

STATEMENT BY THE MANAGING DIRECTOR

The Chittagong Water Supply and Sewerage Authority (CWASA) has reviewed the Medium Term Strategic Plan (July, 2012 – June, 2017), (July, 2014 – June, 2019) and developed a new one (July, 2015 – June 2020) aimed at responding to the change of the service area and change of Legislation. The plan has been prepared in compliance with the National Water Policy 1999, Bangladesh National policy for safe water supply & sanitation 1998 and the key national planning documents such as Vision 2021.

This plan serves the following purposes:

- i. Is a source of information and a frame of reference for all stakeholders (including employees) so that they can be fully aware of and, as appropriate, be engaged in the processes of efficient and effective delivery of services.
- ii. Lays down an agreed and coherent strategic framework of key outcomes and objectives to govern the scheduling and implementation of activities and services which CWASA need to deliver during the plan period.
- iii. Acts as a working tool for the management team.
- iv. Guides and provides the basis for the organization of operational inputs to achieve the outputs for each annual operating plan, and to agree on budgetary resources with the Board.

This strategic plan will therefore facilitate the following:

- i. Enable the Authority to realize its current dual functions of providing quality water supply and sanitation services for Chittagong City residents.
- ii. Enable CWASA to respond to the totality of environmental changes including cross cutting issues in order to improve the quality of services offered to her clients on a sustainable basis.
- iii. Quality improvement within CWASA will have multiplier effects across the Chittagong City residents and contribute to the national aspiration of transforming Bangladesh into a medium income country.

The successful implementation of this plan requires well dedicated workers with positive attitudes and adhering to organizational values. I call upon all CWASA employees to dedicate themselves to the fulfilment of the aspirations of this document. The Authority, will conduct periodic monitoring and evaluation of the implementation of planned activities. It will also conduct a review of the targets of the strategic plan every year in order to improve it and include any emerging requirements.

Engr. A.K.M.Fazlullah
MANAGING DIRECTOR

June 2015

EXECUTIVE SUMMARY

CWASA was first established in 1963, by ordinance No.19 of the erstwhile government of East Pakistan, to have overall responsibility of operation and management of the water supply and sanitation services to the City of Chittagong and its designated suburban areas. It was re-established in 1996 through the enactment of the WASA Act 1996 and gazetted as a water and sewerage Authority in 2008. The Authority is charged with the responsibility of not only providing water supply but also sewerage and drainage services to the City of Chittagong.

The Strategic Planning and Review Process

The management of CWASA developed the first five year Strategic Plan in response to the changes in its operating environment. The development of the plan involved an interactive process that handled three components namely; (i) Determination of where CWASA is, through a situational analysis, (ii) Determination of where CWASA wants to go through the development of vision, mission, core values and strategic objectives and (iii) Determination of how CWASA will get where it wants to go through the development of strategies, targets, activities, assignment of responsibilities and development of performance indicators.

The Strategic Plan has been reviewed and the review process similarly followed the same process of strategic plan development in which the management, sitting through an interactive Strategic Planning Workshop, diagnosed CWASA and its operations bringing out the key issues that impact on service delivery by CWASA, its strengths and weaknesses. Thereafter strategies, targets and actions were developed to address critical operational areas, including but not limited to; the establishment of a sewerage system, development of new water sources, reduction of NRW, staff capacity development, streamlining of the organisational structure and improvement of commercial and customer services.

The Situational Analysis

A situational analysis has been carried out and reveals that CWASA had strengths, challenges and opportunities. The strengths include; the ability to implement projects to expand or rehabilitate water supply infrastructure; strong leadership as exhibited by the MD and the DMDs; recruitment of young engineers and staff into the organization; availability and utilization of basic technical, financial and commercial procedures and guidelines in carrying out operations; the existence of an in-house Magistrate to handle water related offenses; and the achievement of a high collection efficiency. The challenges CWASA faces include; the lack of strategic orientation and management; inadequate management autonomy and employee empowerment; inadequate Organizational Structure; poor information and data management; inadequate water supply; inadequate systems, programs, processes, procedures and guidelines for effective delivery of services; poor revenue generation; unsatisfactory customer services; and inadequate human resource management. On the other hand, CWASA has excellent opportunities which include; the high demand for water supply services, strong Government support and having

customers who have the ability and willingness to pay for services. These opportunities will be exploited during the period of implementation of this revised five year plan.

The Vision, Mission, Core Values and Strategic Objectives

CWASA's vision is to be the most efficient Water and Sewerage Authority in Bangladesh. Its' mission is to provide quality water supply, sewerage and drainage services in the most cost effective manner; while applying appropriate technologies that are environmentally friendly. In working to achieve its vision and mission, CWASA management and staff will be guided by a set of fundamental or core values that will shape their behaviour and character. These values are: professionalism, customer focus, team work, value for money, environmental Consciousness, quality, innovativeness, and accountability. Six strategic objectives have been set to be achieved over the five year period of the plan as follows: (i) Objective 1: Adequate, Safe, Clean, Reliable, and Sustainable Water Supply Services achieved, (ii) Objective 2: Study & Installation of sample Affordable Sanitation Services system, (iii) Objective 3: Ethical, Competent, Professional and Motivated Staff Enhanced, (iv) Objective 4: The Authority's functions run efficiently and effectively, (v) Objective 5: Consciousness towards the Environment in all Undertakings Enhanced and (vi) Objective 6: Public Knowledge, Awareness and Understanding of the Authority's Functions Enhanced.

The Strategic Action Plan

A detailed action plan has been developed and includes strategies, targets and activities with timelines for implementation designed to achieve the strategic objectives. The plan also has clear assignment of responsibilities for the different activities.

The Implementation of the Strategic Plan

This strategic plan will be implemented through the development of detailed annual plans. The annual plans, which will be drawn from the strategic plan, will form the basis for the annual budgets. The Plans will be monitored and evaluated at three levels of the organization namely; section, departmental and corporate level. Monitoring sheets will be developed and used for this purpose. Weekly, monthly and bi-monthly meetings are to be held at the sectional, departmental and corporate level of the organization respectively for purposes of monitoring and evaluation.

