



# BUSINESSPLAN

**BUSINESS PLANS FOR PARKS AND  
GOVERNANCE ARRANGEMENTS**

# OUTLINE

- Why Business Plans?



- Management Plans



- Opportunities



- Expenses



- Revenue



- Institutional Arrangements

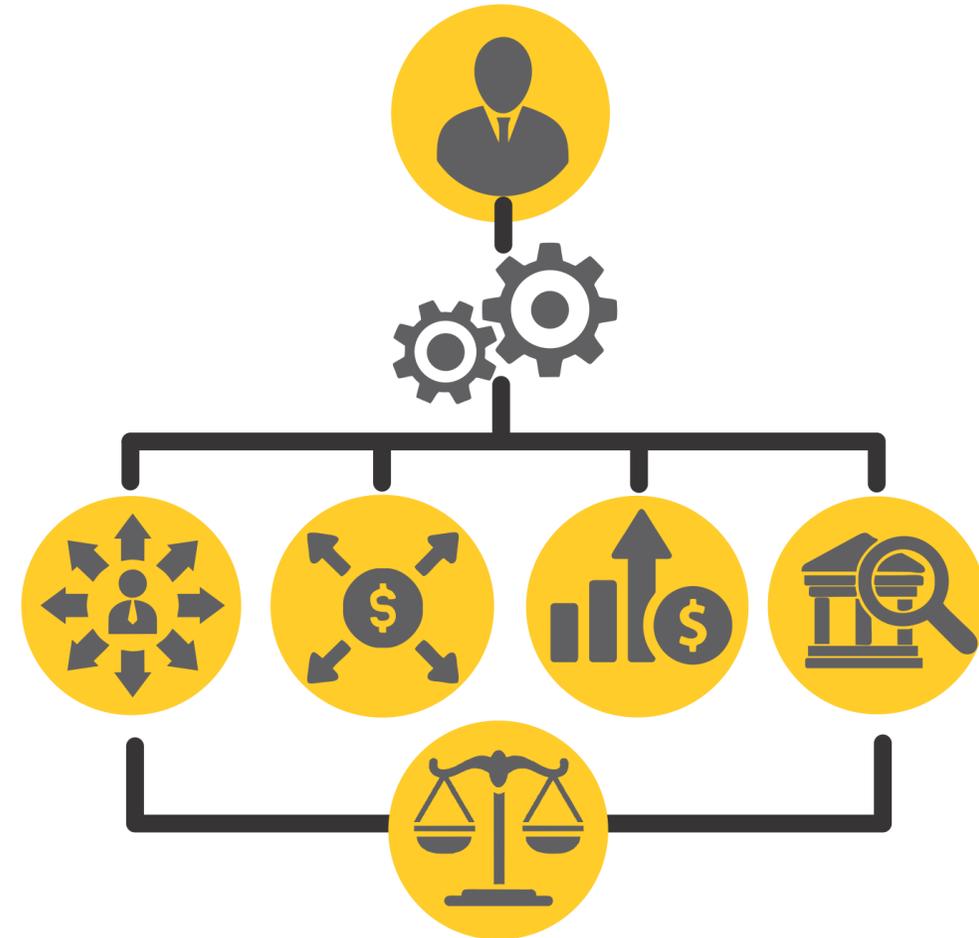


# MANAGEMENT PLANS

- Provide a strategic framework
- Identify
  - The **purpose** of an area
  - The **threats** and **opportunities**
  - Management **goals** or **objectives**
  - A policy framework to **guide decision** making
- A Management Plan **without** a Business Plan is not very useful
- These are two side by side documents
- They help with priorities

# BUSINESS PLANS

- Business plans as opposed to budgets
  - **Short** (1 to 2 years), **medium** (3-5) and **long term** (>10)
  - Define a **long-term funding strategy**
- Take Control of your destiny
- Operate on Business principles
  - **Define outcomes** – results orientated
    - Measure performance, efficiency and effectiveness with real metrics
  - **Manage costs**
    - Understand the cost drivers in your system
  - **Secure and manage revenue**

