

**Business Council of Papua New Guinea**  
**Strategic Business Plan**  
**2006 – 2011**

# **VISION STATEMENT**

**To promote the interests of the private sector for the  
benefit of our members and the prosperity of our  
country.**

(Issue 19-06-07)

## **Mission Statement**

The Business Council's Mission is to serve its Members well and to be proactive in representing the interests of the private sector to government and public institutions. This will be done by engaging in research, framing policy and by conducting informed dialogue and debate.

The Business Council will remain an a-political organisation that utilises knowledgeable and skilled people from business and academia to deliver value-for-money services.

The most affordable and best technologies will be utilised to gather and share information that is relevant to the business community.

The organisation will foster new business and leadership talent and will apply sound business ethics and practices. Good management, personnel and sound management procedures will ensure that the organisation remains well-run even during times of rapid growth. (Issue 0 Date 29-03-06)

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*Note for editor: This page has been prepared as a Table (two columns and many rows). In some instances it may be necessary to use the "Table" menu to edit this page.*

# 1. Preliminary details

## Advisors

This first Strategic Business Plan was developed by the Executive Committee and its Executive Officer, Maryanne McDonald. Two members of the Executive Committee, Ernie Gangloff and Kee Lim, also worked closely with Jane Lea from Australian Business Volunteers (ABV) to develop the Plan.

## Document control

Record of Issue & Amendments				
Issue	Revision Date	Sections Amended	Written by	Authorised by
0	12-04-06	First issue.	JL (ABV) & MM (EO, BCPNG)	
1	14-07-06	Contents Table, Section 1, Appendix 1 Appendix 3	MM (EO)	

This Strategic Business Plan is issued, amended, authorised for use, and distributed according to the instructions in Procedure 03 Document Control.

## 2. Introduction

This Strategic Business Plan (SBP) has been developed to provide clear direction to the Business Council of PNG so that it can be effective in helping to achieve long-term sustainable growth for PNG's private sector.

This is a 5-year Plan for the years 2006 – 2011. The Plan effectively begins in April 2006 and runs through to April 2011. Budgets have been prepared for the Plan and these generally coincide with the Business Council's financial year which ends on 30<sup>th</sup> April each year.

The Plan will ensure that the Business Council's resources are carefully directed towards representing the interests of its Members and achieving important objectives that will help to achieve the organisation's Vision and Mission. The SBP aims to ensure that the Business Council continues to provide real value to its Members and that it remains a viable and well-run organisation.

The SBP has been written for use by the Executive Committee, the Executive Officer, personnel, potential donors / sponsors, and volunteer agencies. Separate written policies and procedures will provide additional information for the implementation, maintenance, monitoring, evaluation, and updating of the Plan.

The SBP describes long-term objectives and the strategies to achieve the objectives. The SBP also makes reference to 1-Year Tactical Business Plans. The 1-Year Plans will be developed to achieve short-term objectives. As the 1-Year Plans will be updated frequently, they will be maintained separately to the SBP. Both Plans complement each other and for this reason the SBP is comprised of both sets of Plans.

Both the Strategic Business Plan and 1-Year Tactical Business Plans will be reviewed periodically to ensure the plans remain relevant, to ensure that progress is on-track and within budget, and to provide the opportunity to update the plans in response to changes in information, the market (e.g., Members' needs), and the business environment.

### **3. Executive Summary**

The Strategic Business Plan (SBP) strengthens the Business Council and improves its focus to ensure that resources are utilized economically to achieve objectives that serve the organisation's Members and the wider business community.

The Vision and Mission Statements re-affirm the Business Council's purpose to serve the private sector and to help build PNG's economy.

The SBP describes a very large market in the not-for-profit business services sector that will allow for a significant growth in Membership numbers and revenue for the Business Council within the next couple of years. This significant growth is possible owing to a more active and vigilant drive for Members. After that time, given current economic trends, it is expected that annual growth will be small. It remains important to the Business Council to be relevant to Members, responsive to their needs, and affordable. In these ways, membership can be maintained over the long term. Revenue from donors is another source of assistance.

Potential target markets have been identified however strategies and tactical plans focus on addressing the greatest needs in the business community that can be realistically achieved over the next one to five years. The timely formation of well-run sub-committees to work on special projects is also very important in order to make faster progress to achieve objectives.

The website will remain an important tool for sharing information and for reporting to Members on the achievement of objectives that serve the interests of the private sector.

The strength, knowledge, and skills of the Executive Committee, and Executive Officer, remain vitally important to the stability and growth of the Business Council. The application, maintenance and ongoing improvement of the SBP and Tactical Plans will support the Business Council in its work. Budgets, income statements and other financial projections and reporting are important elements of planning and supplement the SBP and Tactical Plans.

## 4. Current situation

### Organisation address and contacts

The organisation is registered at the following address:

Business Council of Papua New Guinea  
PO Box 404  
Konedobu 125  
Papua New Guinea

The Executive Officer can be contacted on:

Telephone (675) 320 0700  
Facsimile (675) 320 0701  
Email [executive@bcpng.org.pg](mailto:executive@bcpng.org.pg)

Extensive information about the Business Council is available on the website at:

[www.bcpng.org.pg](http://www.bcpng.org.pg)

### History and current status

The Business Council was established in 1995 to promote the interests of Papua New Guinea's (PNG) business people and the private sector.

Existing business and trade organizations were either created by foreign investment interests (e.g., chambers of commerce, bankers, mining companies) or were confined to a limited sector such as small business. A need was identified for an independent, PNG based organisation that was run by PNG citizens and business people. The independent organisation needed to take a broad approach in working with government and other associated bodies to facilitate economic growth, enterprise, and the wellbeing of PNG.

The Business Council aims to meet this need. It works to provide a unified voice to ensure the views and issues of the business community, concerning the economic, social and political environment are expressed in a well consolidated manner. The Business Council actively pursues links with other business organisations in the Pacific and Asia regions.

The Business Council is a not-for-profit organisation.

### Organisation and management

The organisation is directed by the Executive Committee (ExCom) and work is undertaken by the Members of ExCom, the Executive Officer, and a small number of

personnel. Members of ExCom are elected and provide their services on a voluntary basis. The Executive Officer and personnel are paid for their work.

The Business Council is run according to its Constitution and the Code of Conduct states the values by which the organisation is run.

Policies & Procedures provide policies, protocols, guidelines and instructions on the management and administration of the Business Council. These refer to statements of responsibility for the organisation's management and personnel and for the Members of ExCom.

Financial report preparation and auditing services are provided by independent firms.

## **Infrastructure**

Information Technologies (IT) and telecommunications systems are the essential material resources that are used to help deliver services and thereby help achieve the organisation's Mission.

The Business Council maintains a website, internet, telephones (land-line and mobile), and a facsimile machine. It owns a printer and rents office space in the Central Business District (Port Moresby).

## **Services**

The Business Council currently (as at April 2006) provides many services to its Members and the business community; these are described in this section. A separate section of the SBP will describe new services that can be offered by the Business Council following analysis of new objectives and resulting growth strategies.

