



**NATIONAL ECONOMIC DEVELOPMENT AND LABOUR
COUNCIL
(NEDLAC)**

Revised Strategic Plan 2020/21 to 2024- 25

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Executive Authority Statement

The National Economic Development and Labour Council (Nedlac) was established through the Nedlac Act, Act 35 of 1994. It is worth noting that this was one of the very first pieces of legislation to be signed-off by the first democratic Parliament in 1994. Nedlac was established as a crucial vehicle for forging partnerships between South Africa's main social partners in order to jointly rebuild a post-apartheid South Africa.

South Africa once again needs its social partners to come together to address the economic and social challenges that our country faces. The Covid-19 pandemic and subsequent lockdown has amplified the significance of social dialogue in addressing the pressing crisis facing South Africa, its people and its economy. The concerted and joint action of our social partners; Organised Business, Community, Government and Organised Labour is necessary to tackle the challenges posed by the pandemic, to recover and grow South Africa's economy, create jobs and address other key social challenges. The National Development Plan (NDP) provides the national strategic framework for accelerating South Africa's growth and development.

Nedlac is committed to striving towards the realisation of two of national government priorities as set out in the NDP; namely, economic transformation & job creation and a capable, ethical & developmental state. The successful implementation of the NDP requires the social partners to overcome their differences, and to work together to support the implementation of shared priorities. These priorities have guided the development of the Strategic Plan 2020/21-2024/25. This revised Strategic Plan therefore provides a firm basis for ensuring that Nedlac plays a strengthened and increasingly important role in our country's economic growth and development as well as mitigating the impact of the pandemic.

The Minister of Employment and Labour hereby endorses the revised Nedlac Strategic Plan 2020/21 – 2024/25 and is committed to ensuring its implementation.

Mr T. W. Nxesi – MP

Executive Authority of Nedlac

Signature: _____

Date: _____

Executive Director's Statement

The tumultuous events of 2020 including the Covid19 pandemic and economic crisis has required of Nedlac to revise its Strategic Plan for the 2020/21 -2024/25 period. The key word that could describe this document is “renew” since in the face of these events, the social partners have renewed their commitment to Nedlac and the organisation in response is renewing its role, mandate, approach to its work and internal organisation.

The Strategic Plan is guided by a “Theory of Change” which continues to commit the organisation to enable social partners to contribute meaningfully to processes to address economic growth, and social equity. To achieve this both the organization and the social partners need to be well capacitated and social partners need to be able to hold each other and the organization to account. Thus, there have been some changes in the way the performance of the organisation is to measure in this strategic plan – including through the introduction of a stakeholder survey. This aims to improve the responsiveness of the organisation and the responsibility of social partners.

An important shift in this strategic plan is the balancing of the work that Nedlac does to input into policy and legislative processes with the work to be done in co-ordinating and enabling all social partners to contribute to economic recovery and reconstruction. Attention will continue to be placed on rapid responses to mitigate the negative impact of the Covid19 pandemic and enable the economy and society to adjust to a “new normal”.

Nedlac will only be able to meet these challenges if it is able to renew and restructure itself internally. The Theory of Change provides a basis for internal changes in the organisation including shifting resources to improve the capacity of staff and social partners and reducing resources to travel and accommodation, as the organisation also adopts to more remote and online ways of working.

On behalf of the Nedlac management and staff, I would like to thank the Manco and Exco for the endorsement of these shifts and commit that we will do what we can to ensure their successful implementation.

Lisa Seftel

Executive Director: Nedlac

Official Sign-Off

It is hereby certified that this Revised Strategic Plan:

- i) Was developed by the management of Nedlac under the guidance of the Department of Employment and Labour;
- ii) Considers all the relevant policies, legislation and other mandates for which Nedlac is responsible; and,
- iii) Accurately reflects the Impact, Outcomes and Outputs which Nedlac will endeavour to achieve over the 2020/21- 2024/25 financial years.

Thomas Mohl

Signature 

Acting Chief Financial Officer

Date 29 January 2021

Nobuntu Sibisi

Signature: 

Head: Programme Operations

Date: 29 January 2021

Lisa Seftel

Signature: 

Executive Director

Date 29 January 2021

Approved by:

Minister Thembelani Thulas Nxesi

Signature _____

Executive Authority

Date: _____

A. Our Mandate

1. Constitutional mandate

The National Economic Development and Labour Council (Nedlac) is guided by the South African Constitution, in particular Chapter Two on the Bill of Rights. Relevant sections include:

- Section 1, Promotion of labour standards and fundamental rights at work;
- Section 18, Freedom of association;
- Section 23, To ensure sound labour relations;
- Section 24, To ensure an environment that is not harmful to the health and wellbeing of those in the workplace;
- Section 27, To provide adequate social security nets to protect vulnerable workers; and
- Section 28, To ensure that children are protected from exploitative labour practices and not required or permitted to perform work or services that are inappropriate for a person of that child's age or their well-being, education, physical or mental health or spiritual, moral or social development is placed at risk.

