TWSB/County Government of Nyeri.

Strategic Objective 2: To ensure that the company is financially sustainable.

Strategies:

- i. Increase revenue by 75%
- ii. Maintain a 97% collection efficiency
- iii. Maintain a cost recovery tariff regime
- iv. Re-invest all surplus funds to be used in extensions, renewals and replacement of infrastructural assets
- v. Lobby for funds from development partners under Output based Aid targeting pro-poor to extend water and sewerage projects
- vi. Source for funds through commercial financing for economically viable projects
- vii. Lobby and solicit for funding from National and County governments to fund projects year marked under CIDP

viii.Reduce and maintain operational and maintenance cost as a percentage of revenue to below 70%

ix. Engage public private partnership to develop non financially viable areas/projects

Strategic Objective 3: To Advance and Automate Operations And Services For Enhancement Of Service Delivery.

Strategies:

i. Use ICT to improve efficiency

ii. Improve the current disaster recovery management system and business continuity management plan

iii. To improve and update existing systems to keep up with emerging technologies

Strategic Objective 4: To provide water and sanitation services in an efficient, effective, affordable and sustainable manner

Strategies:

i. Enhance water loss management i.e. maintain NRW at a low percentage (16.5%)

ii. Efficient operations and maintenance of water intake, raw water gravity pipelines, water treatment plant and water tanks for capacity utilization

iii. Efficient operations and maintenance of the water distribution system (Kiganjo and Nyeri)

iv. Water Quality and Pollution Control management

v. Efficient sewer and sewage treatment plant operations and capacity utilization (Kangemi and Kiganjo/Gatei)

vi. Ensure proper maintenance of the sewage treatment plants

vii. Continuous conformity to the ISO/IEC 17025:2005 accreditation requirements

viii. Develop and implement a motor vehicle/ cycles plan and proper management of the available transport

ix. Participation in environmental conservation

Strategic Objective 5: To attract, develop and maintain adequate, qualified and competent staff

Strategies:

- i. **Maintain an Effective Human Resource management and Planning System**
- ii. **Sustain a brand that makes NYEWASCO an employer of choice**
- iii. **Review and cascade performance management**
- iv. **Enhance skills set and competence framework**
- v. **Review and place an optimal organizational structure for efficient and effective functioning of the company**

CHAPTER SIX

STRATEGY IMPLEMENTATION FRAMEWORK

6.1 Introduction

A strategy that is not implemented is as bad as poor strategy. A robust implementation plan has been inculcated as part and parcel of the strategy of this plan. Implementation will take two broad interrelated aspects namely; institutionalization and operationalization. **Institutionalization** shall entail ensuring that a conducive environment in terms of culture, skills, structure, shared values, style of doing things and resources are available for the implementation of the plan. In the same space, **operationalization** shall entail breaking down activities into tasks, assigning responsibility and allocating relevant resources. All the internal and some external stakeholders have a critical role to play for successful implementation of this plan.

6.2 Annual Action Planning

At the end of each financial year, a report will be produced giving details on the implementation of the plan and circulated to the stakeholders. Detailed work plans with clear performance indicators and responsibility for their achievement will be developed taking into consideration the endorsed activities in the Strategic Plan. The Priority area *Gatekeepers* must take responsibility to coordinate with departments and sections in case of joint activities. Key indicators that will inform management decision making will be identified and the frequency of reporting on these indicators will be determined.

6.3 Budgets

Each and every activity will have resources earmarked in the Company's annual budget. Each lead department should include resource requirement in their Annual Work Plan. Materials requirements will also be worked out every year and procurement will be done as per the procurement provisions.

Actual results will continually be checked against planned results and variances investigated. If necessary, action plans will be changed so that they are brought in line with the budgeted results or the budget will be amended to take into account new developments that require action.

6.4 Performance contracting

NYEWASCO will embrace performance contracting to monitor performance of its employees in relation to set targets. Performance Based Contracting is a results-oriented contracting method that focuses on the outputs, quality, or outcomes that may tie contract payment, contract extensions, or contract renewals to the achievement of specific, measurable performance standards and requirements. Performance-based contracting allows one party to acquire services from another party via a contract that defines what is to be achieved and by when. NYEWASCO will apply tools such as Performance Appraisals, Variance Analysis, and Ratio

Analysis to monitor performance of its employees against set targets and objectives.

6.5 Institutional Framework

NYEWASCO will adopt the 7Ss-Framework to facilitate and create the right environment for strategy implementation as advanced by McKinsey Company in the early 1980s. The seven organizational factors which the authors term as 'levers' include: structure, strategy, systems, skills, style, staff, and shared values. The company will strive to align the seven factors in order to create room for smooth implementation of the strategic plan. Style refers to the leadership style of top managers in an organization. Leadership styles may be collaborative, participative, directive, or coercive. Managers, behavioral style can influence the culture of the whole organization towards strategy implementation. Staff is about the kinds of people in the organization and how they are developed. The systems of recruitment, socialization, and reward to bring in and build people who match the organizational strategy. Skills refer to capabilities in people and how these skills are embedded in and captured by the organization as a whole. Shared values also referred to as super ordinate goals refer to overarching goals or purpose of the organization as a whole. Shared values are placed at the centre of the 7-S framework and all other elements should support these. The 7-S framework emphasizes fit between all the seven elements. This includes organizational structure, systems, and strategy.