- Annual Australia and PNG Business Forum (annual)
- Business Breakfasts (quarterly)
- Developing communication channels with overseas bodies, i.e., NZ Business Council, Fiji/PNG Business Council, APNBC, Malaysian Association, Indonesia, SIPNGBC
- Distribute information for other associations
- Distribute training material at Business Breakfasts from BCPNG Members
- Involvement with the Consultative Implementation & Monitoring Council (CIMC)
  - Ministerial Forum (bi-annually)
    - Informal round-table discussion in PNG with Australian Government
    - Formal meeting held with PNG business and government
    - Locations are rotated between Australia and PNG
- Monetary Fund (IMF), United Nations Development Programme (UNDP)
- National Development Forum
- National Working Group (NWG) to remove impediments to business investment (Deputy Chair of NWG)
- Pacific 2020 (long-term project working with Lae Chamber)
- Promotion of trade expositions

- Provision of services to disseminate information on a need-to-know basis
- Seven committees in projects & programmes
- Trade related matters, World Trade Organisation (WTO), MSG, International
- Weekly updates on business issues via the website

### **Core competencies**

Core competencies relate to a small number of essential capabilities or resources that are internal to the organisation. They generally arise from collective experience and learning in an organisation; they reflect the learning curve. Core competencies enable the Business Council to be effective (i.e., relevant to the marketplace by providing the right services) and efficient (i.e., productive and delivering value-for-money). They enable the organisation to be more receptive and responsive to Member's needs. Examples of core competencies are expertise in building business networks, and the ability to deliver high-quality services in a timely manner.

Core competencies must be maintained and also strengthened where possible.

The Business Council's core competencies are:

- The breadth and depth of business sector expertise held by the Executive Committee, the Executive Officer, and its Members, which work well together as a team, and the ability to apply this expertise to achieve good outcomes for the private sector.
- The ability of the Executive Committee and Executive Officer to build constructive links between, business, associations, and with Government to help frame policy, share information, and to engage in dialogue and debate.

The first core competency is maintained by ensuring that the Members of the Executive Committee (ExCom) and the Executive Officer (EO) are selected from very knowledgeable and experienced people from a broad cross-section of the business community and academia. Expertise and help is also provided by Members and the Business Council seeks Members from all areas of business and academia. Where practical, the EO keeps a register / matrix of stakeholders' knowledge and experience which can be drawn on by the Business Council to apply to its work.

Both ExCom and the EO also maintain a collaborative attitude to help ensure that they all work together as a team with agreed objectives (e.g., as stated in this SBP). ExCom's President plays an important role in leading a cohesive team which is not dominated by any particular individuals or special interest groups.

The EO helps to maintain an ExCom with the right balance of knowledge and experience and may make recommendations to the President and ExCom on the selection of the most suitable Members. In-turn ExCom engages the services of a well-qualified EO and monitors the EO's performance (e.g., against the 1-Year Tactical Business Plans).

The second core competency is maintained by using the services of people with the abilities to build constructive links between businesses etc. Abilities have been described for the first core competence. Building of links, sharing of information, and engaging in informed dialogue and debate is also achieved by utilising suitable information technologies, telecommunications systems, and the Business Council's website. Sub-committees that are formed by ExCom will also action these tasks along with a number of other strategies and tactics such as running business forums.

The Risk Analysis section ("SWOT" analysis) of this SBP provides further information about organisation learning and strengthening as applicable to core competencies and other aspects of the organisation.

## 5. Market analysis

### The industry

The Business Council operates in the not-for-profit business services sector of the PNG economy.

### Our market

#### *Overview*

As an independent, a-political, and not-for-profit organisation, the Business Council provides networking services to business, and information gathering and dissemination services that complement the work of for-profit businesses, academic institutions, other business associations, and Government in PNG. It works collaboratively with these organizations and interest groups to frame policy and to take part in initiatives that generate economic growth for the wellbeing of PNG. The Business Council serves the interests of the private sector.

In general terms, the Business Council's programmes are centred towards these areas of national interest: law and order, security and foreign affairs; national and international economic affairs; strategies for nation-building and national unity; telecommunications, technology and industry; facilitating trade, investment and information seminars.

Revenue is earned through annual Membership fees. Additional funding is sought from donors and sponsorships for special projects. Expertise and practical assistance for special projects is sourced from recognized overseas agencies which provide volunteers. Therefore, the market may be described as comprising of Members, donors and sponsors, and volunteers.

Members are sought from all areas of the private sector, academia, Government institutions and associations in PNG. Potential target markets (markets for which existing or new services can be offered) are Small and Medium Enterprises, large enterprises, Government institutions, and Non-Government-Institutions.

#### *Growth Opportunities*

As moderate economic growth continues in PNG, existing businesses are expected to grow and new businesses will become established. Revenues from growing businesses will grow due to the fee structure which has been introduced. Revenue from new Membership is also expected to grow. New Membership will come from new businesses and from marketing strategies and tactics to actively encourage well established businesses to join the Business Council.

Growth in revenue for special projects is also available from donors and sponsors.

Foreign donors may be identified along with local donors. It is necessary to research the programmes that all potential donors finance in order to identify the most appropriate donor agencies to approach.

Foreign aid is provided by countries that are members of the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD), and the African Caribbean Pacific European Union (ACPEU). Papua New Guinea is able to source this foreign aid.

The main countries that donate to PNG are; Japan, Australia, Germany, USA, China, New Zealand, and Korea. Some of the main donor groups or agencies are the; World Bank Group, Asian Development Bank, European Union, United Nations Systems, International Fund for Agricultural Development, Commonwealth Fund for Technical Cooperation, and the Kuwait Development Fund. *(PNG Future of Foreign Aid in PNG, 2003)*

Members' companies may be approached to sponsor special projects. Additional sponsorship can be sought from other private sector companies in PNG.

Funding and technical training may be sourced from the Australian Agency for International Development (AusAid), the Japan International Cooperation Agency (JICA), New Zealand Aid (NZ Aid), the Centre for Development Enterprises (CDE), and the Fiji Forum Secretariate. Other potential funders and trainers may be identified.

Australian Business Volunteers (ABV) currently provides volunteers to the Business Council for some special projects. Student and graduate volunteers may also be sourced from the Business and Management, Journalism, and Political Science schools of PNG's universities and colleges. Volunteers can be utilized to work on special projects and to conduct research work.

## **Competitors**

The Business Council's "competitors" may be discussed under the following headings; Affiliations & Alliances, Donors, Sponsors, Volunteer Agencies. It is acknowledged that in some cases, the Business Council will contend with a range of organizations for donations, sponsorships and assistance from volunteers in PNG.

### *Affiliations & Alliances*

The Business Council seeks to work collaboratively with a wide range of organizations that can complement its work in the private sector. It does not seek to alienate any organizations and actively engages in creating affiliations and forming alliances. The organisation does not actively compete (e.g., for Members) with other associations however it does strive to develop and provide high-quality services that meet the Members' needs. It is recognized that the Business Council's Members may also hold membership with other business associations.

The "Risk Analysis" section of this SBP provides further information about addressing opportunities and threats with affiliates and allies.

### *Donors*

Contenders for donations are expected to be other not-for-profit associations (both domestic and regional).

### *Sponsors*

Contenders for sponsorships are expected to be other not-for-profit business associations, community groups, sports and hobby groups, charities and other organizations who sponsors (i.e., from business) would support for public relations purposes, community development purposes, and in order to promote their own products and services.

### *Volunteer Agencies*

Other not-for-profit domestic and regional associations are expected to be contenders for volunteers.

## **Competitive advantages**

Competitive advantages allow the Business Council to attract a growing Membership in the marketplace. The competitive advantages will enable the organisation to become the peak body. The Business Council directs its plans and resources towards maintaining and strengthening these competitive advantages.