2. Legislative and policy mandates

Nedlac was established by the National Economic Development and Labour Council Act, Act 35 of 1994, and operates in terms of its own constitution and protocols. The Act provides for the establishment of the Council and repeals certain provisions of the Labour Relations Act of 1995 and certain related provisions.

Other legislation directly relevant to Nedlac is the Labour Relations Act, 66 of 1995 (LRA) which seeks to promote economic development, social justice, labour peace and promote democratisation in the workplace.

In terms of the Nedlac Act, Nedlac's objectives are to:

- Promote the goals of economic growth, participation in economic decision-making and social equity;
- Seek consensus and conclude agreements on matters pertaining to social and economic policy;
- Consider all proposed labour legislation relating to labour market policy before it is introduced in Parliament;
- Consider all significant changes to social and economic policy before they are implemented or introduced in Parliament; and
- Encourage and promote the formulation of coordinated policy on social and economic matters.

The Medium-Term Strategic Framework (MSTF) issued by the Presidency’s Department of Planning, Monitoring and Evaluation for the period 2019 to 2024 identifies seven strategic priorities. Two of these are directly relevant to the work of Nedlac and Nedlac’s contribution is reflected in the table below

Priority	Nedlac’s Contribution
<p><i>Priority 1: Building a Capable, Ethical and Developmental State:</i> In terms of this priority the “vision is one of a strong leadership, a focus on people and improved implementation capability (and) a transition into a more functional and integrated government”. Intergovernmental and citizen engagement are seen as key enablers of this priority.</p>	<p>Nedlac’s contribution is to build Nedlac as a strong, capable and ethical institution able to contribute to improved decision making and implementation capacity of government.</p>
<p><i>Priority 2: Economic Transformation and Job Creation:</i> This priority recognizes the triple challenges of unemployment, inequality and poverty and notes the need to improve South Africa’s productive capacity, human capital and state capability. To achieve faster and sustained inclusive growth.</p>	<p>Nedlac’s contributes through enabling robust social dialogue, inputs into policy and legislative processes and social compacts on critical economic, developmental and labour market matters which can make an impact on economic transformation and job creation.</p>

3. Institutional strategies and policies

The need for a forum where social partners with competing interests can reach agreement is widely and explicitly recognised. For example, page 155 of the National Development Plan identifies the formulation of social compacts as important mechanisms and specifically mentions Nedlac in this regard, but goes on to note that that due to a lack of strategic engagements and low levels of trust, these compacts have not previously delivered effective partnerships.

Nedlac seeks over this term of office to reverse this situation and position itself as the hub of social dialogue through which such engagements can take place and trust can be built. If Nedlac succeeds it has the potential to be a pivotal institution in which broad strategic agreements are reached and pathways to their implementation are determined. Priorities pertaining to women, youth and people with disabilities are embedded and mainstreamed in the work of Nedlac.

The overall strategy to be implemented by Nedlac over the coming five-year period is described in the Theory of Change contained in Table 1 below. The Theory of Change is guided by situational and environmental analyses recorded below and its continued relevance will be monitored and evaluated.