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LIST OF ABBREVIATIONS AND ACRONYMS

ACCT	Accountant
ABAWAS	Association of Bangladesh Water Suppliers
AWEC	Annual Water Experts Conference
BERC	Bangladesh Energy Regulatory Commission
Bi-annual	Twice per annum
Biennial	Once after two years.
BPT's	Break Pressure Tanks
BRA	Bangladesh Revenue Authority
BSTI	Bangladesh Standards and Testing Institute
BOQ	Bill of Quantities
BRA	Bangladesh Revenue Authority
CA	Chief Accountant
CAG	Controller and Auditor General
CBD	Central Business District
CBO	Community Based Organization
CD	Commercial Department
CDA	Chittagong Development Authority
CE	Chief Engineer
CM	Commercial Manager
CSC	Client Service Charter
CSR	Corporate Social Responsibility
CWASA	Chittagong Water Supply and Sewerage Authority
CWSISP	Chittagong Water Supply Improvement & Sanitation Project
DCP	Deputy chief of planning
DE	Design Engineer
DI	Ductile Iron
DMD	Deputy Managing Director
DS	Deputy Secretary
EWSP	Emergency Water Supply project
E-Payment	Electronic Payment
GoB	Government of Bangladesh

HRO	Human Resources Officer
HPMU	Head of Procurement Management Unit
HRMIS	Human Resources Management Information System
IEC	Information Education and Communication
ISO	International Organization for Standardization
ICT	Information and Communication Technology
ICTU	Information and Communication Technology Unit
ICTO	Information and Communication Technology Officer
IAU	Internal Audit Unit
KWSP	Karnaphuli Water Supply Project
LAN	Local Area Network
MD	Managing Director
MIS	Management Information System
MOD	Maintenance Operation & Distribution
MoLGRD	Ministry of Local government & Rural Development
MoU	Memorandum of Understanding
NPRSP	National Poverty Reduction Strategy Paper
NGOs	Non – Government Organizations
NAWAPO	National Water Policy
NRW	Non-Revenue Water.
OPRAS	Open Performance Review and Appraisal System
PD	Project Director
PMS	Performance Management System
PRO	Public Relations Officer
PSRP	Public Sector Reform Programme
PPP	Private Public Partnership
PSP	Public Sector Participation
PMO-RALG	Prime Minister's Office-Regional Administration and Local Government
PPR	Public Procurement Regulation
PPA	Public Procurement Act
PMU	Procurement Management Unit
R&D	Research and Development
SE	Superintendent Engineer

ToR	Terms of Reference
UfW	Unaccounted for Water
UPVC	Un-plasticized Polyvinyl Chloride
UWSAs	Urban Water Supply and Sewerage Authorities
VO I	Variation Order I
VO II	Variation Order II
WSDP	Water Sector Development Programme
WSP	Waste Stabilization Ponds
WTP	Water Treatment Plant
WUP	Water Utilities Partnership

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1. BACKGROUND

CHITTAGONG is the second largest city of Bangladesh. Apart from being the main centre of trade, commerce and industrial activities, it is the life line of the economy because of its Sea Port. The country's first Export Processing Zone was established in this City. Over the last 3 decades, Chittagong has grown at a great pace due to the growth of the economy of the country. There has been rapid industrial development, and especially an unprecedented growth in the garment industry. These developments have resulted into rapid increase of the population of the City mainly due to migration from the country-side. Since 1971, the population of the city has grown from about 0.5 million to more than 2.7 million in 2013. The city area has also expanded from about 77 sq. km in 1974 to about 168.21 sq. km in 2013. This kind of growth presents tremendous challenges to Utilities providing services to the city residents. The Chittagong Water and Sewerage Authority (CWASA) is striving to keep pace with the city development.

CWASA was established in the year 1963 by ordinance No.19 promulgated by the erstwhile government of East Pakistan. The Authority was declared a fully autonomous entity charged with the overall responsibility of operation and management of the water supply and sanitation services to the City of Chittagong and its designated suburban areas. CWASA was in 1996, re-established through the enactment of the WASA Act 1996 and gazetted as a water and sewerage Authority in 2008. The Authority is charged with the responsibility of not only providing water supply but also sewerage and drainage services to the City of Chittagong. It is to be governed by a 13 member Board of Directors. The principal functions and roles of CWASA include:

- a) To provide water supply for uses as are required by the Act or any other written law dealing with the management of waste resources, water quality standards and the environment;
- b) To secure the continued supply of water for all lawful purposes by continuously treating the water and monitoring the quality of water supplied at such times and in such a manner as may be prescribed in the water quality standards or rules made under the water Act;
- c) To develop and maintain water works and sanitation works;
- d) To protect and maintain water sources;
- e) To advise the Government in the formulation of policies and guidelines relating to potable water standards;
- f) To plan and execute new projects for the supply of water and the provision of sanitation;
- g) To educate and provide information to persons on public health aspects of water supply, water conservation, sanitation, and similar issues;
- h) To liaise with local government authorities on matters relating to water supply and sanitation and the preparation and execution of plans relating to the expansion thereof;
- i) To collect fees and levies including any regulatory levy for water supply and sanitation services supplied to consumers by the water authority;

- j) To propose water supply and sanitation tariffs;
- k) To provide amenities or facilities which the Authority considers necessary or desirable for persons making use of the services or the facilities provided by the Authority.
- l) To do anything or enter into any transaction which, in the opinion of the Board of the water authority, calculated to facilitate the proper exercise of the functions of the water authority under the water Act.