- Breadth and depth of business knowledge about the national and international arenas
- Expansive network / links with business and government in PNG
- Informative Website which is kept current
- Membership fees that are affordable
- Newsletter
- Special projects and sectoral interests represented through sub-committees

## **6. Strategy and plans**

This section of the SBP states the objectives which are important to achieve the Business Council's Vision and Mission. Both long-term and short-term objectives are stated along with action plans on how to achieve the objectives. The action plans are known as Strategic plans and Tactical plans. Both plans are described in this section.

Strategies are actions to achieve long-term objectives (which tend to be broad statements), and Tactics are actions to achieve short-term objectives (these tend to be more specific statements which state performance measures). Similarly, Strategic plans are usually more general than Tactical plans which are detailed and have budgets assigned to them. Tactical plans relate to a 1-Year period and they are maintained as separate documents to this SBP.

### **Objectives & Strategies**

The Business Council's objectives and corresponding strategies are described in this sub-section. The list of objectives was compiled following surveys of the business community, academia and government. The surveys were conducted in March 2006.

The strategies to achieve objectives, are provided in abbreviated form. Detailed Strategic plans are described in Appendix 3.

It is acknowledged that at times, a long-term objective may also be treated as a short-term objective. In other instances a short-term objective may be derived from a long-term objective. Short-term objectives relate to a 1-Year period.

Objectives represent the Executive Committee's (ExCom) commitment to achieving specific outcomes and results and connect directly to the Business Council's Vision and Mission and its stated values. Objectives have been given priority and short-term objectives have been identified by ExCom and the Executive Officer (EO). Strategic and Tactical plans have also been developed by ExCom and the EO.

For objectives to function as yardsticks for organisational performance and progress, they must be stated in quantifiable or measurable terms and they must contain a deadline for achievement. Objectives must state how much of a kind of performance is to be achieved by a given time. Objectives are needed for key areas that are important to success. Two key result areas relate to financial performance and strategic performance. Therefore this SBP makes reference to budgets and financial targets and areas of strategic performance such as providing useful business services to Members in a timely manner.

The Business Council's objectives and Strategic plans are described under a number of different headings which are; association structure and profile, membership services, enabling environment, infrastructure services, employment and training creation, and government interaction.

The reference numbers that follow each objective, relate to the numbered objectives in Appendix 2. In some cases, a number of common objectives have been edited and merged to read as a single statement. In the following sub-sections, objectives are stated first and then strategies are described in abbreviated form.

#### *Association Structure & Profile*

- **Have as many industry groups as possible represented through Memberships.** (2.1.1) Strategy - EO to actively contact potential Members to join and send reminder notices to existing members to renew Membership. Offer a range of incentives to join.
- **Actively take the Business Council to other regions of PNG by holding some Business Council meetings in the provinces.** (2.1.2) Strategy - Work with CIMC in three year's time to have annual development forums in four provinces per annum. Strengthen relationship with CIMC.
- **Work towards better engagement (over the short-term) with industry associations and government agencies.** (2.1.3) Strategy - Build links and use sub-committees effectively.
- **Initiate discussion (internally and externally) to investigate the possibility of amalgamating all (business) associations under one banner.** (2.1.4) Strategy – To be determined.
- **Maintain an up-to-date and informative Business Council website that also reports on the organisation's achievements.** (2.1.5) (2.1.6) Strategy - Update website and produce a periodic newsletter. Post advance notices of ExCom meetings. Organise business breakfasts. Run casual out-of-work meetings on a needs basis.
- **Raise Members' perception of the value of the Business Council as the voice or the private sector.** (2.1.7) Strategy - Post advance notices of ExCom meetings. Organise business breakfasts. Run casual out-of-work meetings on a needs basis.
- **Create incentives for being a Member.** Strategy - Use of logo, membership certificates, possibly discounts.
- **Represent national interests.** Strategy - Maintain broad and strong links across the business sector, academia and government.
- **Hold business breakfasts / evening meetings every two months.** Strategy – EO to organise.
- **Grow Membership every year.** (2.1.11, 2.1.12, 2.1.13) Strategy - Maintain an annual marketing plan.

- **Maintain membership fees at a level that is affordable to all of the market.** (2.1.4) Strategy - Keep operating costs low and obtain donor funding for some projects. Use volunteers where possible.
- **During 2006, review the Constitution to ensure that it embraces all of the links that have been identified as broad objectives in the Strategic Plan.** (2.1.16) Strategy – Check SBP against Constitution.
- **Develop and implement policies and procedures for the continued effective management and administration of the organisation as a peak body.** (2.1.17) Strategy – Apply new procedures and write new procedures when recommended by EO and/or ExCom.
- **During 2006, plan for the succession of the Executive Officer in the event that the Executive Officer leaves the organisation within the next year.** (2.1.18) Strategy - Develop Job Description / Person Specification for EO and documented plans and procedures for the management and administration of the Business Council and ExCom.
- **Define in a document, the exact responsibilities and authorities of Executive Committee (ExCom) members.** (2.1.19) Strategy – As above.
- **A Matrix of desired industry representatives is to be developed in order to ensure a sound cross-section of industry knowledge is brought to ExCom.** (2.1.19) Strategy – EO to develop and maintain through consultation with ExCom and Members.
- **At the start of each financial year, prepare an annual budget for the Business Council.** (2.1.21) Strategy - EO to oversee and use services of accountants to check.
- **In the next twelve months (from April 2006) organise a regular TV talk-back programme and radio talk-back programme.** (2.1.22) Strategy - EO with ExCom and perhaps sub-committee to develop concept and approach TV and radio station.
- **Aim to secure funding from donor agencies of K 30,000 by April 2007.** (2.1.24) Strategy - Develop projects for which funding would be required, source potential donors and approach them. Sub-committee could work on this task.

#### *Membership Services*

- **Have a more coordinated and visible relationship with other associations.** (2.2.1) Strategy – Develop new links with other associations and show relationships on website.
- **By April 2008, develop and maintain a database of ExComs' and Members' expertise in order to allocate suitably qualified people to**

**strengthen the organisation and work on sub-committees.** (2.2.2) Strategy – EO develop and maintain Matrix.

- **Be the automatic choice for anyone wishing to communicate with the private sector.** (2.2.3) Strategy – Maintain informative website, be proactive in learning about and acting upon Members' interests, maintain strong ExCom and sub-committees and strong links in the business community, with government and academia.
- **Write and issue press releases and a regular newsletter, and maintain an up-to-date website.** (2.2.4) Strategy – EO to produce newsletter and keep website updated.

### *Enabling Environment*

- **Build links to encourage business relationships both within PNG and with potential trading partners overseas.** (2.3.1) Strategy – Establish communication channels with various associations. Work with Department of Trade and Industry, Investment Promotion Authority and other associations in business. Secure funding over the next twelve months (e.g., from CDE) for BCPNG to be represented on at least one trade exposition.
- **Foster the business environment to embrace a more conducive investment climate.** (2.3.2) Strategy – Establish communication channels with various associations. Work with Department of Trade and Industry, Investment Promotion Authority and other associations in business. Secure funding over the next twelve months (e.g., from CDE) for BCPNG to be represented on at least one trade exposition.
- **Increase competition and investment in tourism, telecommunications and electric power generation and distribution.** (2.3.3) Strategy – Promote infrastructure development to sustain economic growth to be in-line with the work of the sub-committee. Increase competition and investment in tourism. Improve telecommunications. Have reliable and affordable power supply.
- **Build links with the business communities in these countries to encourage business to come to PNG; Pacific Islands, New Zealand, Malaysia, China.** (2.3.4) Strategy – To be determined.
- **Continue to work with the Australia PNG Business Council in organizing the annual forum and ministerial forum that raise awareness of the economic profile of PNG and business opportunities in the country.** (2.3.5) Strategy – EO organise business forum annually with APNGBC. Ministerial forums organise annually; discussions with representatives from government and business associations (e.g., BCPNG). Action to EO of BCPNG and EO of APNGBC.