6.6 Monitoring and Evaluation

Reporting the progress of implementation will be critical in adjusting strategic directions and measuring performance. In undertaking Monitoring & Evaluation, data will be collected on the various output and outcome indicators which have been developed and included in this Strategic Plan. The Taskforce will be required to submit the following reports to the management as well as to the board on their progress in implementation of strategies under the Strategic Plan:

- a) Monthly report to the management
- b) Quarterly report to the management and the Board
- c) Half-yearly to the management and the Board
- d) Annual report to the management and the Board (Financial report; Audited financial report for the year ending; Performance achievement report covering commercial and technical improvements on performance).

Each of the performance reports will contain the following elements:

- a) Progress against the Plan
- b) Performance against the budget for each respective strategy
- c) Causes of any delays in the implementation of actions under respective strategies

- d) Actions or resources required to remedy delays stated if any
- e) Proposed revisions to the strategies

6.7 Actors in Implementation of the Strategic Plan

The following would be role of the various stakeholders in implementation of this plan;

6.7.1 The County Government

Being the owner of the organization, the county's role in implementing is plan is pivotal. The responsibilities includes but not limited to;

- Ensuring adequate resources are available for the CIDP related resources;
- Supporting the company's initiatives in service delivery
- Ensuring proper legislation that creates an enabling environment
- Timely tariff approvals.

6.7.2 The Board

The overall responsibility of implementing this pan belongs to the Board. The Board shall implement the plan through delegating to management the execution mandate. This notwithstanding the Board's responsibility shall include;

- Approving this plan for implementation;
- Approving annual work plans and budgets drawn from this plan;
- Resource mobilization;
- Developing and signing performance contracts with the Managing Director;
- Conducting annual reviews of the strategic plan implementation and recasting the strategic plan's targets.
- Coordinating the stakeholder engagement and management to ensure a conducive external environment for the implementation of the plan.

6.7.3 Managing Director

The managing director shall be responsible for the operationalization of this plan. Specifically the MD shall;

- Ensure the plan is cascaded to the departmental heads;
- Ensure the vision, mission and core values are understood by all the employees.
- Continuous review of target implementation and providing feedback to the Board.
- Shall be in charge of the Strategy implementation task force which shall comprise of priority areas '*Gatekeepers*'.

ANNEXES

Annex I: Implementation Matrix

Priority Area/Strategic Issue: CORPORATE GOVERNANCE

Strategic Objective 1: To ensure the company is driven by the principles and practices of good governance.

Strategy	Activities	Output	Key performance indicators/means of verification	Responsibility	Resources (Ksh. Million)		2016/17	2017/18	2018/19	2019/20	2020/21
Build the Board's Capacity	Develop selection criteria along the required qualifications & skills mix for the Directors as per regulatory guidelines and advertise for vacant positions of the BOARD in the Newspaper with national wide circulation	Advert/ Report/policy	Applications. Reports	MD/BOD	8.5	IP	X	X	X	X	X
							Ksh	1.7	1.7	1.7	1.7
	Put in place an independent selection committee.	Select committee	Committee report	MD/BOD	8.5	IP	X	X	X	X	X
						Ksh					
	Induct new Board members	Induction	Report	MD/BOD		IP	X	X	X	X	X
						Ksh	0.5	0.5	0.5	0.5	0.5
	Conduct Board training needs assessment	TNA Undertaken	TNA report	MD/BOD		IP	X	X	X	X	X
						Ksh	1	1	1	1	1
	Undertake regular training for all Directors.	Training conducted	Report			IP	X	X	X	X	X
				MD/BOD		Ks	0.2	0.2	0.2	0.2	0.2

						h					
	Develop/revise Board Manual	No. of activities Implemented	Reports	MD/BOD		IP	X	X	X	X	X
						Ksh					
	Implement the Board Manual	Implementation Report	Board manual	MD/BOD		IP	n/a	n/a	n/a	n/a	n/a
						Ksh	X	X	X	X	X
Ensure there is wide representation on the BOARD.	Map and identify the various relevant stakeholders	Stakeholders list	Report	MD/BOD	2	IP	X	X	X	X	X
						Ksh	0.2	0.2	0.2	0.2	0.2
	Categorize the various stakeholders into few number groups for BOARD representation.	Summary list of categories	Report	MD/BOD		IP	X	X	X	X	X
						Ksh	0.2	0.2	0.2	0.2	0.2
Align the organization to new Water Act	Review the provisions of the Act once enacted	Report	MA and AA	MD/BOD	5	IP	X	X	X	X	X
	Revise instruments of governance to align to the provisions	Report	Revised SPA			Ksh	1	1	1	1	1
	Sensitize senior staff and the Board on the provisions	Report	Attendance list								
	Collaborate with other agencies to sensitize stakeholders	Report	Minutes								
Develop and sign a new service provision agreement (SPA) with TWSB/	Identification of potential area of coverage.	Attainment of the minimum service level	Signed service provision agreement (SPA).	MD	0.5	IP	-	X	-	-	-