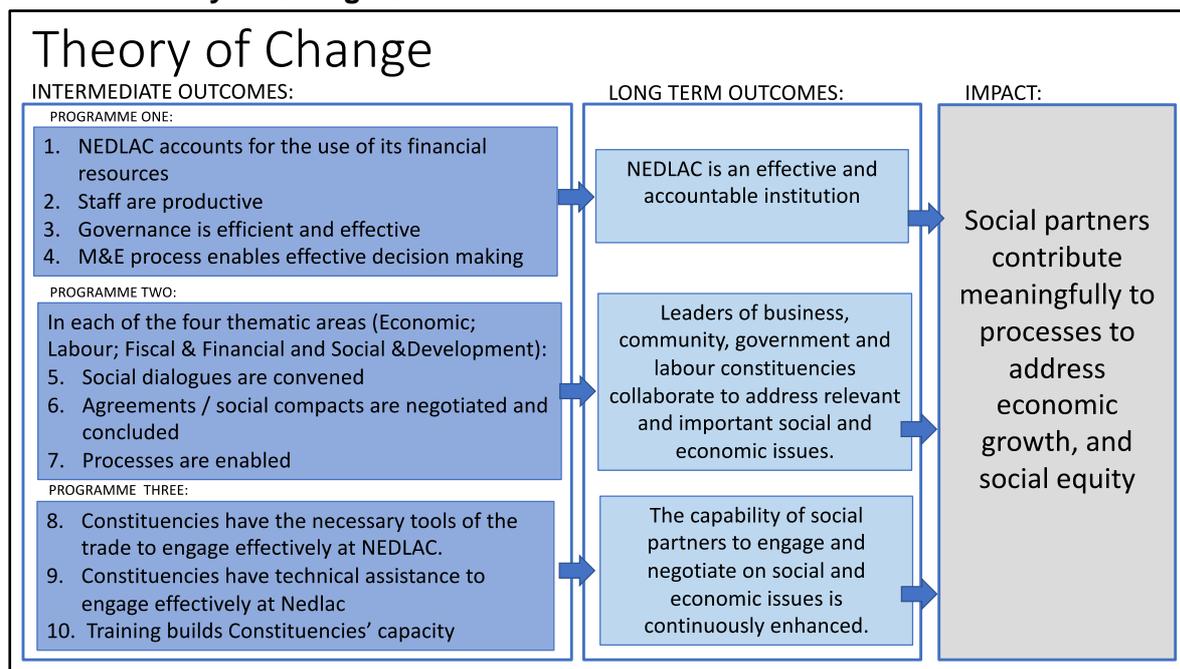
The overall **impact** that Nedlac seeks to make is for social partners to contribute meaningfully to processes to address economic growth and social equity.

In order to achieve this impact, NEDLAC will deliver the following **high-level outcomes**:

- *An effective and accountable institution*: In order to achieve this, it will account for the use of its financial resources, its staff will be productive, its governance will be efficient and effective and its monitoring and evaluation processes will enable effective decision making
- The leaders of business, community, government and labour constituencies will *collaborate* to address relevant and important social and economic issues: This result can be achieved through social dialogues, agreements or social compacts or facilitated processes in respect of economic, labour market, fiscal and financial and social and development issues.
- The *capability* of social partners to engage and negotiate on social and economic issues will be continuously enhanced.

This translates into a number of outcomes and outputs for the five-year period of this Strategic Plan which are detailed in in Section C below.

Table 1: Theory of Change of Nedlac



From a policy perspective the most important medium-term policy issues that affect the operations of Nedlac relate to two principal concerns:

- Who is represented at Nedlac and participates in its processes and
- The ability and capability of its decision makers to reach binding agreements and to hold the partners to these agreements to account

As part of the strategic approach described below attention is paid to both these important matters and a way forward will be identified and implemented as part of Nedlac's overall programme.

4. Relevant court rulings

Over the immediate past period there was only one significant court ruling that needs to be considered from a strategy perspective: as a result of the judgement handed down in the case ***“Solidarity Trade Union vs National Economic Development and Labour Council”*** (2018) Nedlac is required to consider all Section 77 notices filed on matters of socio-economic nature as provided for in the Nedlac Act and relevant Nedlac Protocols. Account of this requirement has been taken in the Council's internal operating procedures.

PART B. Our Strategic focus

5. Vision

The vision of Nedlac is to promote growth, equity and participation through social dialogue.

6. Mission

The mission of Nedlac is to give effect to the Nedlac Act by ensuring effective public participation in labour-market and socio-economic policy and legislation, and to facilitate consensus and cooperation between the social partners in dealing with South Africa's socio-economic challenges.

7. Values

Nedlac's approach and operations are based on the values enshrined in the Constitution and its founding legislation. The Council especially emphasises the following:

- Accountability
- Transparency
- Integrity and ethical conduct
- A spirit of partnership
- Problem solving and consensus seeking.

8. Situational analysis

8.1. External environment analysis

Even before the onset of the Covid crisis, South Africa's economic and social systems were in deep crisis. A combination of factors had created a situation in which growth had almost ground to a halt. Unemployment, poverty and inequality, long recognized as South Africa's principal challenges, had already been accelerating and becoming more pressing concerns.

Unemployment in the second quarter of 2020 had already reached 40%, with levels of over 60% amongst young people.

GDP growth has declined from 3% in 2010 to 0.2% in 2019 while the budget deficit is up 6.3% from 4.6%. As serious is that public debt rose from 34.7% to 62.2% by 2019 and could grow to over 80% of the budget in the near future. The country is thus in risk of a debt crisis – a problem which not necessarily faced by our peers.

One of the principal reasons for the dire pre-Covid situation has been the precipitous decline in investment in South Africa by the public and private sectors. On the public side, state capacity and credibility has declined due to lack of institutional integrity and severe accountability deficits while the state has not been able to provide regulatory and policy certainty for investors. Resources that should have opened up opportunities in new economic sectors or revitalized infrastructure have been diverted and misappropriated for non-productive resources.