- **Embrace bi-lateral and multi-lateral relationships in the Asia-Pacific.** (2.3.6) Strategy – Establish communication channels with various associations. Work with Department of Trade and Industry, Investment Promotion Authority and other associations in business. Secure funding over the next twelve months (e.g., from CDE) for BCPNG to be represented on at least one trade exposition.
- **Form sub-committees as needed, to use the right expertise to work on special projects and establish rules for running sub-committees.** (2.3.7) Strategy – ExCom to organise sub-committees and EO to coordinate the writing of rules for sub-committees to be communicated to ExCom and followed by all sub-committees. Sub-committees recommended for informal sector, law and order, transport and infrastructure, commerce and services, agriculture, environmental protection, education and training, and health.

#### *Infrastructure Services*

- **Reduce and remove hurdles that confront the private sector in doing business in PNG. These hurdles are issues with telecommunications, law and order, water, and electric power.** (2.4.1) Strategy – Address law and order issues with government.

#### *Employment & Training Creation*

- **Build capacity by offering training opportunities to SMEs.** (2.5.1) Strategy – Provide vocational training through Members of Business Council. AusAid to be approached for funding and trainers. Other possible contacts to be approached as well.
- **Arrange for university students/graduates to work on special projects for the Business Council.** (2.5.2) Strategy – Make contacts / agreements with universities and have a focus where possible to transfer / exchange knowledge between graduates and the business community. Approach SMEs for sponsorship. Look at Members to sponsor university graduates to work on projects for the SMEs.
- **Arrange sponsorship of university students/graduates to work on special projects for the Business Council.** (2.5.3) Strategy – Sponsorship for special projects can be sought by approaching ASD, Members, CDE, IMF. Graduates to speak on a topic at meetings of Members in order to share their knowledge and to build skills and confidence in public speaking.
- **In 2006, Secure funding from the business community to promote the development of business graduates – K 20,000 (allow for about K 5,000 per university student).** (2.5.4) Strategy – Make contacts / agreements with universities and have a focus where possible to transfer / exchange knowledge between graduates and the business community. Approach SMEs for sponsorship. Look at Members to sponsor university graduates to work on projects for the SMEs.

- **Run evening meetings to give Members regular updates on matters of interest.** (2.5.5) Strategy – EO to organise.

#### *Government Interaction*

- **Be proactive in continuing to influence Government in the formulation of policy.** (2.6.1) Strategy – Have representative on NWG Fiscal sub-committee which meets every two months. Put forward recommendations for adoption at budget level. EO coordinate identification of long-standing representative of ExCom with broad knowledge of issues affecting business.
- **Work in close consultation (with Government) as the peak representative of the private sector.** (2.6.2) Strategy – Work with Government departments Department of Labour and Industrial Relations, Department of Trade and Industry, Department of Foreign Affairs, and Prime Minister's Department.
- **Attend and make presentations to the Government's, "National Working Group on Impediments to Business".** (2.6.4) Strategy – Maintain BCPNG's role as deputy chairman of NWG Impediments to Business. Conduct one-on-one appointments with the Chief Secretary to follow-up on outstanding matters of concern (every three months).
- **Uplift and maintain representation on CIMC sub-committees through the participation of Members.** (2.6.5) Strategy – There are several sub-committees of which BCPNG to nominate ExCom representation on each. In-line with sub-committees formed in "Enabling Environment" strategies. EO to coordinate meetings of CIMC sub-committees every two months. Try to give at least 3 days advance notice of meetings – EO. With regard to tourism, BCPNG to work closely with tourism industry to facilitate annual seminar. Terms of reference to be identified within 3 months (June 2006).
- **Enhance the relationship between the Business Council and government authorities with a focus on the Department of Labour and Industrial Relations, Department of Immigration, Department of Trade and Industry, ICCC, and the National Working Group.** (2.6.6) Strategy – Work with Government departments Department of Labour and Industrial Relations, Department of Trade and Industry, Department of Foreign Affairs, and Prime Minister's Department.
- **Take a proactive role with the Independent Consumer & Competition Commission (ICCC) in addressing issues that reduce competition.** (2.6.7) Strategy – Establish close working relationship with ICCC by October 2006. Look at packaging. Review standards regarding quality and labeling etc of goods appearing on shelves. IRC is the body to discuss issues with.
- **Try to influence the reduction of Government Taxes and thereby the financial burden on business.** (2.6.8) Strategy – Have representative on NWG Fiscal sub-committee which meets every two months. Put forward

recommendations for adoption at budget level. EO coordinate identification of long-standing representative of ExCom with broad knowledge of issues affecting business.

- **Broaden the views of Government representatives to encourage foreigners to establish and run businesses in PNG.** (2.6.9) Strategy – Under NWG, Business Council to present business examples of difficulties faced by existing and new business houses run by non-Nationals. Will highlight problems.
- **Improve advance notice (by at least one week) that Government gives to BCPNG of important meetings/briefings.** (2.6.10) Strategy – Work with Government departments Department of Labour and Industrial Relations, Department of Trade and Industry, Department of Foreign Affairs, and Prime Minister's Department.

## **Operating plans / Tactics**

Tactical plans or operating plans have been prepared to achieve short-term objectives. Tactics are actions to achieve short-term objectives. Short-term objectives and tactics have been derived from the "Objectives & Strategies" section of this SBP and from Appendix 3. Tactical plans relate to a 1-year period.

The Business Council's 1-Year Tactical Business Plans are an important part of the SBP however, they have been prepared as separate documents. They are prepared and maintained by the Executive Officer (EO) and where appropriate, by the Executive Committee (ExCom). The EO holds master copies of the Tactical Plans which may be prepared in a standard template or any other format that applies the planning, budgeting and reporting principles represented in the standard template. The implementation of the Tactical Plans is usually the responsibility of ExCom and delegated individuals and groups (e.g., sub-committees). In some instances, the EO is responsible for the implementation of Tactical Plans.

As appropriate, both ExCom and the EO are responsible for reporting on progress and budgets attached to the Tactical Plans. Reporting is made to ExCom. Project work and outcomes may also be reported on the Business Council's website.

## **Marketing Initiatives - New Services**

Tactical Plans and marketing plans can be prepared to provide; New services and products / existing markets (product development), Existing services and products / new markets (market development), New services and product / new markets (diversification).

Currently the market is identified as all organizations (that are interested in the development of the private sector). For now, ideas for new services have been listed in this section. In the event market segments are later identified, the list can be refined and services allocated to the market segments. Note that this list does show SME's, women in business, university students, big business, as potential market segments.

The suggested new services are as follows:

- Support for SMEs. For example, form partnerships with IPA, Department of Trade & Industry, Small Business Development Corporation.
- Increase links in BCPNG website with associations etc
- Important to acknowledge, encourage, reward, and most importantly, promote the achievements of PNGs. Contenders need to be Members of the BCPNG. University graduates (undergraduates) by having representatives from the business community go to UPNG and give lectures on appropriate business topics (e.g., corporate governance and ethical performance in the business community).