Assignee/successor											
	Develop and map the boundaries.					Ksh	-	0.5	-	-	-
	Develop a comprehensive service provision agreement with TWSE/Assignee/successor										

Priority Area/Strategic Issue: FINANCIAL SUSTAINABILITY

Strategic Objective 2: To ensure the company is financially viable/Sustainable

Strategy	Activities	Output	Key performance indicators/means of verification	Responsibility	Resources (Ksh. Million)		2016/17	2017/18	2018/19	2019/20	2020/21
Increase revenue by 50%.	Increase the number of active water connections from 25000 to 35000. (2000 connections per year)	Increased billing	Number of new connections	HFA/HTS	50	IP	X	X	X	X	X
						Ksh	10	10	10	10	10
	Increase the number of active sewer connections from 6710 to 10000	Increased billing	Number of sewer connections	HFA/HTS	10	IP	X	X	X	X	X
						Ksh	2	2	2	2	2

Maintain a 97% collection efficiency	Enhance disconnection after the due date.	Increase in collection efficiency	Number of disconnected customers	MD/HFA/CR O	2.5	IP	X	X	X	X	X
	Engage debt collecting agents	Contracts	No of customers paying			Ksh	0.5	0.5	0.5	0.5	0.5
	Refer long outstanding defaulters to CRB.	Collection of arrears	Number of cases referred to CRB	MD/HFA/CR O	2.5	IP	X	X	X	X	X
						Ksh	0.5	0.5	0.5	0.5	0.5
Maintain a cost recovery tariff regime.	Actualize a 20% tariff adjustment	20% revenue increase	Gazette notice	MD/HFA/CR O	3	IP		X			
		500				Ksh		3			
	Conduct a tariff survey after the 3 rd year.	Report	Contract documents	MD/HFA	0.5	IP			X		
						Ksh			0.5		
	Apply to WASREB for tariff approval.	Approved tariff	Increased revenue			IP					
						Ksh					
	Install Biogas harvester & a gas turbine to generate power to run Kangemi treatment works.	Power generation	Low power bill	MD/HTS	5	IP			X		
						Ksh			5		
	Commercialization of Laboratory Services	Marketing Plan	Report	HTS	1.3	IP		X	X	X	X
						Ksh		0.5	0.5	0.2	0.1

Re-invest all surplus funds to be used in extensions, renewals and replacement of infrastructural assets(GRANT S)	Develop a Policy on re-investing surplus funds	Policy	Policy	MD/BOARD							
	Allocate funds for re-investment in the annual budget for	Revenue re-invested	% of revenue re-invested.	MD/HTS/HF A							
	a. Water extension to Mutathiini area				8	Ksh	X				
	b. Upgrading of Mweiga Kamatongu Transmission System				8	Ksh	X				
	c. Upgrading of Mathari line				10	Ksh	X				
	d. Water extension to Wambugu Farm area				5	Ksh		X			
	e. Provide a sewage exhauster truck				10	Ksh			X		
	f. Procure a modern sewer flushing unit				20	Ksh			X		
Lobby for funds from development partners under Output based Aid targeting pro-poor to extend water	1. Do feasibility study, Develop & present proposals for funding Ruringu, skuta, Kingongo - Gatende,	Report	Project proposals	MD/HTS/HF A	178M	IP	x	x			

and sewerage projects.	Kamakwa – kandara, Ngangarithi – classic sewerage.										
	2. Prepare and approve design for the projects.	Report	Project designs			IP	x	x			
						Ksh	9	9			
	3. Procurement of a contractor.	Report	Signed contract Document			IP	x	x			
						Ksh	0	0			
	4. Implement the project	Increased revenue/number of connections	Project progress report			IP	x	x	X		
						Ksh	70	45	45		
Source for funds through commercial financing for economically viable projects (AOD)	1. Do feasibility study, Develop & present proposals for funding for Ring Road and Chaka town sewer systems	Report	Project proposals		MD/HTS	160	IP	x			
						Ksh	0				
	2. Prepare and approve design for the projects.	Report	Project designs			IP	x				

						Ksh	10				
	3. Procurement of a contractor.	Report	Signed contract Document			IP	x				
						Ksh	0				
	4. Implement the project	Increased revenue/number of connections	Project progress report			IP	x	x	x		
						Ksh	75	50	25		
Lobby and solicit for funding from National and County governments to fund projects year marked under CIDP	1. Do feasibility study, Develop & present proposals for funding for the following projects.	Report	Project proposals	HTS	350						
	i. Water extension to mathira, ihururu, Mweiga, witemere, Muhasibu, mathari-kimathi, and					IP		X	x		