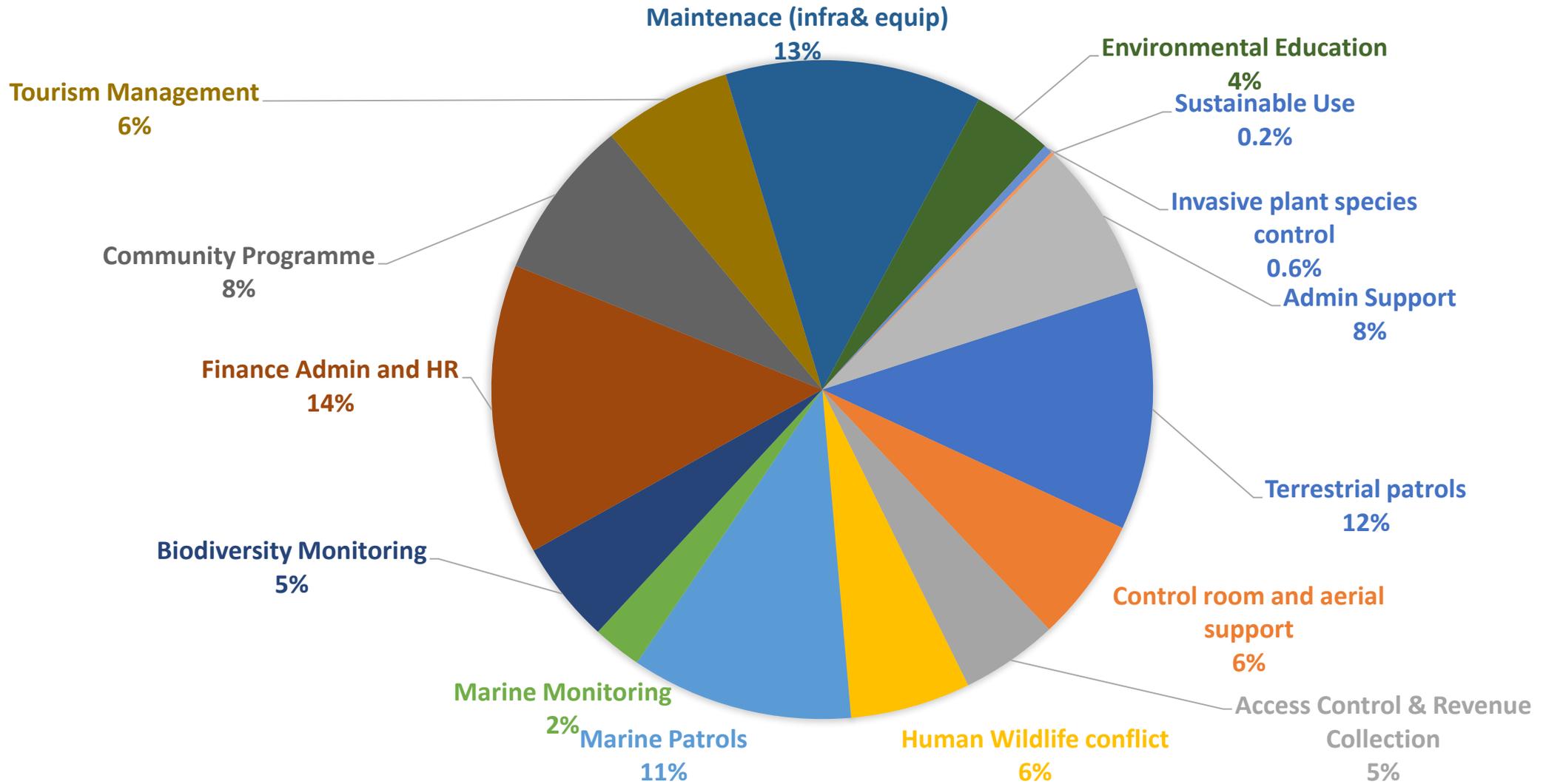


# BUSINESS PLANS

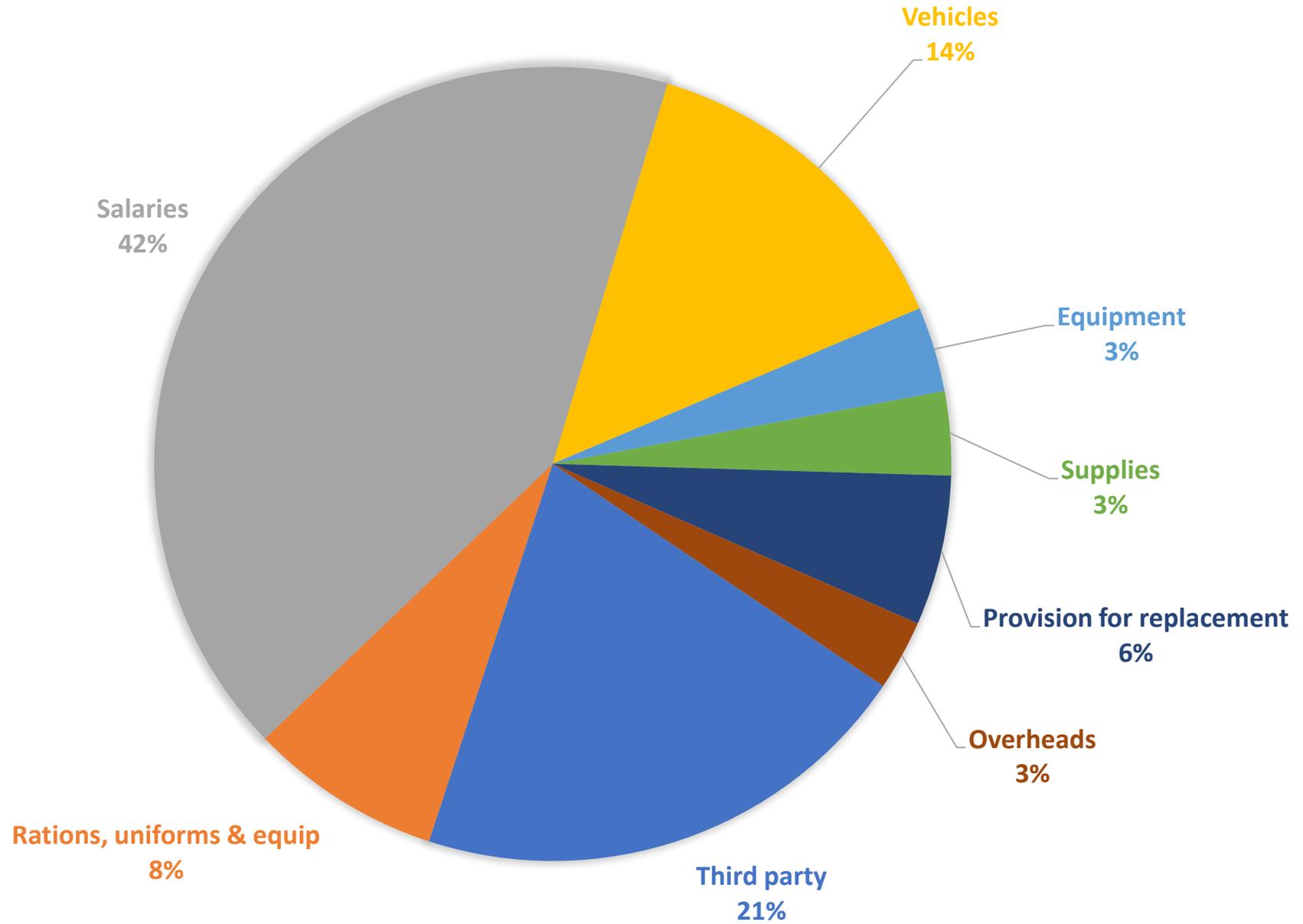
- Government budgets
  - Cost centers often unrelated to performance
  - Top down
  - At the whim of a Minister
- Designed by accountants to make their reporting easier
- But they are a largely useless tool for measuring efficiency
- Managers are mostly disempowered by Government funding processes



# TOTAL BUDGET BREAKDOWN



# TOTAL EXPENSES BY TYPE





# OPPORTUNITIES

- Many Governments offer some flexibility



- Retain revenue, or a percentage thereof



- Enter into PPP with a range of partners



- A range of donors and investors are available  
**(BUT terms and conditions must be acceptable)**