In particular this has led to a sustained energy crisis which has posed very material constraints on the ability of the private sector to grow and acts as a powerful disincentive for new investors to come to South Africa as well as mitigating against job creation and income generating opportunities.

In this context, the private sector has responded cautiously, reducing investment and seeking opportunities offshore and elsewhere in Africa. Private sector employment in the industrial and mining sector have been on a downward trajectory for decades and future trends in the world of work – including digitalization, globalization and climate change do not bode well for growth and job creation in these sectors.

Poor economic growth prospects have an impact on the potential for transformation including the growth of dynamic wealth generating black and small businesses. Despite BBBEE codes and the Employment Equity Act, white males continue to occupy the majority of senior management positions in private sector positions.

The union movement has consequently also been under pressure with fragmentation and division in many of the key private sector unions. Levels of unionization are down on previous years and it is increasingly difficult to organize atypical forms of work.

Poor economic growth in the South African context not only increases poverty and marginalisation but intensifies racial inequalities and has reversed the non-racial dividend that the democratization of South Africa achieved. And economic hardship contributes to serious cracks in social cohesion as is most evident in high levels of gender-based violence in South Africa.

As it has done globally, in South Africa COVID-19 has torn away a veil that had concealed the issues facing our economy and our society, forcing us to confront what is really going on. The decision to undertake a stringent and protracted lockdown helped avoid worse infection levels but also had a range of unintended negative consequences, including a massive blow to the economy and intense social distress.

The long-term behavioral changes wrought by the pandemic will in all likelihood be profound and extreme but it is not yet clear what they will be. Certain sectors, such as transport and tourism will be worse affected than others, and trends such as digitalization will mean new growth maybe in different directions and modes. The most likely effect is to be a sustained negative impact on employment, which as noted above was already under intense pressure.

The crisis that South Africa faces is not cyclical or temporary but structural requiring deep and thorough going reform of the economy – initiated primarily by the state but also dependent on the actions of all social partners.

In this context, the role of Nedlac in convening and facilitating the Social Partner's Economic Recovery Action Plan between August and September 2020 should be noted. The Action Plan was developed through detailed consultations between all social partners and sets out their collective and individual commitments made in a focused number of areas. These are intended to build investor, consumer and public confidence in the short term and turn the economy around in the medium to longer term.

In respect of these focus areas, the Action Plan sets out immediate or short-term measures as well as implementing medium- and longer-term structural reforms and other programmes. It addresses three priority focus areas, namely aggressive infrastructure investment; employment oriented strategic localisation, re-industrialisation and export promotion; and enabling conditions and a supportive policy environment. Nedlac role will be to facilitate the implementation and monitoring of the Plan using its existing protocols and procedures to do so.