	kamakwa.										
	ii. Upgrade of kamakwa treatment plant.					IP			x		
	iii. Construction of water bottling plant					IP			x		
	iii. Kirimukuyu water Extension project					IP		x	x	x	x
	iv. Mweiga sewerage					IP					
	v. Nyeri town sewerage extension					IP		x	x		
	2. Prepare and approve design for the projects.				50	IP		x	x	x	
	3. Procurement of a contractor.				0	IP		x	x	x	x
	4. Implement the project				300	IP		x	x	x	x
Reduce and maintain operational and maintenance cost as a percentage of revenue to below 70%	Develop asset replacement Policy.	Asset replacement policy developed	Asset replacement policy	HFA	0.3	IP		X			
						Ksh		0.3			
	Sensitive all staff on cost leadership	No. of Sensitization forums held	Sensitization reports	SHRAO	1	IP		X		X	
						Ksh		0.5		0.5	
	Replace unserviceable vehicle as per	Reduction of maintenance cost	New motor vehicles		15	IP		X	X	X	X

	policy										
						Ks h		3	3	3	6
	Replace unserviceable motorbikes as per policy	Reduction of maintenance cost	New motorbikes		5	IP	X	X	X	X	X
						Ks h	1	1	1	1	1
	Replace inefficient and unserviceable pump as per policy	Reduction of maintenance cost	New pump	HTS	15	IP	X	X	X	X	X
						Ks h	3	3	3	3	3
	Replace 5km of pipeline per year.	Reduction of maintenance cost	Renewed pipe network	HTS	50	IP	X	X	X	X	X
						Ks h	10	10	10	10	10
	Digitization of the filing system	Reduction of stationery cost	Digitized filing system	HFA	5	IP			X		
						Ks h			5		
	Strict adherence to approved budget.	Budgetary compliance	Financial reports	HFA		IP	X	X	X	X	X
						Ks h					
	Adhere to PPADA 2015.	Value for money	Compliance level	PO	1.5	IP	X	X	X	X	X
						Ks h	0.3	0.3	0.3	0.3	0.3
	Install solar pumps and panels at Mathari, Nyeri, chania pumping station and Mt. Kenya pumping	Reduction of electricity cost	Electricity bills	MD	15	IP		x			

	station										
	Maintain the number of staff per 1000 connections at 5 and below	Personnel cost	Number of staff per 1000 connections	MD	NA	IP	X	X	X	X	X
						Ksh					
Partners with development partners to fund non-viable areas	Identify non-viable areas	Report	Cost per connection	MD	50	IP			X		
	Develop proposals for funding.	Proposals	Number of proposals			Ksh			50		
	Implement the project	Funding	Number of households served								

Priority Area/Strategic Issue: SERVICE DELIVERY

Strategic Objective 3: To improve service delivery through automation and modernization of processes.

Strategy	Activities	Output	Key Performance Indicators/ Means of Verification	Responsibility	Resources (Ksh. Million)		2016/17	2017/18	2018/19	2019/20	2020/21
Enhance utilization of ICT to improve service delivery and efficiency	Continue improving on meter reading data collection and e billing	More accurate billings	% of Customer Complains	HFA	2.5	IP	0.5	0.5	0.5	0.5	0.5
						Ksh.	x	x	x	x	x
	Use alternative revenue collection means through	More revenue collection avenues	Number of customers using	HFA	N/A	IP	x	x	x	x	x

	available electronic networks		alternative means								
						Ksh.	0	0	0	0	0
	Continuous upgrading and updating of GIS systems	Digitized mapping of all the installations	% of Digitized pipe and meter network	HTS	3	IP			X		
						Ksh.			3		
	Link & network Kamakwa treatment works with Head Office	W.A.N	Progress report	MD/HTS/HFA/ICT	0.5	IP		x			
						Ksh.		0.5			
	Develop an ERP in consultation with an expert.	ERP	Progress report	MD/HTS/HFA/ICT	10	IP		X	X	X	
						Ksh.		3	4	3	
	Automation of production meters, zonal meters and high volume consumer meters	Automated meters	Progress report	HTS	24	IP		X	X	X	X
						Ksh.		5	6	6	7
	Automate pressure management system	Automated system	Progress report	HTS	6	IP		1.5	1.5	1.5	1.5
						Ksh.		X	X	X	X
	Centralized uninterruptable power back-up	Power backup	Cost reduction report	MD/HTS/ICT	1	IP		X			
						Ksh.		1			
	ICT automation level survey	Survey conducted	automation level report	MD/HTS/ICT	0.4	IP		X			
						Ksh.		0.4			
	Automate the suppliers payment process	Automated processes	Automation Reports	MD/HFA	N/A	IP	X				
	Automate the salaries processing					Ksh.					
	Automation of the Procurement process (E-	Automated process	Automation Reports	MD/HFA	N/A	IP					

	Procurement)										
						Ksh.					
	Develop an ICT strategy	Efficiency.	ICT Strategy.	HFA	0.2	IP		0.2			
						Ksh.		X			
Enhancement of customer focus activities	Automate customer self-balance query (ATM type) & Automate the queuing system.	Automated balance query	Number of customer served report	HFA/CRO	0.5	IP		X			
						Ksh.		0.5			
	Continue improvement of customer complains management.	Streamlined complaints	Report	HFA/CRO/ICT	0.1	IP	X	X	X	X	X
						Ksh.	0.02	0.02	0.02	0.02	0.02
	Open days to sensitize customers on company's products and services.	Number of customer sensitized	Sensitization reports	HFA/CRO	1.5	IP	X	X	X	X	X
						Ksh.	0.3	0.3	0.3	0.3	0.3
	Use of the customer feedback to improve on service delivery levels	Customer responses	Report	HFA/CRO	1.5	IP	0.3	0.3	0.3	0.3	0.3
						Ksh.	X	X	X	X	X
	Automation of switch board.	Automated switch board	Report		0.3	IP	0.3				
						Ksh.	X				
	Install a Toll free line for customer reports and queries.	Toll free line installed	Calls Report	HFA/CRO/CIA	0.1	IP		x			
						Ksh.		0.1			
	Carry out customer satisfaction survey	Number of surveys conducted	Survey report	HFA/CRO	2.4	IP	x	x	x	x	x
						Ksh.	0.8	0.4	0.4	0.4	0.4
	Participation in Central Kenya ASK show	Promotion and marketing of	Participation certificates	MD/CRO	2	IP	x	x	x	x	x