2 THE STRATEGIC PLANNING AND REVIEW PROCESS

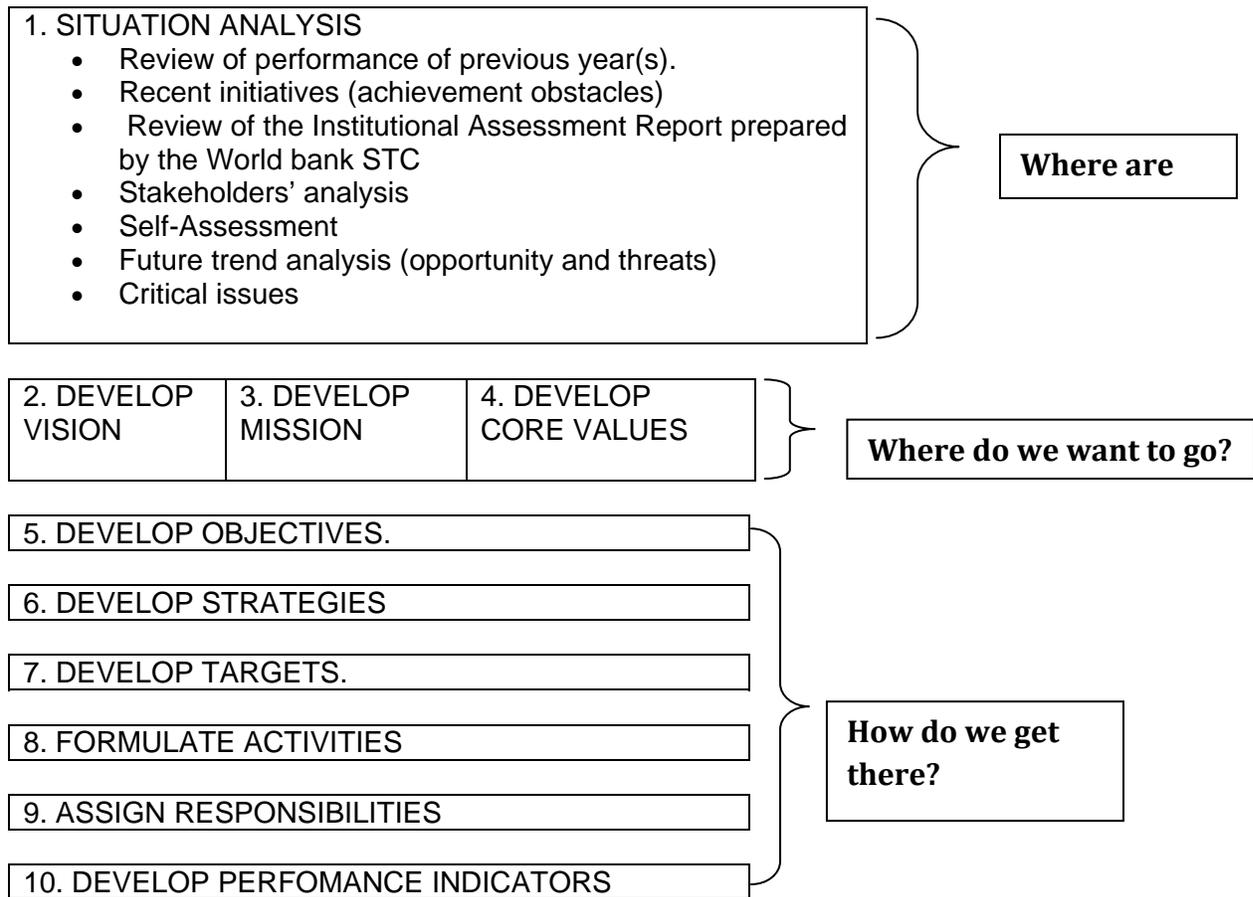
2.1 Introduction

The world is undergoing tremendous changes in all aspects of development: economic; social; cultural; political; scientific, and technological, just to mention a few. In addition, within both the country and CWASA, similar changes are taking place and all of these combined, affect the operating environment of CWASA. In 2013, the management of CWASA developed its first five year rolling Strategic Plan in response to the changes in its operating environment. The development of the plan involved an interactive process, between the members of the management team, designed to create a common understanding and buy-in of both the process and the outputs. This plan has been revised to incorporate the achievements and challenges faced over the last Financial Year.

2.2 The Planning and Review Process

Figure 1 gives the ten-step process that was initially used in developing the Strategic Plan. The review of the plan followed this same process.

Figure 1: Steps in Strategic Planning



3 SITUATIONAL ANALYSIS

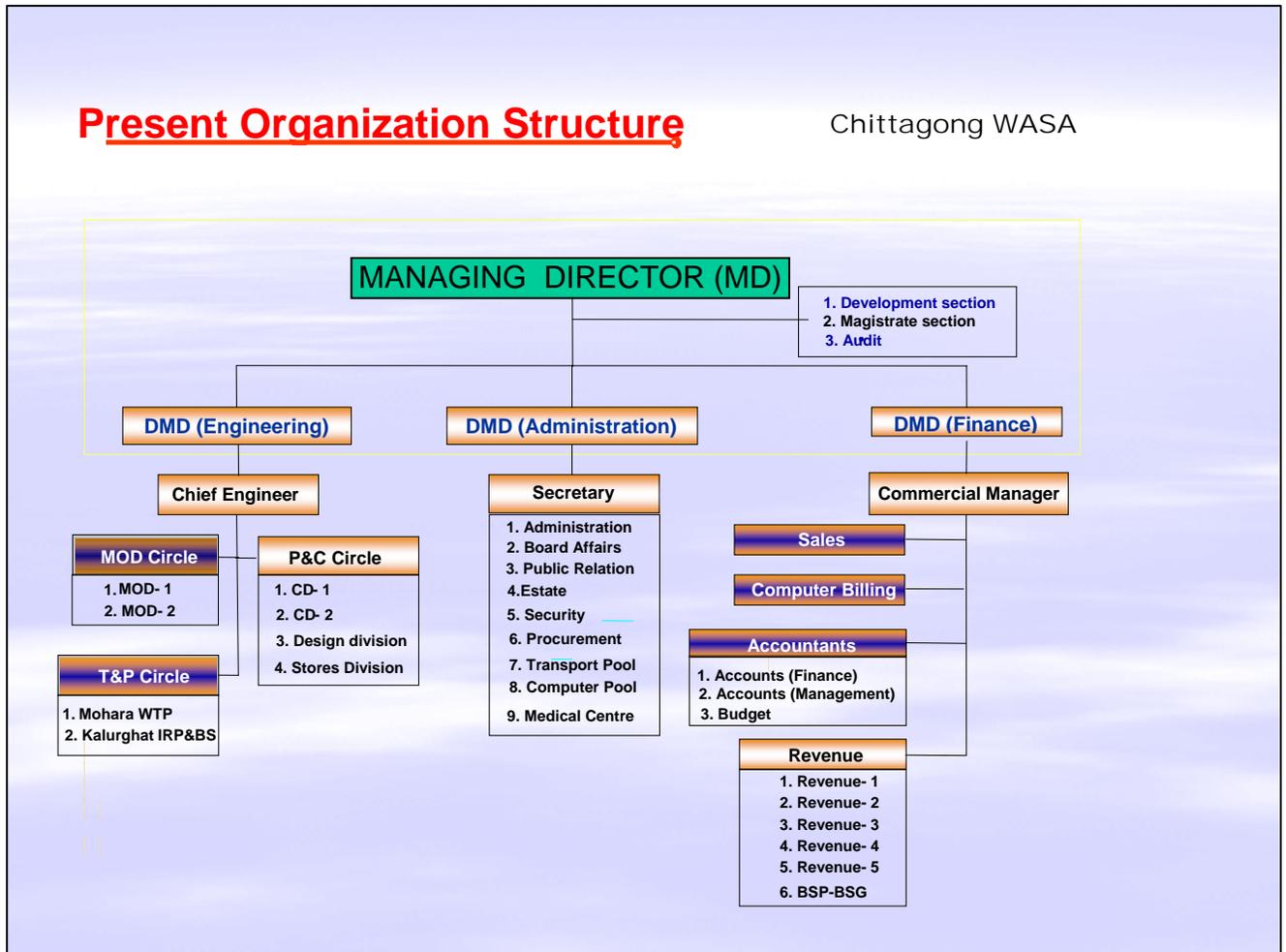
3.1 Organisational Structure of CWASA.