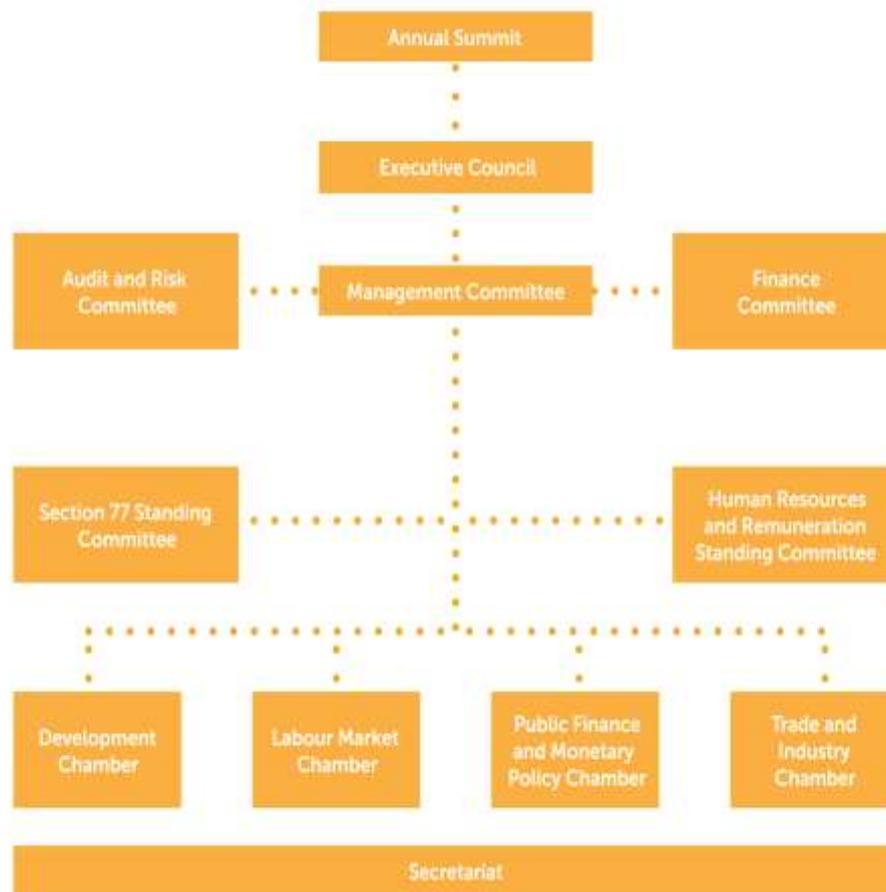
8.2. Internal environment analysis

The social partners represented at Nedlac are:

1. *Business Unity South Africa* represents organised business
2. The community is represented by the following structures: *Women's National Coalition, South African National Civics Organisation, South African Youth Council, Disabled People South Africa, South African National Association of Cooperatives and the Financial Sector Coalition.*
3. Government is represented by the *Department of Employment and Labour, Department of Trade and Industry, Department of Public Works, National Treasury,* and others and
4. Organised Labour is represented by the *Congress of South African Trade Unions, National Council of Trade Unions,* and the *Federation of Unions in South Africa.*

The social partners have varying ability to deliver Nedlac's mandate – this is explicitly recognised in Nedlac's *Theory of Change* which proposes that a Programme Three for resources to build the capacity of partners to participate. This strategy explicitly recognises the need to improve and systematise the way in which this is achieved and is the reason for the shift described later in this document.

In the same vein, each of the various structures which make up Nedlac need their capacity built if they are to deliver the kinds of results needed to manage the intense demands of the post-Covid crisis period. Nedlac has the following structure:



1. The **Development Chamber** considers and engages on policy and legislation pertaining to urban and rural development, youth, gender and people with disabilities and the associated institutions of delivery.
2. The **Public Finance and Monetary Policy Chamber** considers and engages on policy and legislation pertaining to financial, fiscal, and monetary and exchange rate policies, the coordination of fiscal and monetary policy, the related elements of macroeconomic policy and the associated institutions of delivery.
3. The **Trade and Industry Chamber** considers and engages on policy and legislation pertaining to the economic and social dimensions of trade, industrial, mining, agricultural, and services policies and the associated institutions of delivery.
4. The **Labour Market Chamber** considers and engages on policy and legislation pertaining to the world of work and the associated institutions of delivery.
5. The **Project Coordinating Unit** associated with the Presidential Jobs Summit was the mechanism used to promote implementation of the Job Summit Framework Agreements reached in October 2018. It is anticipated that the work done in this regard will be integrated into the implementation of the Social Partner's Economic Recovery Action Plan.
6. The **Nedlac Secretariat** comprises full time staff to support the work of the constituencies in Nedlac. The Executive Director is the head of the Secretariat.

7. The key **governance structures** of Nedlac are the Executive Council, its highest governance structure, and a Management Committee that reports to it.
8. Nedlac has **task teams** that focus in specific issues, the most prominent ones being the Nedlac Rapid Response Task Team and the Comprehensive Social Security and Retirement Reforms Task Team.
9. A **Section 77 Standing Committee** considers notices brought to it in terms of Section 77 of the Labour Relations Act, which covers the right of workers to participate in protest action. Procedures governing the process through which matters are raised at Nedlac are stated in long-established protocols.

Implementation arrangements for the Economic Recovery Action Plan which will be a major element of Nedlac's work over the next period are still to be finalised. The work of the Presidential Job Summit from 2018 will be integrated into these processes.

With due regard to the above, the successful implementation of the work of Nedlac will require the following:

- Developing the ability of staff to better facilitate challenging and complex processes requiring trust and commitment including to reach agreement on strategic social compacts;
- Administrative and secretariat excellence so that governance and other Nedlac processes can function efficiently and effectively;
- Accelerated implementation of digitalisation strategy through improving the Information and Communication Technology set-up of Nedlac so that communication, engagement and document management is better facilitated and no constituency is disadvantaged due to lack of digital access to meetings and documents.;
- Making the Nedlac House both a safe and smart place to work and gather at; and
- Increasing the participation of women, youth and people with disabilities in Nedlac.