		NYEWASCO products									
						Ksh.	0.4	0.4	0.4	0.4	0.4
extend water services to informal settlements	Construction of 4 No. water kiosks at Witemere informal settlement with Token dispenser	Water Kiosks constructed	Kiosks water sales report	MD/CRO	2	IP	x				
						Ksh.	2				
	Construction of common meter chambers	Chambers constructed	Completion certificates	HTS	0.5	IP	X	X	X	X	X
						Ksh.	0.1	0.1	0.1	0.1	0.1
Improve and update existing systems to keep up with emerging technologies	Update the existing systems with the latest technology	Updated system	ICT report	HFA/ICT	15	IP	x	x	x	x	x
						Ksh.	3	3	3	3	3
	Benchmarking with other organizations on best practices	Undertaken bench marking activities	Benchmarking Report	MD/SHRAO	5	IP	x	x	x	x	x
						Ksh.	1	1	1	1	1

Priority Area/Strategic Issue: PRODUCTION AND OPERATIONS

Strategic Objective No.4: To provide water and sanitation services in an efficient, effective, affordable and sustainable manner

Strategy	Activities	Output	Key Performance Indicators/ Means of Verification	Responsibility	Resources (Ksh. Million)		2016/ 17	2017/ 18	2018/ 19	2019/ 20	2020/21
Maintain NRW at a low percentage (16.5%)	Continue install/replace zonal/sub zonal meters for monitoring purposes to newly extended areas.	Zonal meters installed	Reports	HTS	8.2	IP	X	X	X	X	X
						Ksh.	1.2	1.5	1.5	2	2
	Install 20No. annually pressure reducing valves (PRV)	PRVs installed	Reports	HTS	7.5	IP	X	X	X	X	X
						Ksh.	1	1.5	1.5	1.5	2
	Provide the NRW technicians with monitoring equipment and replace the obsolete equipments – Replace one and add one annually.	Monitoring equipment provided	Reports	HTS	14	IP		X	X	X	X
						Ksh.		3	3	4	4
	Capacity building for NRW technicians	Capacity building conducted	Progress report	HRM	1.3	IP	X	X	X	X	X
						Ksh.	0.2	0.25	0.25	0.3	0.3
	Develop and implement a rehabilitation plan for the dilapidated infrastructure	Plan in place and implementation done	Progress reports	HTS	34	IP	X	X	X	X	X
						Ksh.	6	6	7	7	8
	Develop and implement a meter replacement plan for the aged meters	Plan in place and implementation done	Progress reports	HTS	29	IP	X	X	X	X	X

						Ksh.	5	5	6	6	7
Reduce the cost of water production	Optimize use of water treatment chemicals	Amount of chemical used	Reports	HTS/WT	0.6	IP		X			
						Ksh.		0.6			
	Use of innovation technology e.g automatic online filter	Implementation of an innovation	Progress Reports	HTS	15	IP				X	X
						Ksh.				5	10
	Expansion of the new water treatment works by addition of extra sedimentation tanks and 2 filters	Facilities constructed	Progress Reports	HTS	100	IP				X	X
						Ksh.				50	50
	Replacement of the sand filters for the new plant (8No.)	Filters media replaced	Progress report	HTS	4	IP		X	X		
						Ksh.		2	2		
	Construction of an additional solution tank for soda ash and 2 chemical dozers	Tank/dozers in place	Progress report	HTS	1.2	IP		x			
						Ksh.		1.2			
	Develop a concept paper for a strategic reservoir	Concept Paper	Progress Report	HTS	0.1	IP	X				
						Ksh.	0.1				
	Replacement of the faulty Ultrasonic Flow meter (UFM) (2No.) at Kamakwa WTP	Installation of the UFM's	Report	HTS	1	IP		X			
						Ksh.		1			
	Upgrading electrical/mechanical gadgets	Upgraded gadgets	Progress Report	HTS	3	IP	X	X	X	X	X
						Ksh.	0.4	0.65	0.65	0.65	0.65
	Conducting repairs and preventive maintenance	Repairs and preventive measures undertaken	Progress Report	HTS	5	IP	X	X	X	X	X
						Ksh.	1	1	1	1	1