The current organizational structure of CWASA is given in Table 1 below

Table 1: Organisational Structure of CWASA

Present Organization Structure

Chittagong WASA



The Authority has a 13 member Board as required by the WASA Act 1996.

3.2. Overview of Operations

CWASA has two water treatment plants i.e. the Mohara WTP (90 MLD) and the Kalurghat Iron Removal Plant and Booster Station (68 MLD). The Authority additionally operates ninety (94) deep tube wells (DTW) installed to augment the water supply to the city. Currently, the DTW account for 50% of the water produced. There are fourteen (14) service reservoirs with a total capacity of 46 MLD. The water transmission and distribution pipelines consist of different pipe materials such as ductile iron, asbestos cement and PVC; with a total length of 687 km. A significant part of the distribution network is old and requires rehabilitation. There are currently no piped sewerage systems in Chittagong and the drainage services are being provided by the Chittagong City Authority.

The present water demand for Chittagong has been estimated to be about 500 MLD as compared to a total installed production capacity of only 200 MLD. The demand is projected to increase to 1241 MLD by 2021. The city is therefore water stressed with most customers

receiving intermittent water supply service. CWASA, with assistance from the GoB and development partners (the World Bank and JICA), is implementing a number of projects to rehabilitate and expand the water supply systems. The projects currently under implementation include; the Kanarphuli Water Supply Project (Phase 1& 2), the Emergency Water Supply Project (Installation of DTW), and the Chittagong Water Supply Improvement and Sanitation Project (CWSISP). Within CWSISP construction of Modunaghat Water treatment Plant is going on.

As of June 2015, CWASA had a total of 60,668 customers connected to its water supply system. Of these 55,408 accounts are active or on supply and being billed.

3.2 Recent Initiatives, Achievements and Challenges

Table 2 gives an assessment of the recent initiatives pursued by CWASA towards improving service delivery. The table provides an insight into the participation of the GoB and the development partners in responding to challenges in the provision of water supply services.

Table 2: Recent Initiatives, Achievements and Challenges

Financing Agency	Recent Initiatives	Achievements	Challenges
JICA	Water Supply (Surface)	Construction work of 136 MID capacity Karnaphuli WTP –I is going on (Overall 88% completed on June,2015)	Timely completed
JICA	Water Supply (Surface)	Construction work of 136 MID capacity Karnaphuli WTP –II has been started	
World Bank	Water Supply (Surface) under CWSISP	Construction of 90MLD WTP under process. Construction Contractor has been appointed.	
	DPP of Extension of 90MLD Mohara WTP project approved by Ministry		No fund for implementation
Government of Bangladesh	Water Supply (Under - ground)	15 New DTW installation project. 10 DTW has been installed	
World Bank	Rehabilitation of existing network pipe line	Contractor has been appointed	
JICA	TAPP on Institutional Improvement and Advancing NRW reduction Initiative of CWASA	TAPP awaiting for approval in Planning commission	

3.4 Institutional Assessment of CWASA

In 2012, an institutional assessment of CWASA was carried out by a Short Term Consultant with funding from the World Bank under the five dimensions of organisational behaviour, structure, capability, tools and ability to influence the external operating environment. The results of the assessment are still valid today and are summarised below.

3.4.1 Strengths

CWASA has strengths which it will exploit and build on to grow. Some of the key strengths are listed below:

- a) *Implementation of Projects to expand or rehabilitate water supply infrastructure:* Currently a number of projects are under implementation to expand or rehabilitate the water supply infrastructure.
- b) *Strong leadership as exhibited by the Senior Management:* The MD and the DMDs have been providing strong leadership to the organization.
- c) *Recruitment of young engineers and staff into the organization:* CWASA has in the last three years recruited new staff and especially young engineers. These will form the backbone of the organizational transformation that is expected to happen in the next few years.
- d) *Basic systems are in place:* These include some of the technical, financial and commercial procedures and guidelines which have enabled CWASA to provide, to some degree, satisfactory water supply services to its customers.
- e) *Existence of an in-house Magistrate:* This enables CWASA to handle in house offenses related to the provision of water services.
- f) *High collection efficiency:* The collection efficiency is about 99%. This is to be maintained.