PART C. Measuring our performance

9. Institutional performance information

The SWOT and PESTEL analysis are some of planning tools suitable for the planning process; these have been adopted by Nedlac in the planning phase of this strategic plan. The new DPME Planning Guideline provides clear guidelines for conducting Environmental Analysis for a government entity planning exercise. The Nedlac scanning process followed the guidelines provided by DPME in an attempt to identify strategic internal capabilities while trying to understand external influences. The analysis of the external environment was guided by a PESTEL Analysis with a focus on identifying Political, Economic, Social, Technological, Environmental and Legal factors which would affect the attainment of Nedlac' s strategic objectives over the next five years. The table below provides the factors

9.1. PESTLE analysis

Table 2: PESTLE analysis

Strategic Issue	How Nedlac needs to respond
Political Analysis	
Ongoing conflicts and rivalries within political parties are creating intense tensions that threaten the stability of the political system and make it difficult to achieve a unifying vision and framework within which people can collaborate. The reduced legitimacy of formal party-political structures appears to be a long-term strategic challenge that Nedlac needs to consider.	Nedlac provides a platform in which people of diverse political opinions can find one another and seek shared solutions. Part of the way Nedlac needs to respond is to continue its overall drive to improve its operational performance and enhance the degree to which it achieves its intended strategic results.
Economic Analysis	
Slow economic growth will have adverse impacts on job creation and cause a rising incidence of retrenchments, as well as severe downstream consequences including increased poverty and inequality. These pre-existing dynamics will be exacerbated by the Covid phenomenon and will be heightened amongst vulnerable populations including children and women.	The need for the role played by Nedlac to facilitate inclusive economic growth will increase exponentially as will the expectations that Nedlac improve its overall capacity and performance. Certain key elements of the strategy – especially those relating to economic recovery – will be highly pressured.
Social Analysis	
South Africa's high unemployment rate is already causing an increased dependency on the state for basic needs and social protection. Regional impacts of the Covid pandemic are	The role of Nedlac in facilitating social protection policies will become more important as well as ensuring the effective implementation of ILO Convention 190 on

Strategic Issue	How Nedlac needs to respond
likely to cause increased immigration into South Africa with an increased likelihood of xenophobic responses. Other forms of violence, including gender-based violence is likely to increase.	violence in the workplace. Nedlac may also need to build its relationship to other bodies designed to protect and advance Constitutional rights such as Chapter 9 institutions. Communication has become even more of a priority than before.
Technological Analysis	
<p>The “Fourth Industrial Revolution” is already changing the manner in which work is done and the future of work. While the obvious danger is increased joblessness as tasks are mechanised, there are also opportunities that need to be identified and explored. There is also the potential for increased productivity and competitiveness.</p> <p>New communication technologies also offer Nedlac opportunities to make it easier and cheaper to engage with stakeholders.</p>	<p>Re-skilling, up-skilling and multi-skilling of staff to adapt to the fourth industrial revolution needs to become policy issues that Nedlac prioritises and promotes where it can. In particular labour policy and legislation will need to respond to the Fourth Industrial Revolution and the Future of Work.</p> <p>Nedlac needs to take advantage of the opportunities for new ways of working. This should include the establishment of effective remote platforms for Nedlac meetings.</p>
Ecological Analysis	
Climate change is likely to exacerbate and accelerate negative trends such as joblessness and poverty. While the exact nature of these impacts is not clear there is cause for concern that the scope and scale of their effects could be even worse than the Covid experience and they should therefore be taken seriously from a strategy perspective.	Facilitating dialogues and engagements that lead to the adoption of comprehensive policy and strategy responses to climate change such as just transition needs to be a priority for Nedlac. Building its own technical competence in this area will also be important.

9.2. SWOT analysis

Table 3: SWOT analysis

Strengths	Opportunities
<p>Nedlac is a specially-designed institution uniquely mandated and designed to provide a much-needed and highly relevant service.</p> <p>It has the ability to add enormous value to social-economic policy and legislation and has a cohort of committed and experienced social partners and staff housed in its dedicated Secretariat.</p> <p>The Nedlac is adequately resourced and has the ability to respond flexibly and innovatively to changing needs and circumstances.</p>	<p>Perversely the Covid pandemic is an opportunity for Nedlac to step up and play an enhanced and accelerated role in relation to the increased and pressing need for its services.</p> <p>The institution’s new commitment to improving its performance is also an opportunity to revitalise its operations and improve the performance of its mechanisms across the board.</p> <p>This could extend to revisiting questions of inclusion and participation in its structures.</p>
Weaknesses	Threats
<p>Amongst some social partners participation by representatives is not effective for a range of reasons, including in some instances a lack of decision-making authority and seniority.</p> <p>Some social partner representative has limited capacity which needs building.</p> <p>In certain strategic regards there is limited alignment across components of Nedlac which needs to be addressed, especially in relation to what was the Jobs Summit but which is now changing its form.</p> <p>The Nedlac Secretariat has human resource, IT and facilities management challenges that need to be addressed if the institution is to improve its performance.</p> <p>Nedlac needs to do a better job of managing its knowledge and communicating its results.</p>	<p>The political environment is fraught and tense and this makes it hard to reach agreement on policy and strategy in relation to pressing socio-economic matters.</p> <p>South Africa’s very weak economic growth dynamic limits the options available from a policy perspective and also makes it hard to come up with creative and dynamic solutions that are economically feasible.</p> <p>Weak economic growth also impacts on the capacity of other labour market institutions and organisations including organised business and labour.</p> <p>The shift to remote working and the increased use of online platforms makes cyber-security a greater threat than before.</p> <p>The ability of social partners to participate in these formats is also a threat to the work of Nedlac.</p> <p>Covid poses a broader set of risks to Nedlac as well, including the risk of ill-health amongst its staff and the possibility that there may be reductions in public sector budgets as a result of it.</p>