	Upgrading electrical/mechanical accessories	Upgraded gadgets	Progress Report	HTS	5	IP	X	X	X	X	X
						Ksh.	1	1	1	1	1
	Review and update the maintenance schedule for the treatment plant, intake works , raw water gravity pipelines and water storage tanks	Updated schedule	Progress Report	HTS	0.1	IP	X	X	X	X	X
						Ksh.	0.1				
Efficient operations and maintenance of water intake, raw water gravity pipelines, water treatment plant and water storage tanks for capacity utilization	Upgrading electrical/mechanical accessories	Upgraded gadgets	Progress Report	HTS	3	IP	X	X	X	X	X
						Ksh.	0.4	0.5	0.7	0.7	0.7
	Full rehabilitation of the old water treatment works	Treatment works rehabilitated	Progress Reports	HTS	5	IP	X	X	X		
						Ksh.	0.3	2.5	2.2		
	Installation of electromagnetic meter on raw water main line for flow monitoring.	Actual raw water data	Implementation reports	HTS	4	IP			X		
						Ksh.			4		
Efficient operations and maintenance of water distribution system and	Conducting repairs, preventive and routine maintenance	Repairs and maintenance undertaken	Progress Report	HTS	100	IP	X	X	X	X	X

sewer network											
						Ksh.	20	20	20	20	20
	Continue digitizing of distribution network	Digitized network	Progress Reports	HTS	0.5	IP	X	X	X	X	X
						Ksh.	0.1	0.1	0.1	0.1	0.1
Water Quality and Pollution Control management	Maintain an Accredited water testing laboratory	Laboratory in place	Progress Reports	HTS	N/A	IP	X	X	X	X	X
						Ksh.				-	-
	Monitoring of the raw water quality by collecting 20No. of samples per month.	No. of samples collected	Monitoring Reports	HTS	2	IP	X	X	X	X	X
						Ksh.	0.4	0.4	0.4	0.4	0.4
	Undertake drinking water quality surveillance by collecting 200No. samples. 98% to be within norm.	-No. of samples collected	Progress Reports	HTS	2	IP	X	X	X	X	X
		-% within norm				Ksh.	0.4	0.4	0.4	0.4	0.4
	Monitoring of sewage effluent quality by collecting 1No. sample per month. 95% to be within norm	-No. of samples collected	Progress Reports	HTS	2	IP	X	X	X	X	X
		-% within norm				Ksh.	0.4	0.4	0.4	0.4	0.4
Efficient operation and maintenance of sewage treatment works	Upgrading electrical/mechanical gadgets	Upgraded gadgets	Progress Report	HTS	3	IP	X	X	X	X	X
						Ksh.	0.4	0.65	0.65	0.65	0.65
	Conducting repairs and preventive maintenance	Repairs and preventive measures undertaken	Progress Report	HTS	32.5	IP	X	X	X	X	X

	Plan for improvement of treatment plant	Well maintained facilities	Progress Report	HTS		Ksh.	6.5	6.5	6.5	6.5	6.5
	Review and update the maintenance schedule for the treatment plant.	Updated schedule	Progress Report	HTS							
	Replacement of the geared motors for the scrappers at Kangemi STP.	Installation of the scrappers	Report	HTS	2	IP	X	X	X	X	X
						Ksh.	0.4	0.4	0.4	0.4	0.4
	Installation of a recirculation pump at Gatei STP	Installation of the pumps	Report	HTS	2.5	IP	X	X			
						Ksh.	1.5	1			
	Construction of the stalled proposed mechanical/electrical workshop at Kangemi STP.	Construction of the workshop	Completion certificate	HTS	5	IP		X			
						Ksh.		5			
	Sign an MOU with Dedan Kimathi Univesity on the takeover of the sewage plant operations	Signed MOU	Report	HTS	n/a	IP	X				
						Ksh.					
	Improvement and extension of sewer network within DeKUT /Kabiruini estate	Networks constructed	Report	HTS	2.5	IP	X				
						Ksh.	2.5				
Continuous conformity to the ISO/IEC 17025:2005 accreditation requirements	Procurement of laboratory equipment for the water testing laboratory	Supply of provisions	Reports	HTS	15	IP	X	X	X	X	X
						Ksh.	3	3	3	3	3
	Procurement of laboratory equipment for the meter calibration laboratory	Supply of provisions	Reports	HTS	10	IP	X	X	X	X	X

						Ksh.	2	2	2	2	2
	Payment of annual accreditation fee to KENAS	Payments made	Receipts	HTS	2.4	IP	X	X	X	X	X
						Ksh.	0.48	0.48	0.48	0.48	0.48
	Attendance in at least 1No. ISO/IEC 17025: 2005 consultative forums	No. of attendance	Reports	HTS	0.1	IP	X	X	X	X	X
						Ksh.	0.02	0.02	0.02	0.02	0.02
	Participation in at least 1No. Proficiency Testing (water Testing) and inter-laboratory comparison schemes (Meter calibration)	No. of participation	Reports	HTS	0.5	IP	X	X	X	X	X
						Ksh.	0.1	0.1	0.1	0.1	0.1
	Participation in at least 1No. bench marking with other accredited laboratories	No. of benchmarking activities	Reports	HTS	4	IP	X	X	X	X	X
						Ksh.	0.8	0.8	0.8	0.8	0.8
	Undertake at least 1No. Capacity building of personnel	No. of capacity buildings	Progress Reports	HRM	5	IP	X	X	X	X	X
						Ksh.	1	1	1	1	1
	Conduct at least 2No. internal audit and management review meetings annually	No. of audit and meeting conducted	Reports	HTS	0.25	IP	X	X	X	X	X
						Ksh.	0.05	0.05	0.05	0.05	0.05
	Undergo at least 1No. Surveillance assessment annually and 1No. reaccreditation assessments per 3years by KENAS	No. of assessments	Reports	HTS	0.75	IP	X	X	X	X	X
						Ksh.	0.15	0.15	0.15	0.15	0.15
	Calibration of laboratory equipment	No. of calibrations done	Calibration certificates	HTS	1.25	IP	X	X	X	X	X