3.4.2 Challenges

The Utility has the following key challenges which it will strive to overcome or manage:

- a) *Lack of strategic orientation and management:* CWASA has no strategic plan. It has only prepared and implemented annual plans and its senior managers have short term employment contracts. The organization therefore has been having short term orientation in the way it has been managed.
- b) *Inadequate Management Autonomy and Employee Empowerment:* CWASA does not have a Board constituted in accordance with the WASA Act 1996 and therefore has to get government approval for most of the key operational decisions it makes. In addition, the rules and regulations that govern the provision of water supply services are not only old and but promote bureaucratic and centralized control of operations and decision making. Employees are therefore not sufficiently empowered to do their jobs as they have to constantly seek approvals (from their superiors) even over matters that should necessarily be within their level of authority.
- c) *Inadequate Organizational Structure*
The current organizational structure is inadequate as it does not have vital functions that would support CWASAs ability to provide effective and efficient services. Critical

functions such as NRW reduction, monitoring and evaluation, increased decentralization or zoning of operation need to be incorporated into the structure.

d) *Poor information and data management*

A lot of information and data are handled by CWASA on a day to day basis. There is however no comprehensive system for information and data management for the whole company. This has affected not only the quality and integrity of information or data generated but also the speed at which they are received, processed, stored and utilized in the company.

e) *Inadequate water supply*

The current water demand far outstrips the production. There is therefore intermittent water supply with water being rationed in various parts of the city. The water distribution system is also old and needs rehabilitation. A number of projects to construct and rehabilitate water supply infrastructure are at various stages of implementation.

f) *Inadequate systems, programs, processes, procedures and guidelines for effective delivery of services*

CWASA lacks or only has basic systems that it uses to provide services. There are no PPM programs. In addition, there are no water distribution O&M manuals, no assets management plan, lack of computerized accounting system, lack of a human resource development plan and training plan. The performance management system and the monitoring and evaluation systems are inadequate.

g) *Poor Revenue generation*

Currently revenues generated are only enough to cover operating costs. According to the Performance agreement signed between the GoB and the CWASA is to adapt a tariff structure that would lead towards the long-run marginal cost methodology. The PA also requires that by 2015, CWASA revenues should at least cover the operational and financial costs (excluding depreciation). There are two main ways in which revenues can be increased namely; increase production and sale of water and raise tariffs. As the water supply projects get completed, CWASA will need to adopt strategies that will make it attain financial viability. Also CWASA previously uses 42 Banks with a total of 88 Branches currently use—banks & 42 branches to collect revenue. These are reduced too many resulting in delayed provision of collection statements from the banks. On the other hand, the Dhaka Water and Sanitation Authority only employ four banks with online facilities to collect its revenues. So CWASA has the further scope of reducing Banks & Branches as like Dhaka WASA.

h) *Unsatisfactory Customer Services*

The current customer services are unsatisfactory as there are no comprehensive systems for providing customer services. The current branch offices (MOD 1 and 2) only carry out technical (engineering) activities, and are not able to provide effective customer services.

i) *Inadequate Human Resource management*

There are gaps or inadequacies in key areas of human resource management in such areas as staff recruitment, training, placement, salary administration and promotion. In addition, the human resource policies need to be updated.

3.4.3 Opportunities

CWASA has excellent opportunities. They include:

- a) *High demand for water supply services.* Chittagong is a growing city being the commercial capital of Bangladesh. The demand for increased water supply services will therefore continue to be exerted upon CWASA providing it with good business opportunities
- b) *Government support:* This is enshrined in the PA.
- c) *Customers ability and willingness to pay.* The customers are able and have the willingness to pay a bit more for services should consideration to raise the tariff be made as an option for increasing revenues.

These opportunities will be exploited by CWASA for the good of the customers in Chittagong.

3.5 Stakeholder Analysis

A comprehensive stakeholder analysis was carried out. Fifteen groups of stakeholders have been identified and include; customers, staff, Financiers/Donors, Suppliers, Government and The City Council, NGO's, CBO's and Pressure Groups, Politicians, Media, Training Institutions, Bangladesh Revenue Authority, PPR, BEREC, Quality Assurance Regulators (BSTI, ISO), Social Security Institutions and the Board of Directors, of CWASA. The detailed stakeholder analysis providing what expectations each stakeholder has and the impact of not meeting those expectations is given in **Annex 1**.

3.6 Organizational Scan

An internal organization diagnostic scan using Jackson's Dynamic Organization Audit Model (1977) (see **Annex 2**) was additionally carried out. Responses to 38 statements were provided and this further assisted to unveil CWASA's internal strengths and areas of improvement. The outputs of this organizational diagnostic scan are attached as **Annex 3**.