9.3. Impact statement

The impact Nedlac seeks to achieve is for social partners to contribute meaningfully to processes to address economic growth and social equity as its contribution towards of overall efforts to create a labour market which is conducive to investment, economic growth, employment creation and decent work.

9.4. Programme Explanations, Outcomes, indicators, Baselines and Targets

In this section, the outcomes indicators, baselines and targets for the Strategic Plan are set out in respect of the three programmes of Nedlac, namely Administration, Operations and Capacity Building. First there is an explanation of the Programme followed by tables.

9.4.1. Programme One: Administration

Explanation of Programme One

Nedlac is preparing itself to play a bigger and more visible role in post-Covid South Africa and this will require that it build its capacity and perform more effectively and efficiently in the following areas:

- *Financial management:* While previous challenges have been resolved, the importance of accountability as a core value for Nedlac has grown and ensuring that its internal and external audits meet the necessary requirements is a major priority.
- *Information technology and digitalisation:* Facilitating processes and interactions and managing negotiations is a complex task that has both technical and administrative dimensions. In order to deliver these processes successfully Nedlac recognises the need to be efficient and ensure that the underlying IT, document management systems and engagement protocols work well and smoothly so that fully-engaged participation by diverse stakeholders is enabled, trust is built and processes are more likely to achieve success.
- *Governance:* The Nedlac's governance structures and processes need to be more effective and efficient, serving to both guide the management of the organisation and providing strategic direction to society.
- *Learning organisation:* Nedlac wants to become a learning organisation for staff and constituencies. This will enable a virtuous cycle of continuous improvement. Key to achieve this is monitoring and evaluation and system that will generate evidence to guide managers and leaders.

The key indicator for the use of financial resources is the receipt of unqualified audit opinions, while Nedlac will implementing an annual digital survey to garner feedback from constituencies and other important stakeholders on their satisfaction with performance by the Secretariat and of governance processes.

PROGRAMME ONE: NEDLAC is an effective and accountable institution			
Outcome	Indicator	Baseline	Five-year target
1.1. Nedlac accounts for the use of its financial resources	An unqualified audit opinion for financial year	Obtained in previous year	Unqualified audit opinion obtained every year
1.2. Nedlac is efficient	Annual feedback from partners indicating they are satisfied that Nedlac performs its work efficiently	New indicator	Over 75% positive feedback per annum
1.3. Governance is effective	Annual feedback from partners indicating they are satisfied with the governance processes at Nedlac.	New indicator	Over 75% positive feedback per annum
1.4. Monitoring and evaluation processes enables effective decision making.	Planned M&E products achieved within the set timeframes.	New Indicator	100% of the M&E products listed in the Monitoring and Evaluation framework must be delivered by 31 March 2025.

9.4.2. Programme 2: Core Operations

Explanation of Programme Two

Programme 2 is the heart of the organisation. The work of this Programme has been characterised differently as a result of the changing role that Nedlac has been accepted to play.

Results in this programme thus relate to:

- *Convening social dialogues* on strategic issues and topics identified through the Chambers and which should lead to appreciation of the issues being considered. Even if concrete agreements do not emerge these processes are valued for the role they play in giving parties with competing interests to engage with competing viewpoints and enhance the chance of downstream agreement.
- Successfully reaching *national, sector or specific social compacts or agreements* on topics and matters that have been identified by the social partners. In identified instances, Nedlac will also need to play a role in monitoring the implementation of these agreements.
- *Coordinating and legislative, policy and other processes* such as what Nedlac was required to do to respond rapidly to the Covid19 pandemic. This will require that Nedlac be able to act as a facilitator and interlocutor to be able to produce competent, legitimate and credible inputs to Parliament or government as the case may be.