	at least once annually										
						Ksh.	0.25	0.25	0.25	0.25	0.25
	Embark on the process for accreditation as a designated NEMA referral water testing laboratory	Documentations	Progress Reports	HTS	0.05	IP	X	X	X	X	X
						Ksh.	0.01	0.01	0.01	0.01	0.01
	Computerization of laboratory information management	Computerized information system	Progress report	HTS	5	IP		X	X	X	X
						Ksh.		2	1	1	1
Participation in Environmental Conservation	Establish mitigation strategy for climate change effects	Mitigation measures/strategy formulated	Strategy document	HTS	0.05	IP	X	X	X	X	X
						Ksh.	0.01	0.01	0.01	0.01	0.01
	Monitor the quality of raw water for pollution control by at least 4No. samples for chemical analysis and 1no. sample annually for fertilizer and pesticide residues.	No. of samples	Progress Report	HTS	3.5	IP	X	X	X	X	X
						Ksh.	0.7	0.7	0.7	0.7	0.7
	Participate in at least 1No. catchment areas conservation through re-afforestation programs	No. of programs	Reports	HTS	0.5	IP	X	X	X	X	X
						Ksh.	0.1	0.1	0.1	0.1	0.1
	Collaborate with other government agencies in at least 1No. awareness creation in the best techniques of land use in steep areas.	No. of awareness	Progress Report	HTS	0.25	IP	X	X	X	X	X
						Ksh.	0.05	0.05	0.05	0.05	0.05

Strategic Issue: INSTITUTIONAL CAPACITY DEVELOPMENT

Strategic Objective No. 5: To attract, develop and maintain adequate, qualified and competent staff/ develop and strengthen institutional capacity

Strategy	Activities	Output	Key Performance Indicators/ Means of Verification	Responsibility	Resources (Ksh. Million)		2016/ 17	2017/ 18	2018/ 19	2019/ 20	2020/21
Maintain an Effective Human Resource management and Planning System	Conduct job evaluation based on the strategic plan.	Job evaluation done	Report	HRM	2	IP	X				
						Ksh.	2				
	Implement/operationalize the human resource management policy	Training and sensitization workshop	Progress Reports	HRM		IP	X	X	X	X	X
Sustain a brand that makes NYEWASCO an employer of choice	Timely negotiations and implementation of Collective Bargaining Agreement	No. of negotiations conducted	CBA	HRM	2	IP		X			X
						Ksh. M		1			1
	Develop and institutionalize a pre-retirement plan	Retirement management	- Pre – retirement plan	HRM	0.3	IP		X			
			-implementation reports			Ksh. M		0.3			
		-retirement plan developed									
		- No. of implementation initiatives									
	Develop a coaching and mentorship plan	Coaching and mentorship plan developed	Coaching and mentorship plan	HRM	0.5	IP		X			
						Ksh. M		0.5			

	Implement a coaching and mentorship plan	Number of persons mentored	Implementation report	SHRAO	2	IP		X	X	X	X
						Ksh		0.5	0.5	0.5	0.5
	Review capacity building plan	Revised Capacity Building Plan	Capacity building plan		2	IP		X	X	X	X
						Ksh		0.5	0.5	0.5	0.5
	Implement a coaching and mentorship plan	Number of persons mentored	Implementation report	SHRAO	2	IP		X	X	X	X
						Ksh		0.5	0.5	0.5	0.5
Review and cascade performance management	Review performance management tools	Performance measurement revised	Performance management tools	HRM	N/A	IP	X	X	X	X	X
						Ksh					
Enhance skills set and competence framework	Carry out competence need assessment	Skills set and competence framework in place	Training needs Assessment plan	HRM	2	IP			X	X	X
						Ksh. M			0.8	0.6	0.6
	Prioritize Trainings and develop training calendar	No. of Trainings scheduled	Training calendar	HRM	N/A	IP	X				
						Ksh. M					
	Implement intervention programmes through training	No. of training conducted	reports	HRM	N/A	IP	X	X	X	X	X
						Ksh. M					
	Monitor and Evaluate intervention programmes	Monitoring and evaluation conducted	Evaluation Reports	HRM	N/A	IP	X	X	X	X	X
						Ksh. M					
Review and place an optimal organizational structure for	Conduct an assessment of the current organizational structure	Assessment done	Report	HRM	1	IP		X			