- Encourage university students to study disciplines that are relevant to the development of the economy (e.g., science, maths, teaching).
- Encourage university students to undertake special projects for BCPNG.
- Write and post (on website) a quarterly or bi-monthly news-letter.
- Organise regional/provincial meetings of business.
- Organise an ongoing annual awards event for PNG nationals – young entrepreneur of the year award and young business woman of the year award. The contenders would need to be Members of BCPNG (typically they would belong to an association that is a Member and thereby satisfy this requirement).
- Hold regular evening meetings of Members.
- Young people from business organizations to attend ExCom meetings as observers.
- Host an in-country forum for business. For example, hold a three day forum in regional PNG every two years. It will provide opportunities for individuals to visit certain operations and learn about aspects of running enterprises, HRM, OHS, marketing, manufacturing, etc. A feasibility study will be required before organizing this event – possibly there will not be enough uptake. ABV could assist with this feasibility study. Aim to achieve this feasibility study in the next twelve months and then to run the first PNG based business forum twelve months after the feasibility study (thus hold forum in two year's time).
- Assist women in business by organizing female guest speakers to talk on applicable topics.
- Establish telecentres in regions for people to access in order to facilitate learning and business. For example, centres with internet, telephones, and facsimile machines.
- Source funding for trade expositions to enable other organizations to host them.

## **7. Income forecasts**

Forecasts for income and costs attached to carrying out its business and providing services, are expressed in a number of financial projections and statements such as for; Income volumes, Service delivery costs, Pricing, and Gross surplus. The financial projections and statements should be prepared for each financial year and where possible, forecasts may be prepared for a three year period. Some reports will arise from marketing planning and the preparation of Tactical Plans. Some reports will arise from marketing planning and the preparation of Tactical Plans.

## **8. Financial analysis**

Financial analysis and reporting with regard to; Capital spending, Staff costs, Other operating costs, Income statement/profit and loss account, and the Balance sheet, should be prepared for each financial year. Some reports will assist with budgeting and cost controls for Tactical Plans. Some reports will assist with budgeting and cost controls for Tactical Plans.

## 9. Risk analysis

### **SWOT – strengths, weaknesses, opportunities and threats**

Strategy-making efforts need to aim at producing a good fit between the Business Council's resource capabilities (as reflected by its balance of resource strengths and weaknesses), and its external situation (as reflected by industry and competitive conditions, the organisation's own market opportunities, and specific external threats to its revenue earning opportunities and market strategy). The Business Council's resource strengths represent competitive assets and its resource weaknesses represent competitive liabilities.

Methods to maintain strengths and competitive assets, and methods to address (e.g., minimise) competitive liabilities are described in Appendix 4.

### **Critical success factors**

Critical success factors are described in this section. They are the factors that are critical to the overall success of this SBP and to the achievement of the organisation's strategies and operating plans or tactics.

A reference to applicable financial targets (for success) may be useful here.

Critical success factors for the short and long terms are:

1. To have an active and committed Executive Committee, that works collaboratively to serve Members' interests. The members of the Executive Committee would come from a good cross section of business and academia.
2. To develop and maintain well-run sub-committees to work on special projects and to support the work of the Executive Committee.
3. To retain the services of an active and committed Executive Officer who has a strong breadth and depth of understanding of PNG's business community.
4. To have the services of a well-trained Personal or Administrative Assistant who can demonstrate initiative to support the Executive Officer's role.

Additional factors for the overall success of the Business Council are:

- To remain pertinent to the requirements of all Members.
- To proactively ensure that relationships with our stakeholders remain optimistic and embracing.
- To identify the needs and to provide assistance to embracing PNG wide.

- To maintain Membership fees at an affordable level – a level that enables effective provision of services and demonstrates a willingness amongst its Members to support the organisation.
- To progress and achieve the aims of the SBP, reviewing strategies for ongoing relevance in the light of inevitable changing circumstances.
- To be actively supported by Members.
- To continually explore opportunities to broaden influences and increase effectiveness.
- To remain flexible and adaptable to change.
- To foster a spirit of partnership with Government based on mutual respect and trust.

As part of risk analysis, consideration may also be given to identifying and addressing; Limiting factors, Specific risks and their solutions, Alternative scenarios, and Sensitivity analysis.

## Appendix 1 Definitions & Abbreviations

ABV	Australian Business Volunteers
ACPEU	African Caribbean Pacific European Union
APNGBC	Australia Papua New Guinea Business Council
AusAid	Australian Agency for International Development
BCPNG	Business Council of Papua New Guinea
Business Council	Business Council of Papua New Guinea
CDE	Centre for Development Enterprises
CIMC	Consultative Implementation and Monitoring Council
DAC	Development Assistance Committee
ExCom	The Executive Committee of the Business Council of Papua New Guinea
EO	Executive Officer of the Business Council
IMF	International Monetary Fund
INA	Institute of National Affairs
IT	Information Technologies
JICA	Japan International Cooperation Agency
MSG	Melanesian Spearhead Group
NGO	Non-Government-Organisation
NWG	National Working Group
NZ Aid	New Zealand Aid
OECD	Organisation for Economic Cooperation and Development
PNG	Papua New Guinea
POMCCI	Port Moresby Chamber of Commerce and Industry
SBP	Strategic Business Plan
SIPNGBC	Shipping ... Papua New Guinea Business Council
SMEs	Small and Medium Enterprises
Strategies	Actions to achieve the organisation's longer-term objectives
SWOT	Strengths, weaknesses, opportunities, threats
Tactics	Actions to achieve shorter-term objectives (within the context of this SBP, tactics relate to actions to be taken in a 1-year timeframe)
UNDP	United Nations Development Programme
WTO	World Trade Organisation

## Appendix 2 Objectives from Surveys

### 2.1 Association Structure & Profile

- 2.1.1 Have as many industry groups as possible represented through Memberships.
- 2.1.2 Actively take the Business Council to other regions of PNG by holding some Business Council meetings in the provinces.
- 2.1.3 Work towards better engagement (over the short term) with industry associations and government agencies.
- 2.1.4 Initiate discussion (internally and externally) to investigate the possibility of amalgamating all (business) associations under one banner.
- 2.1.5 Maintain an up-to-date and informative Business Council website.
- 2.1.6 Maintain a Business Council website that reports on the organisation's achievements.
- 2.1.7 Raise Members' perception of the value of the Business Council as the voice of the private sector. This is to be done via the website, a regular newsletter (monthly or bi-monthly), business breakfasts and through out-of-work meetings (e.g., through evening meetings).
- 2.1.8 Create incentives for being a Member.
- 2.1.9 Represent national interests.
- 2.1.10 Hold business breakfasts every two months.
- 2.1.11 By April 2007 have double the number of Members, from around 80 to 160. Aim for revenue of K 35,000 from Members by April 2007.
- 2.1.12 Aim to increase Membership by a minimum of 10% per year after April 2007.
- 2.1.13 Aim to retain Members and to avoid an annual attrition rate that exceeds 5% over the next 5 years.
- 2.1.14 Maintain membership fees at a level that is affordable to all of the market.
- 2.1.15 Properly define the Business Council's relationship with APNG Business Council.
- 2.1.16 During 2006, review the Constitution to ensure that it embraces all of the links that have been identified as broad objectives in the Strategic Plan.