3.7 External Trends Analysis

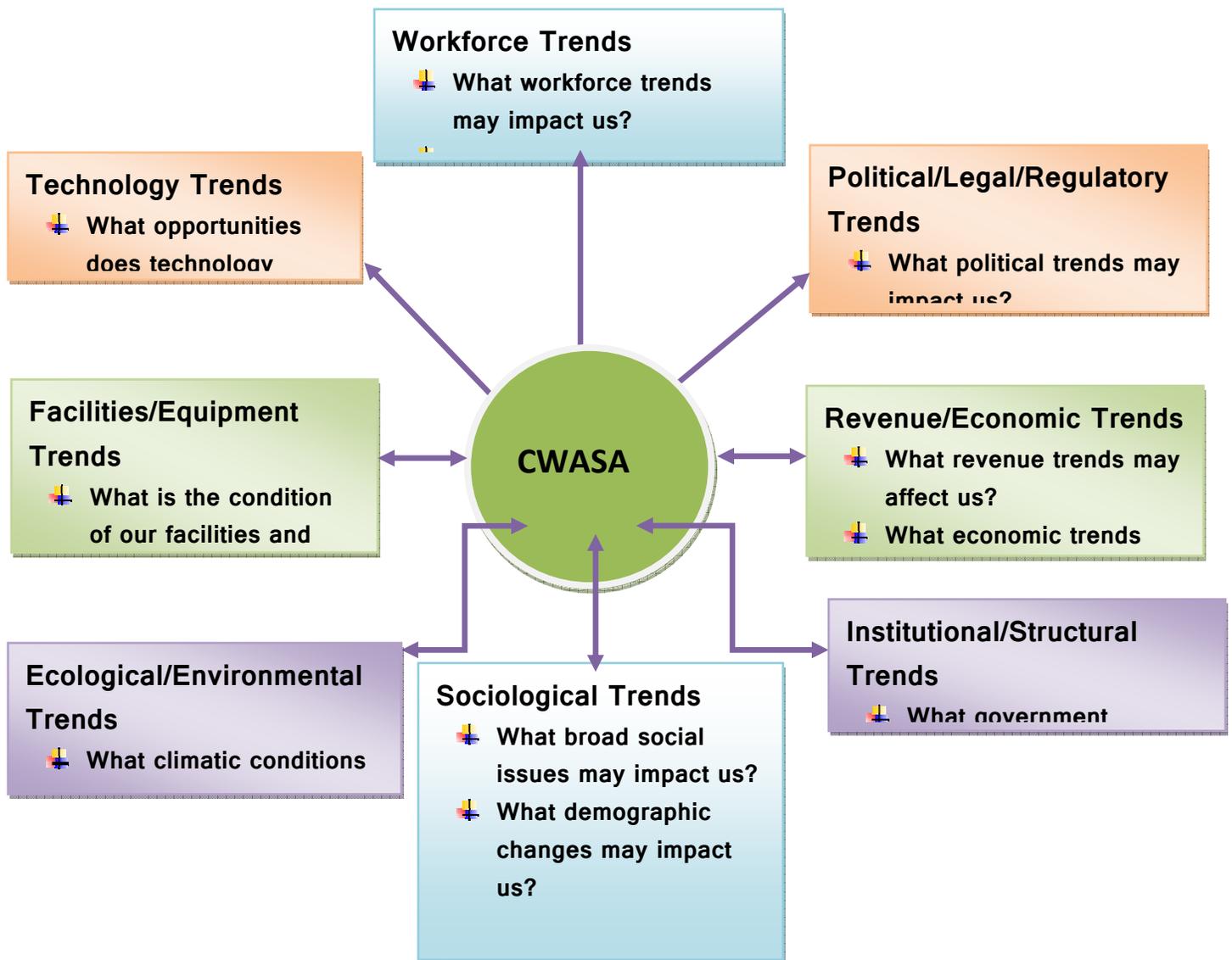
As part of our strategic planning process, an external trends analysis was carried out to assess what threats and opportunities, the future may hold for CWASA. Several dimensions were considered and include: workforce trends, economic trends, political/administrative/legal/regulatory trends, institutional trends, sociological trends and technological trends as illustrated in Figure 2 below.

The following is the summary of the key findings of this analysis:

- **Workforce Trends:** For a variety of reasons, the ability to attract and retain highly qualified personnel will become a greater challenge. There is a brain drain going on across the country. In addition, it is important that staff have the right skills set for the success of any organization.

- Political/Administrative/Legal/Regulatory Trends:**
 There is a remarkable trend of most politicians taking positive actions towards water and sewerage services development. Consequently, reviews of existing laws to cope with current reforms in the water sector will continue in the Government agenda. The threat, however, is with water and water sources being politicized, problems in mind-set shifts from the old paradigm of water as a social good to that of water being considered as an economic good.

Figure 2: External Trends Analysis



- Economic /Revenue Trends**

The economy of Bangladesh is growing leading to the growth of the private sector and increase in government revenues. The Chittagong City economy has similarly been growing due to the expansion of social economic, Port and industrial activities such as International Meetings, commercial, tourism, International Universities, establishment of International Institutions and the development of small and medium scale industries. The growth of the private sector may lead to increased competition for skilled staff and growth in demand for water supply services. On the other hand, Bangladesh will continue to face the risk of its economic performance being dictated by events outside its control e.g. escalating fuel prices, inflation and global economic trends. It's worth noting that any global economic downturn may force some of our development partners to reduce their development aid to the country and hence impact on our ability to conduct development projects.

- ***Sociological Trends***

It is expected that rural to urban migration, with its associated challenges, will continue. Secondly, expanding the City area rapidly will present challenges to CWASA.

- ***Asset and Technology Trends***

Technology will continue to provide an important tool for improving performance. IT developments (e.g. computerization, mobile phone technology, e-payments, SMS (messaging) has continued to provide organizations to do more and better work. To make the most use of technology, CWASA will need to ensure it has the right skills to use, support, and maintain it. The anticipated risks include but not limited to regular change of technology, forfeited products etc.

- ***Ecological/Environmental Trends***

The possibility of getting water from rivers and underground source within the City is declining due to global warming effects. Sodium Chloride intrusion into the Halda River has continued to increase year by year in dry season and the water aquifer of city is continuously declining. CWASA may be forced to use costly alternatives for producing water such as using boreholes that require power to run the water pumping schemes or the use of rain water harvesting and surface water like from Karnaphuli River at a distance from near about 35 km.

The detailed analysis is given in Annex 4.

4 VISION, MISSION, CORE VALUES AND STRATEGIC OBJECTIVES

4.1 Vision, Mission and Core values

The following vision, mission and core values have been developed for CWASA.

Vision

“To be the most efficient Water and Sewerage Authority in Bangladesh”

Mission

“To provide quality water supply, sewerage and drainage services in the most cost effective manner; while applying appropriate technologies that are environmentally friendly.”

Core Values

In implementing the Strategic Plan, CWASA management and staff will be guided by a set of fundamental values that will shape their behaviour and character as they seek to offer quality services. These values are:

- Professionalism
- Customer focus
- Team work spirit
- Value for money
- Environmental Consciousness
- Quality
- Innovativeness
- Accountability.

Motto:

Effective and dynamic organizations provide constant reminders to all key players of its priorities and major aspirations. The reminder is effectively realized through slogans and mottos. The motto for CWASA is:

“ Sustha Jiboner jaina Pani”: Water for Safe Living.