efficient and effective functioning of the company											
						Ksh		1			
	Update the structure to align with the 2016/2021 strategic plan	Updated strategic plan	Organization Structure	HRM	0.5	IP	X				
	Sensitize the staff on the strategic plan	No. of staff sensitized	Report	MD		Ksh	0.5				
Ensure effective implementation of the Strategic Plan	Prepare Annual Work Plans	Annual work plan in place	Work plans	MD	N/A	IP	X	X	X	X	X
						Ksh					
	Prepare Annual Board/MD/Staff Performance Contract	Performance in place	Performance contracts	MD/HODS/HR	N/A	IP	X	X	X	X	X
						Ksh					
	Prepare Quarterly Board/MD/Staff Performance Contract Monitoring Reports	No. of performance contracts monitoring conducted	Monitoring Reports	MD/HODS/HR	N/A	IP	X	X	X	X	X
						Ksh					
	Undertake Mid Term and End Term Review of Strategic Plan	Mid term& End term review conducted	Report on the Mid and End Term	MD	0.3	IP			X		X
						Ksh			0.15		0.15
	Establish clear promotion and Internal Staff Development Policy and Procedures	Policy/Procedures established	Policy/ procedures	HRM	0.3	IP			X		
						Ksh			0.3		
	Develop a Reward Management System	No. of staff rewarded	Reward management policy	HRM	0.5	ImP	X				
						Ksh	0.5				
	Establish clear promotion and Internal	Policy/Procedures established	Policy/ procedures	HRM	0.3	IP			X		

	Staff Development Policy and Procedures										
						Ksh			0.3		
	Conduct an Annual Employee Satisfaction Survey	Employee satisfaction survey conducted	Implementation Report	HRM	0.4	IP	X	X	X	X	X
						Ksh	0.4				
	Implement the recommendation of the Employee Satisfaction Survey	Recommendations implemented	Progress/implementation Report	HRM	N/A	IP	X	X	X	X	X
						Ksh					
Provide adequate and sustainable Work Environment	Conduct general staff meetings once every quarter	No. of general staff meetings conducted	Attendance Register	HRM	N/A	IP	X	X	X	X	X
						Ksh					
	Engage in WASCO Sports every year	No. of Wasco Sports participated in.	Certificates/trophies		20	IP	X	X	X	X	X
						Ksh	4	4	4	4	4
	Host Co-Curricular one (WASCO sports and WASPA Bi-Monthly Meeting)	WASCO / WASPA activities hosted	Reports/minutes/Certificates/trophies	MD / HRM	3	IP			X		
						Ksh			3		
	Conduct Work Environment Survey	Work environment survey conducted	Report	HTS/HRM	0.4	IP		X			
						Ksh		0.4			
	implement the recommendations of the Work environment survey	Implementation plan /schedule	Report		0.4	IP		X	X	X	X
						Ksh		0.1	0.1	0.1	0.1
	Rehabilitate and extend the office space	Rehabilitation conducted and extension done	Rehabilitation and extension plan	MD	10	IP				X	

						Ksh				10	
	Develop a succession and talent plan	Succession & talent management plan developed	Succession plan document	HRM	1	IP		X			
						Ksh		1			
	Institutionalize and implement the succession and talent management plans	Succession / talent management plan schedule	Succession / talent management plan		N/A			X	X	X	X
Ensure proper talent management and succession is institutionalized	Undertake Research and Development on capacity building,	Research undertaken	Report	HRM	0.4	IP			X		
						Ksh			0.4		
	Develop an innovation policy through collaboration of a Research and Development Institution	Policy developed	policy	HRM	0.4	IP				X	
						Ksh				0.4	
Embed research and innovation	Implement an innovation policy	Policy implementation matrix	Report	HRM	1	IP					X
						Ksh					1
Institute organizational Culture and Change Management programs	Develop organizational culture and change management programme	Programme put in place	Report	HRM	0.5	IP		X	X	X	X
						Ksh		0.5			
	Implement organizational culture and change management programme		Implementation Calendar / plan	HRM	N/A	IP		X	X	X	X

		Program in place				Ksh					
	Conduct trainings on culture and change management programmes	No. of trainings conducted	Report		0.6	IP	X				
						Ksh	0.6				
	Evaluate effectiveness of the training	Evaluation conducted	Report		N/A	IP	X	X	X	X	X
						Ksh					
Develop and institutionalize a branding plan	Develop the branding plan	Branding plan developed	Report	HFA/HTS/HRM	0.5	IP	X				
						Ksh	0.5				
	Implement the branding plan	Branding plan implemented	Implementation report	HFA/HTS/HRM	0.5	IP	X	X	X	X	X
						Ksh	0.1	0.1	0.1	0.1	0.1
Improve the current disaster recovery management system and business continuity management plan	Review the existing business continuity & disaster recovery plan.	Updated disaster recovery plan	Risk Management	HFA	0.8	IP	X				
						Ksh	0.8				
	Upgrade the business continuity and disaster recovery system.	Upgraded system	implementation report	HFA	0.8	IP	X				
						Ksh	0.8				

Annex II: Strategic Plan Evaluation Framework

Strategic Objective	Strategy	Time Frame	Status of Strategy	Variance & Why	Responsibility	Improvement Program(s)