- 2.1.17 Develop and implement policies and procedures for the continued effective management and administration of the organisation as a peak body.
- 2.1.18 During 2006, plan for the succession of the Executive Officer in the event that the Executive Officer leaves the organisation within the next year.
- 2.1.19 Define in a document, the exact responsibilities and authorities of Executive Committee (ExCom) members. These responsibilities and authorities are to be discussed with the potential ExCom member before they accept a place on ExCom. A Matrix of desired industry representatives is to be developed in order to ensure a sound cross-section of industry knowledge is brought to ExCom.
- 2.1.20 From March 2006 provide additional training in bookkeeping and Excel skills to the Personal Assistant. Develop a 2006 Training Plan for the Personal Assistant.
- 2.1.21 Prepare an annual budget of the BCPNG. For 2006 this is to be prepared by 30<sup>th</sup> June. In the budget look at the income stream to ensure BCPNG covers ongoing expenses (eg employment wages, day-to-day running costs, telecoms and rentals).
- 2.1.22 In the next twelve months (from April 2006) organise a regular TV talk-back programme and radio talk-back programme. This is to be initiated by the Executive Officer. The first radio talk-back programme can focus on the APNG Business Forum. Ask Winnie to give this initial discussion. Could also have a panel to discuss business issues on radio and have a member of Government participate on this too.
- 2.1.23 Over the next twelve months (from April 2006 to April 2007) grow business revenue to exceed K 100,000.
- 2.1.24 Aim to secure funding from donor agencies of K 30,000 by April 2007.

## **2.2 Membership Services**

- 2.2.1 Have a more coordinated and visible relationship with other associations.
- 2.2.2 By April 2008, develop and maintain a database of ExComs' and Members' expertise in order to allocate suitably qualified people to strengthen the organisation and work on sub-committees.
- 2.2.3 Be the automatic choice for anyone wishing to communicate with the private sector.
- 2.2.4 Write and issue press releases and a regular newsletter, and maintain an up-to-date website.

## **2.3 Enabling Environment**

- 2.3.1 Build links to encourage business relationships both within PNG and with potential trading partners overseas.
- 2.3.2 Foster the business environment to embrace a more conducive investment climate.
- 2.3.3 Increase competition and investment in tourism, telecommunications and electric power generation and distribution.
- 2.3.4 Build links with the business communities in these countries to encourage business to come to PNG; Pacific Islands, New Zealand, Malaysia, China.
- 2.3.5 Continue to work with the Australia PNG Business Council in organizing the annual forum and ministerial forum that raise awareness of the economic profile of PNG and business opportunities in the country.
- 2.3.6 Embrace bi-lateral and multi-lateral relationships in the Asia-Pacific.
- 2.3.7 Form sub-committees as needed, to use the right expertise to work on special projects. The sub-committees are to be chaired by a member of the Executive Committee and they are to include Members. Sub-committees are to have scope to enable up-and-coming young managers/business people to attend them too. Rules for running sub-committees are to be established.

## **2.4 Infrastructure Services**

- 2.4.1 Reduce and remove hurdles that confront the private sector in doing business in PNG. These hurdles are issues with telecommunications, law and order, water, and electric power.

## **2.5 Employment & Training Creation**

- 2.5.1 Build capacity by offering training opportunities to SMEs.
- 2.5.2 Arrange for university students/graduates to work on special projects for the Business Council.
- 2.5.3 Arrange sponsorship of university students/graduates to work on special projects for the Business Council.
- 2.5.4 Secure funding from the business community to promote the development of business graduates – K 20,000 (allow for about K 5,000 per university student).

2.5.5 Run evening meetings to give Members regular updates on matters of interest.

## **2.6 Government Interaction**

2.6.1 Be proactive in continuing to influence Government in the formulation of policy.

2.6.2 Work in close consultation (with Government) as the peak representative of the private sector.

2.6.3 (Deleted)

2.6.4 Attend and make presentations to the Government's, "National Working Group on Impediments to Business".

2.6.5 Uplift and maintain representation on CIMC sub-committees through the participation of Members.

2.6.6 Enhance the relationship between the Business Council and government authorities with a focus on the Department of Labour and Industrial Relations, Department of Immigration, Department of Trade and Industry, ICCC, and the National Working Group.

2.6.7 Take a proactive role with the Independent Consumer & Competition Commission (ICCC) in addressing issues that reduce competition.

2.6.8 Try to influence the reduction of Government Taxes and thereby the financial burden on business.

2.6.9 Broaden the views of Government representatives to encourage foreigners to establish and run businesses in PNG.

2.6.10 Improve advance notice that Government gives to BCPNG of important meetings/briefings. At present the Government gives 1 day's advance notice which is insufficient notice. At least one week's advance notice is sought.

## Appendix 3 Growth Strategies

This section of the Strategic Plan describes the strategies (actions) that will be taken to achieve broad, longer-term objectives over the next 5 years. A number of strategies will be described in order to achieve each objective or group of similar objectives. The objectives stated below, are copied from Appendix 2 of this Strategic Plan.

### Association Structure & Profile

*2.1.11 By April 2007 have double the number of Members, from around 80 to 160. Aim for revenue of K 35,000 from Members by April 2007.*

*2.1.12 Aim to increase Membership by a minimum of 10% per year after April 2007.*

*2.1.13 Aim to retain Members and to avoid an annual attrition rate that exceeds 5% over the next 5 years.*

Executive Officer to contact potential Members to encourage them to join. Use contact details from visitors to website to get in touch to encourage Membership. Have incentives for becoming a Member through Certificate (code of conduct to be included), Membership sticker, discounts for attending business breakfasts (to differentiate between Members and non-Members) ability of Membership organisation to use BCPNG logo.

Renewal reminders to be issued before expiry of Membership. Aim to obtain payment within 6 weeks of issue of invoices.

*2.1.18 During 2006, plan for the succession of the Executive Officer in the event that the Executive Officer leaves the organisation within the next year.*

EO's Job Description to be written (done). Review in 6 month's time, availability of EO in this role. Policies and procedures to be in place for management and administration of the SBP by 13 April 2006. Look at engaging an EO on a full-time basis. A full-time personal assistant is also to be engaged to help the EO. Review this periodically; it is not known when the EO may leave the organisation.

*2.1.22 In the next twelve months organise a regular TV talk-back programme and radio talk-back programme to highlight business issues and to raise the profile of the Business Council. This is to be initiated by the Executive Officer. The first radio talk-back programme on the APNG Business Forum. Ask Winnie to give this initial discussion. Could also have a panel to discuss business issues on radio and have a member of Government rep participate on this too.*

In the next twelve months organise a regular TV talk-back programme and radio talk-back programme to highlight business issues and to raise the profile of the Business Council. This is to be initiated by the Executive Officer. The first radio talk-back programme on the APNG Business Forum. Ask Winnie to give this initial discussion.

Could also have a panel to discuss business issues on radio and have a member of Government rep participate on this too.

*2.1.20 From March 2006 provide additional training in bookkeeping and Excel skills to the Receptionist.*

Develop a 2006 Training Plan for the Personal Assistant that (as a minimum) will incorporate two days of training in bookkeeping skills and Excel. Training in bookkeeping skills will be at an introductory level. Training in Excel will be at an intermediate level to improve skills in developing and editing tables/charts.

*2.1.5 Maintain an up-to-date and informative Business Council website.*

*2.1.6 Maintain a Business Council website that reports on the organisation's achievements.*

*2.1.7 Raise Members' perception of the value of the Business Council as the voice or the private sector. This is to be done via the website, a regular newsletter (quarterly), business breakfasts and through out-of-work meetings (e.g., through evening meetings).*

Executive Officer to update the website on a weekly basis. Training of and Personal Assistant in macromedia / dreamweaver software to update the website. Website content to be written by Executive Officer.

Executive Officer will be responsible for writing the newsletter on a quarterly basis. This is to be posted in the website. Old newsletters are to be kept in website going back two calendar years.

A notice of ExCom meetings is to be posted on a monthly basis by Executive Officer.