4.2 Strategic Objectives

4.2.1 Strategic Issues

In developing and review of the strategic objectives, a list of strategic issues arising from the situational analysis were reviewed/formulated to guide the short, medium and long term planning. They include the following:

a) Water production and distribution systems

- How can the water production be increased to meet demand from the present 524MLD to 610 MLD (2018/19) for the existing and new service area. Specifically what should be done to:
 - Develop new water sources - Develop new water sources – surface and rain water harvesting.
 - Expand the distribution network. While putting into consideration environmental conservation measures.
 - Rehabilitate the existing distribution network
 - Establish effective operation and maintenance of WTPs and Water distribution systems?
- While increasing production there is need to expand the current distribution network (684km), maintain the existing network and achieve 75% water supply coverage from the present 49% and supply water for 24 hours.
- What measures should be instituted to reduce Non Revenue Water (NRW)?

b) Provision of sewerage services

- How can CWASA start the installation of sewerage system and Waste Stabilization Ponds (WSP) to meet the requirement of WASA Act?
 - How connections to the sewerage system should be subsidized to attract more Customers.
- c) *Organizational Autonomy and employee empowerment*
- How can employees be empowered to improve on employee productivity and accountability?
- d) *Organizational Structure*
- How can the organizational structure be streamlined, non-core activities outsourced, and other cost reduction measures designed and implemented in order to achieve Authority's ultimate goal of improving service delivery?
- e) *Development of operational systems*
- How can CWASAs existing financial, commercial and administrative systems be enhanced to improve effectiveness in service delivery?
- f) *Staffing Issues*
- As competition for skilled and qualified staff increases, how can CWASA attract and retain staff. Specifically how can the Utility:
 - Proactively conduct capacity building programmes.
 - Continuously equip our staff with modern tools.
 - Provide them with adequate working space.
 - Constantly review staff remuneration packages while involving and empowering them, and
 - Strengthen the appraisal, rewarding and sanction system using OPRAS?
- g) *Customer and Commercial services*
- How should customer service and customer care be promoted:
 - At pay points and
 - Customer complaint desk at the front office?
 - How can customers' requirements be attended to promptly at one point?
 - How can exist customers be retained while at the same time recovering lost customers?
- h) *Revenue generation*
- How should revenue collection be increased?
 - How can the billing system continue to be improved while sustaining universal metering and move towards full cost recovery?
 - How can the collection and prompt reporting of collections through the Banks be improved?
- i) *IT Solutions*
- How can we utilize modern technology in:-
 - Digitizing our water distribution network and keep customers' records on digitized maps.
 - Increasing billing and revenue efficiency.
 - Water Point Mapping?
- j) *Strategic Alliances*

- How should CWASA continue building strategic alliances with partners and stakeholders?

4.2.2 The Six Strategic Objectives

The analysis of the strategic issues outlined above has led to the development of the following six strategic objectives to be achieved in the next five years:

Objective 1: Adequate, Safe, Clean, Reliable, and Sustainable Water Supply Services achieved.

Objective 2: Study & Installation of sample Affordable Sanitation Services system.

Objective 3: Ethical, Competent, Professional and Motivated Staff Enhanced.

Objective 4: The Authority's functions run efficiently and effectively.

Objective 5: Consciousness towards the Environment in all Undertakings Enhanced.

Objective 6: Public Knowledge, Awareness and Understanding of the Authority's Functions Enhanced.

5 THE STRATEGIC ACTION PLAN

5.1 Strategies

The following strategies have been developed for the achievement of the strategic objectives:

Objective 1: Adequate, Safe, Clean, Reliable, and Sustainable Water Supply Services achieved.

Strategies to be employed:

- Develop new water Production capacity.
- Prepare plans for future water production capacity.
- Rehabilitate existing water distribution pipelines
- Expand water distribution network
- Maintain National & International Water Quality Standards.
- Reduce NRW and improve Billing efficiency.
- Develop Manuals, procedures and protocols for vital technical and commercial operations.
- Carry out Annual Maintenance of Plants and Infrastructure.
- Keep WTPs in good state of ambience and cleanliness.

Objective 2: Study & Installation of sample Affordable Sanitation Services system

Strategies to be employed:

- Develop a complete study report to install the sewerage & sanitation service

Objective 3: Ethical, Competent, Professional and Motivated Staff Enhanced

Strategies to be employed:

- Develop and implement Training programme
- Conduct specific and vital training for Senior Managers.

- Strengthen the use of the Citizen's Charter
- Implement measures to instil ethical conduct
- Install the Performance Improvement Model (PIM)
- Review Acts, Rules & Regulations

Objective 4: The Authority's functions run efficiently and effectively

Strategies to be employed:

- Acquire appropriate ICT.
- Develop and implement selected structures, systems and programs.
- Continue Outsourcing non-core functions.
- Strengthen Commercial Operations
- Adherence to financial and procurement procedures
- Develop measures to comply with PPA 2006 and PPR of 2008
- Enhance Autonomy of CWASA management and Empower employees
- Develop conducive and harmonious industrial relations in CWASA
- Provide adequate equipments, furniture and logistics to all sections
- Maintain good housekeeping and cleanliness in and outside all Buildings /Offices

Objective 5: Consciousness towards the Environment in all Undertakings Enhanced

Strategies to be employed:

- Develop and implement plans for environmental mitigation measures including protecting water sources.
- Take measures to promote corporate social responsibility

Objective 6: Public Knowledge, Awareness and Understanding of the Authority's Functions Enhanced

Strategies to be employed:

- Develop Authority's IEC program.
- Provide Logistics and Training to staff
- Explore avenues and build strategic alliances with partners.

5.2 The Detailed Plan Matrix

The detailed plan giving the objectives, strategies and their corresponding targets, activities and outcome indicators over the five year period, together with the officers responsible for the execution of each activity and the detailed results matrix are given in **Annex 5**

5.3 Force Field Analysis

A force field analysis has additionally been carried out to show the critical factors that need to be addressed or promoted in order to successfully implement the Strategic Plan. Management will develop a risk management program to sustain the bridges while instituting measures to contain the effects of barriers, and on an annual basis conduct risk audit. The force field analysis is given in **Annex 6**.