As with Programme One, Nedlac will make use of feedback from its stakeholders to measure in the achievement of its intended outcomes. Use of existing registers to assess how many processes have been successfully concluded within the times stipulated by existing Nedlac protocols will also need to be referenced

PROGRAMME TWO: Business, community, government and cooperate to identify and implement ways to address relevant and important social and economic issues.			
Outcome	Outcome Indicator	Baseline	Annual target
2.1. Social dialogues are successfully convened	Annual feedback from constituencies on their satisfaction with processes.	New indicator	Over 75% positive feedback received
2.2. Agreements are successfully reached	Annual feedback from social partners on their level of satisfaction	New indicator	Over 75% positive feedback received
2.3. Processes are successfully concluded and coordinated	Annual feedback from social partners on their level of satisfaction	New indicator	Over 75% positive feedback received
	Proportion of processes concluded within agreed timeframes.	100% of processes completed within six months from tabling at Nedlac	100% of processes completed within timeframe agreed in the APP.

2.3.1. Programme 3: Capacity building

Explanation of Programme Three

Achieving the results proposed in Programme Two will require that Nedlac itself improve its capacity, as noted in the description of Programme One but it will also require that the social partners are better able to participate in the processes undertaken by the Council.

A strategic shift is proposed for the coming five-year period. Nedlac proposes to work with each of the social partners to determine their capacity building needs and then to support them in the implementation of either providing tools of the trade, technical assistance and/or training. Funds will be provided equally to labour, business and government unless otherwise motivated.

Given that the remote work modality is likely to remain as a widespread practice Nedlac recognises that it will also need to take responsibility for ensuring that certain stakeholders have access to the tools of their trade that will allow them to participate using virtual platforms.

Indicators to be used in reporting on this programme will relate to the progress made by each social partner in the implementation of their capacity building plans, which will be formulated early in the new strategic period.

PROGRAMME THREE: The ability of social partners to engage and negotiate on social and economic issues is continuously enhanced.			
Outcome	Indicator	Baseline	Five-year target
3.1. Constituencies have the necessary “tools of the trade” to engage effectively at NEDLAC.	Annual feedback from constituencies on whether they have the necessary “tools of the trade” to engage effectively	New indicator	Over 70% positive feedback on the provision of “tools of the trade” to engage effectively.
3.2. Constituencies have technical assistance to engage effectively at Nedlac	Annual feedback from constituencies on whether they have the necessary technical assistance to engage effectively.	New indicator	Over 70% positive feedback on the provision of technical assistance to engage effectively
3.3. Training builds Constituencies’ capacity	Annual feedback from constituencies on training	New indicator	Over 70% positive feedback on the training received.

10. Key risks and mitigation measures

The following are the key strategic risks in the organisation and approach to risk mitigation

Strategic issue	Key risk	Risk mitigation approach
Growing complexity	The issues to be addressed by Nedlac in the 2020 are complex and systemic and require enormous skills as well as deep knowledge and insight of the relevant content matters to be addressed. In all likelihood sacrifices will need to be made by everyone participating in the institution’s structures and hard tradeoffs will need to be made.	As a general challenge to Nedlac, building its capacity to manage complexity is recognized as the principal challenge over the strategic period and will be addressed in all levels and processes including though the development of an enhanced monitoring and evaluation and becoming a learning organization.
Representation	Founding documents which guide the work of Nedlac	Governance Task Team to meet and deliberate on matters on agenda

Strategic issue	Key risk	Risk mitigation approach
	<p>have not undergone comprehensive review leading to a misalignment with the current operating environment and demands of the country. This raises a number of issues particularly in relation to representation. The issue does not prevent Nedlac from doing its work but does impact its overall effectiveness.</p>	<p>Proposal of a process for Nedlac to become fit for purpose through Governance Task Team. In the meantime, Nedlac will be flexible in respect of representation to ensure enhanced inclusivity.</p>
Uncertainty	<p>Factors outside of Nedlac's control such as the Covid19 pandemic reduces the Council's ability to meet deadlines. This does not prevent Nedlac from doing its work but reduces its overall effectiveness</p>	<p>The Annual Performance Plan (APP) will be adjusted annually to consider the new circumstances. Efforts will also be made to provide flexibility in order to adapt the work programme and determine new ways of working.</p>
Capacity	<p>Inability to complete the work programme of Nedlac as a result of capacity constraints internally and amongst social partners.</p>	<p>A concerted and sustained effort will be made to build the capacity of the Secretariat and the social partners.</p>

Part D: Links to other plans

No other plans are linked to this Strategic Plan.