Executive Officer to organise business breakfasts on a quarterly basis. Rate to be different for Members and non-Members. Limit number who can attend the business breakfast (possibly up to 100).

Casual, informative, out-of-work meetings to be organized on a needs basis (eg as issues arise). Aim to give at least 10 day's notice of the evening meeting. The Executive Officer is to organise.

*2.1.16 During 2006, review the Constitution to ensure that it embraces all of the links that have been identified as broad objectives in the Strategic Plan.*

The Constitution has been reviewed, posted on the website (for information and comment) and will be an agenda item in the AGM (for the purpose of ratifying the Constitution).

*2.1.15 Properly define the Business Council's relationship with APNG Business Council.*

The Executive Officer is to initiate discussion with the APNGBC to develop a Memorandum of Understanding between both organizations to improve relations and to define roles. To be attempted before April 2007.

*2.1.1 Have as many industry groups as possible represented through Memberships.*

Bring as many associations as possible under our banner and for BCPNG to be the contact point to represent the overall views of the business community. The Executive Officer in consultation with the ExCom President (who will identify the associations BCPNG wants to approach) will be responsible. To be achieved in the next 12 months (by April 2007).

*2.1.2 Actively take the Business Council to other regions of PNG by holding some Business Council meetings in the provinces.*

Work with CIMC who undertake annual development forums in four provinces per annum. Aim to do this in three year's time.

Meanwhile President of Vice President of ExCom to work on the relationship with CIMC to work towards this.

*2.1.17 Develop and implement policies and procedures for the continued effective management and administration of the organisation as a peak body.*

Jane Lea (ABV) to write policies and procedures for completion by 12<sup>th</sup> April 2006.

*2.1.18 Maintain membership fees at a level that is affordable to all of the market.*

Long term.

## **Membership Services**

*2.2.3 The BCPNG is aims to be the automatic choice for anyone wishing to communicate with the private sector.*

Within the next 12 months engage a full-time personal assistant to support the Executive Officer in the timely delivery of services to Members. Executive Officer is to train this person. A Job Description & Person Specification is to be developed in advance of hiring this person.

## Enabling Environment

*2.3.1 Build links to encourage business relationships both within PNG and with potential trading partners overseas.*

*2.3.2 Foster the business environment to embrace a more conducive investment climate.*

*2.3.6 Embrace bi-lateral and multi-lateral relationships in the Asia Pacific.*

Establish communication channels with various associations such as those mentioned. We want to be first contact point for any investment and trade related inquiries. Work with Department of Trade & Industry, Investment Promotion Authority and other associations in business. Over the next 12 months, BCPNG will secure funding (eg through CDE – Centre for Development Enterprises or forum secretariate for Fiji) for PNG to be represented on at least one trade exposition.

*2.3.3 Increase competition and investment in tourism, telecommunications and electric power generation and distribution.*

*2.4.1 To reduce and remove hurdles that confront the private sector in doing business in PNG. These hurdles are issues with telecommunications, power, law and order.*

To embrace infrastructure development and to sustain economic growth to ensure that it is in-line with the work of the sub-committee. Increase competition and investment in tourism. Improve telecommunications. Have reliable and affordable power supply.

*2.3.7 Form sub-committees as needed, to use the right expertise to work on special projects. The sub-committees are to be chaired by a member of the Executive Committee (ExCom) and they are to include Members. Sub-committees are to have scope to enable up-and-coming young managers/business people to attend them too. Rules for running sub-committees are to be established.*

Have clear rules for the formation and running of sub-committees. Refer to the PNGID handbook for guidelines to adapt or adopt. Terms of reference need to be established for each sub-committee which is formed. To be chaired by a Member of the Executive Committee (ExCom). ExCom will form sub-committees on a needs basis. The rules and terms of reference are to be developed before the formation of the first sub-committee. It is anticipated that the first sub-committee will be formed before the next AGM in June 2006.

Several sub-committees of CIMC - recommended sub-committees are the informal sector, law and order, transport and infrastructure, commerce and services, agriculture, environmental protection, education and training, and health.

2.3.5 *Continue to work with the Australia PNG Business Council in organizing the annual forum and ministerial forum that raise awareness of the economic profile of PNG and business opportunities in the country.*

Business forum organized by Executive Officer of BCPNG to work with APNGBC annually.

Ministerial forums organized annually; discussions with representatives from government and representatives from both business associations (BCPNG and APNGBC). Action by Executive Officer of the Business Council in conjunction with the Executive Officer of APNGBC.

## **Infrastructure Services**

2.4.1 *To reduce and remove hurdles that confront the private sector in doing business in PNG. These hurdles are issues with telecommunications, power, law and order.*

To address law and order issues.

## **Employment & Training Creation**

2.5.1 *Build Capacity by offering training opportunities to SMEs.*

Vocational training through Members of the Business Council. 3 years Training in websites by Australian Business Volunteers (ABV). Ausaid to be approached for funding and trainers. Other possible contacts for funding / training services are the National Training Council, POMCCI, PNGID, Queensland PNG BCG Business Cooperative, Asia Development Bank, and the PNG Institute of Business & Banking.

2.5.2 *Arrange for university students / graduates to work on special projects for the Business Council.*

Link to delivery of uplifting service of the Business Council by securing the services of university students or graduates to work on special projects. Examples of special projects are marketing of the Business Council, Information Technology development, conducting background research to enhance or improve the Strategic Business Plan (maybe identify new areas of interest). Utilise university graduates to work on trade expositions – presentation, contact members. Have a focus (where possible) to transfer knowledge / exchange knowledge between graduates and the business community.

Approach SMEs for sponsorship to enable students to work for them on special projects. Look at Members to sponsor the university graduates to work for the SMEs.

*2.5.3 Arrange sponsorship of university students / graduates to work on special projects for the Business Council. Run evening meetings to give Members regular updates on matters of interest.*

Sponsorship for special projects can be sought by approaching the Asia Development Bank, Members, Centre for Development and Enterprise (CDE), International Monetary Fund (IMF). Encourage graduates to speak for a short time on a topic at meetings of Members in order to share their knowledge and to build skills and confidence in public speaking.

## **Government Interaction**

*2.6.4 Attend and make presentations to the Government's, "National Working Group on Impediments to Business".*

BCPNG is the deputy chairman of the National Working Group on Impediments to Business. BCPNG will continue in this role. Task to be Mel or Winnie or Henry Kila (i.e., must be the National arm of the Business Council). BCPNG to conduct one-on-one appointments with the Chief Secretary to follow-up on outstanding matters of concern. Must retain Deputy Chairman's role by keeping above-named ExCom members in this role and every three months have one-on-one meeting with the Chief Secretary.

*2.6.2 Work in close consultation with government departments as the peak representative of the private sector.*

*2.6.6 Enhance the relationship between the Business Council and government authorities with a focus on the Department of Labour & Industrial Relations, Department of Immigration, Department of Trade & Industry, ICCC, and the National Working Group.*

*2.6.10 Improve advance notice that Government gives to BCPNG of important meetings / briefings. At present, the Government gives 1 day's advance notice which is insufficient notice. At least one week's advance notice is sought.*

Work with Government departments Department of Labour & Industrial Relations, Department of Trade & Industry, Department of Foreign Affairs, and the Prime Minister's Department.

*2.6.1 Be proactive in continuing to influence Government in the formulation of policy.*

*2.6.8 Reduce Government Taxes and thereby the financial burden on business.*

Have representative on National Working Group (NWG) Fiscal sub-committee which meets every two months. Put forward recommendations to NWG for adoption and implementation at budget level. Need to identify a long-standing representative of

the Excom with broad knowledge of issues affecting business. Executive Officer is to coordinate this.