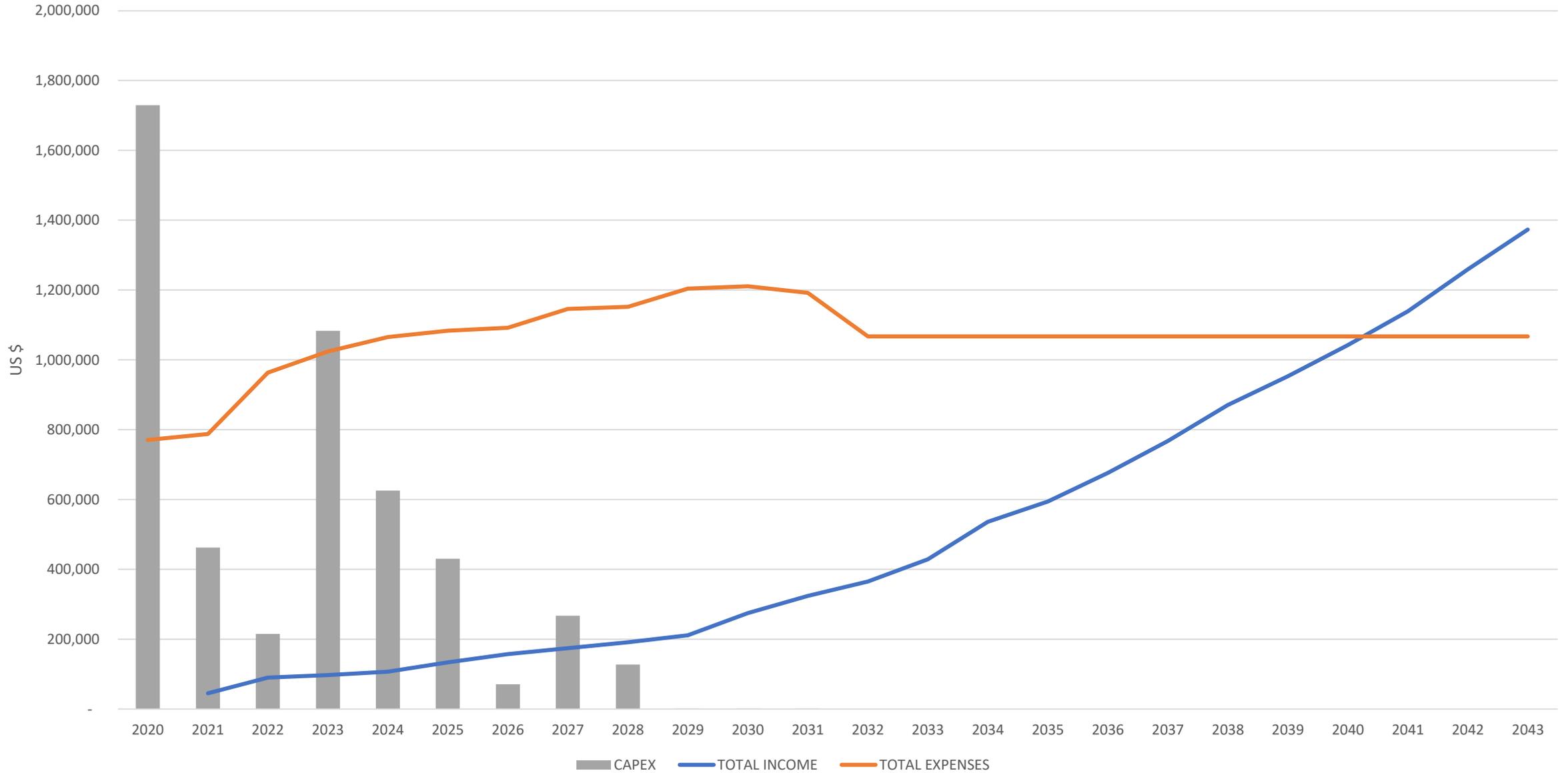


# EXPENSES

- Activity based budgeting
  - Cost activities not 'cost centers'
  - Allocate resources to needed to undertake an activity
    - Staff time, travel, support expenses (rations, uniforms and equipment), other
  - Establish a performance target for the activity and measure its attainment
  - Strive to improve this over time
- Make provision for replacement of equipment
- Make provision for maintenance of infrastructure
- Unallocated overheads
- Once-off or capital expenses



# Revenue and Operating cost Projections 2020 to 2043





# GOVERNANCE AND INSTITUTIONAL ARRANGEMENTS

- Opportunities presented by PPP and similar
- Co-Management Agreements
  - Fully Delegated
  - Integrated co-management
  - Technical Assistance
- Models
- African Parks Network, FZS (N Luangwa and Gonarezhou), PPF, WCS

# PRINCIPLES OF CO-MANAGEMENT MODELS

- More **nimble** i.t.o. decision making and fund raising
- Significant Investment in **productive assets**
- **Improvement in staff** performance, productivity and training with incentives
- **Attracting private investment** in tourism and other revenue generating activities
- Securing short to medium term **funding to the bridge the capital and operating shortfall** while ensuring long term **reliable and sustainable financing**
- Improving, broadening and sustaining the **long-term governance**
- Significantly **improving community benefits**

**THANK YOU**