*2.6.5 Uplift and maintain representation on CIMC sub-committees through the participation of Members.*

There are several sub-committees of which BCPNG should nominate ExCom representation on each. This is in line with our sub-committees which have been formulated under Enabling Environment. CIMC sub-committees meet every two months and this is to be coordinated by Executive Officer. The Executive Officer is to try to give sufficient advance notice of the CIMC meetings (eg 3 days).

Note - Under tourism sub-section. BC to work closely with tourism industry to facilitate an annual seminar. Terms of reference to be identified within 3 months (June 2006).

*2.6.7 Take a proactive role with the Independent Consumer & Competition Commission (ICCC) in addressing issues that reduce competition.*

Need to establish close working relationship with ICCC by October 2006. (They're a Member). Look at packaging (labeling, expiry dates). Need to review standards regarding quality and labeling etc of goods appearing on shelves. Internal Revenue Commission (IRC) is the body to discuss these issues with.

Note (Place against actions for objective regarding fiscal sub-committees) – Address mis-declaration of imported goods from overseas by IRC (Internal Revenue Commission). Work in close consultation with the Manufacturer's Council on this issue.

*2.6.9 Broaden the views of Government representatives to encourage non-Nationals (foreigners) to establish and run businesses in PNG.*

Under National Working Group, BCPNG should present business examples of difficulties being faced by existing and new business houses run by non-Nationals. This will highlight problems – need to create a conducive business climate.

## Appendix 4 SWOT Analysis

### SWOT – strengths, weaknesses, opportunities and threats

Strategy-making efforts need to aim at producing a good fit between the Business Council's resource capabilities (as reflected by its balance of resource strengths and weaknesses), and its external situation (as reflected by industry and competitive conditions, the organisation's own market opportunities, and specific external threats to its revenue earning opportunities and market strategy). The Business Council's resource strengths represent competitive assets and its resource weaknesses represent competitive liabilities.

Methods to maintain strengths and competitive assets, and methods to address (e.g., minimise) competitive liabilities are described in this Appendix.

Resource Strengths & Competitive Capabilities	Resource Weaknesses & Competitive Deficiencies
<ul style="list-style-type: none"> <li>• Strong contacts (by individual Executive Council members) in Government, business, and with international organizations.</li> <li>• Strong management.</li> <li>• Recognised as a force in the business community.</li> <li>• Focused on promoting business in PNG.</li> <li>• Strong leadership.</li> <li>• Share development priorities.</li> <li>• New organisational structure and greater involvement in government and community affairs as a result.</li> <li>• Wide representation throughout the business community.</li> <li>• Potential to improve representation and involvement in policy making and implementation.</li> <li>• The strength is the Executive Officer. BCPNG like any other organizations, require a very strong executive office to do its day to day job or follow ups. As previously mentioned, as long as the board of directors and employees are committed to improving the image of BCPNG and ensuring its members are kept informed what is happening, will ensure the success or failure of BCPNG.</li> <li>• Good Structure of the Executive and attendance at monthly general meetings.</li> <li>• Continuous information flow using existing technology (e-mail network and soon to be released, bi-monthly newsletters.</li> <li>• Influence on government policies.</li> <li>• Diversified group of members.</li> </ul>	<ul style="list-style-type: none"> <li>• Weak contacts with Council Members (corporate).</li> <li>• Limited services provided to members.</li> <li>• Support from individual members of the Executives (although this is improving).</li> <li>• Lack of cooperative support from other private sector organizations.</li> <li>• Lack of sub-committees to deal with day-to-day issues on business issues.</li> <li>• Failure of Executive Council to engage enough.</li> <li>• Low profile of PNG overseas</li> <li>• Failure to properly define relationship with APNG Business Council.</li> <li>• Low profile.</li> <li>• Need for stronger ties with local and overseas missions.</li> <li>• Lack of stated social values (honesty &amp; reliability).</li> <li>• Insufficient active Executive Committee.</li> <li>• Lack of policy guidelines for BCPNG Sub Committee members representing Organisations of boards and committees.</li> <li>• Lack of response from BCPNG members and Executive Committee on activities and survey.</li> <li>• Limited budget and funding.</li> <li>• Over dependence on Executive Officer.</li> <li>• Inability to reach out to all members to ensure they will benefit from BCPNG activities.</li> <li>• Lack of members' commitment.</li> </ul>

Strategies to maximise strengths:

- To continue to lobby for results driven and for the Government to recognise the BCPNG as a peak, unified body.
- Membership fees – very affordable.
- Strengthen BCPNG through press release to promote an increasing awareness of BCPNG by way of its contribution to the economy.
- Highlight positive profile of President.

Strategies to minimise weakness:

- Establish special Sub-Committees to be responsible for key BCPNG matters.
- Conduct more special sessions on Government policy for BCPNG members, targeting especially those with minimum expertise and knowledge of such policies.
- Encourage close working relationship with members.
- Improve and strengthen dissemination of information on activities and policies.
- Periodic newsletter.
- Circulation of BCPNG 'Code of Conduct'.
- Prepare and distribute BCPNG Membership Certificates.

Potential Opportunities for the Organisation	Potential External Threats to the Organisation's Wellbeing
<ul style="list-style-type: none"> <li>• Recruiting membership from the bottom end of town – the SMEs and keeping them included.</li> <li>• Closer working relationship with other private sector organizations.</li> <li>• To become a development partner with GoPNG.</li> <li>• No one playing central coordinating role between Government and private sector (including SMEs and informal sector).</li> <li>• Government commitment to a level playing field.</li> <li>• Continue to influence Government in policy development.</li> <li>• BCPNG members to work together on joint projects.</li> <li>• Other Association to work together on joint matters of concern.</li> <li>• Capacity building and offering training opportunity to members.</li> <li>• Increase and broaden membership.</li> <li>• Co-operation with PNG counterparts in the development and the review of regulations, policies and procedures.</li> <li>• Update Website.</li> <li>• Provide opportunities for members to be involved in BCPNG activities.</li> <li>• Establish a 'taskforce' to take advantage of all opportunity to increase membership.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of sustainability.</li> <li>• Do we have a succession plan for the EO?</li> <li>• Do we have the revenue source to continue what we are doing?</li> <li>• We are seen as an exclusive club for the big boys. Of course we may decide to stay that way.</li> <li>• Lack of support from other private sector organizations.</li> <li>• Lack of support from member organizations.</li> <li>• No recognition by the GoPNG of BCPNG's partnership benefits.</li> <li>• 'Turf wars' between existing industry and other bodies. Possibility that they see BCPNG as a threat rather than an ally.</li> <li>• Failure to properly define the interests of business.</li> <li>• Possibility of being 'captured' by an industry or firm to represent their views rather than the interests of business as a whole.</li> <li>• Failure to stand above sectional interests which are the responsibility of each industry rather than business as a whole.</li> <li>• Too much reliance on Executive Officer (part time position).</li> <li>• Expand too fast – too quickly therefore unable to deliver service to members and PNG – counterparts.</li> <li>• Other Associations; <ul style="list-style-type: none"> <li>CCI – pro-active.</li> <li>- press releases.</li> <li>- business breakfast etc.</li> </ul> </li> </ul>

Methods to overcome threats:

- Capacity building and training.
- Increase and broaden membership.
- Involvement with PNG counterparts for;
  - (a) Overseas contacts, and
  - (b) PNG Development.