6 IMPLEMENTATION OF THE STRATEGIC PLAN

6.1 General Implementation Approach

The strategic objectives, strategies and targets as provided in chapter 5 will be implemented through five successive annual plans. The activities that respectively build into each strategy and target will be reviewed annually. In addition any annual reviews of the targets of the PA signed with the GoB will lead to a review of the strategies, targets and activities for the planning period as appropriate. The compilation of activities to be carried out in a given year will be carried out by the respective sectional/departmental teams and will constitute the annual operation plan for that year. In addition, identification and scheduling of activities will take consideration of the due dates of the milestones and deliverables of the strategic plan. The plan which should have targets to be achieved in that year is to be prepared and approved for implementation by 1st July of that year. The plan should, for all practical purposes, constitute the major elements of any annual budget. In this respect, a detailed operational plan for 2015/16 has already been prepared & approved by Authority and is ready for implementation.

6.2 Monitoring and Evaluation

The monitoring and evaluation (M&E) of the Strategic Plan will be carried out at three levels of the organization namely; section, departmental and corporate level. Consequently, each section (or division) and department will be required to fully internalize and understand the milestones, deliverables and the respective due dates for the annual plan activities for which they are responsible. From the milestones, deliverables and due dates, monitoring sheets for each section (or division) and department will be prepared. The monitoring sheets will form the basic tool for the M&E of the annual operational plan implementation. The M&E will then practically be carried out as follows:

a) Departmental and Sectional Level

Different sections (under executive managers) will hold weekly meetings chaired by their respective executive level manager to review progress in the implementation of the annual plans using the monitoring sheets that will have been developed. The meetings will also be used to handle any operational issues that may affect the effective provision of water supply services or the implementation of the annual plan. Detailed minutes of meetings are not expected to be kept at this level except for a summary list of issues that require the attention of the departmental head. This list would then be discussed by the executive manager with the departmental head. Each of the Departments of Engineering, Administration and Commercial would then hold monthly meetings to receive progress reports from the sections or divisions and to take corrective actions as necessary. Again the M&E checklist will form the basis of reporting and evaluation. The Departments will then prepare and submit monthly progress reports to the senior management team.

b) Senior Management Team

An expanded senior management team comprising the members of the task force (that was set up in March 2012 to coordinate the last phase of the institutional analysis), the MD (as Chairman) and the other DMDs is proposed to continue to oversee the implementation of the annual operational plans. They are to meet every two months to receive, review and take

decisions on progress reports from the departments. The senior management team is to be assisted in monitoring the implementation of the annual operational plans by the joint working together of the Audit and Design Division staff in carrying out independent verifications of the implementation of planned activities by the different sections, divisions and departments. They will therefore carry out:

- Regular field visits to monitor the implementation of the Operational Plan activities.
- Verify quantitative and qualitative operational data submitted by the various departments/sections.
- Prepare independent reports to the senior management team.

ANNEXES

ANNEX 1

Detailed Stakeholder Analysis

Annex 1: Detailed Stakeholder Analysis

S. N	Stakeholder	Expectations	Impact of not Meeting Expectations
1	Customers		
	Domestic Commercial Institutional	<ul style="list-style-type: none"> • Adequate, clean and safe water – 24 hours a day at affordable tariff • Prompt service connections • Prompt and accurate billing • Prompt response to their complaints • Shortest time at paying point • Hygienic and efficient waste water collection and disposal at affordable tariff • Prompt sewage blockage removal • Our staff to be professional, and treat them with courtesy, helpfulness, friendliness and on a case to case basis. • Prior information/notice regarding service interruption/tariff changes • Reliable and adequate water for fire fighting 	<ul style="list-style-type: none"> • Increased public complaints • Resorting to other unsafe sources and other alternatives • Low revenue collection • Low willingness to pay • Increase of bad debts. • Bad public image • Unhygienic environment and possible outbreak of water borne diseases • Low customer connection rate • Resorting to illegal means of getting services
	Industrial	As above	<p>In addition to what is above:</p> <ul style="list-style-type: none"> • Low productivity which can cause laying off of workers • Resorting to development of own source. • Scare away investors • Loss of life and property in case of fire outbreak.
	General Public	<ul style="list-style-type: none"> • Water sources protection • Creating and maintain good public image • Harmonious co-existence with other Authorities and stakeholders • Carrying out all functions in environmentally friendly manner 	<ul style="list-style-type: none"> • Public outcry • Government intervention leading to possible divestiture

		<ul style="list-style-type: none"> • Carrying out all functions of the Authority in due diligence 	
	Urban poor	<ul style="list-style-type: none"> • Subsidized service delivery 	<ul style="list-style-type: none"> • Increased public complaints. • Unhygienic environment and possible outbreak of water borne diseases. • Possible sanction by the government for violating NAWAPO.
2	Staff	<ul style="list-style-type: none"> • Good remuneration packages. • Recognition/Involvement in decision making. • Good working environment. • Security of Employment. • Career development. • Voluntary agreement between employer and trade union. 	<ul style="list-style-type: none"> • Staff turnover leading to increased cost of recruitment in filling vacant posts. • Low productivity. • Go slow. • Staff will not be able to keep up with changing technology. • Corruption, Sabotage. • Dissatisfied staff and trade union.
3	Financiers/Donors	<ul style="list-style-type: none"> • Good utilization of funds donated. • Proper financial record keeping and timely submission of quality reports. • Maintenance and upkeep of the infrastructure funded (sustainability). • Professional staff with high degree of integrity. 	<ul style="list-style-type: none"> • Withdraw their support. • Negative publicity of the utility. • Tarnishing the Authority's image.
4	Suppliers	<ul style="list-style-type: none"> • Timely payment of their invoices • Transparency in our transactions • Professional staff with high degree of integrity 	<ul style="list-style-type: none"> • Loss of credit worthiness • Tarnishing the Authority's image. • Withdraw or delays in delivering of goods and services.
5	Government and The City Council	<ul style="list-style-type: none"> • Adherence to laid down government policy and guidelines • Good performance of the Management Team • Supply of clean and safe water and safe disposal of sewage 	<ul style="list-style-type: none"> • Take sanctions against the Authority's Management and Board. • Less cooperation from the Government and the City Council.

		<ul style="list-style-type: none"> Positively contribute toward Poverty Eradication Strategy and Achievement of Vision 2021 Goals. 	
6	NGO's, CBO's and Pressure Groups	<ul style="list-style-type: none"> Being consulted when Authority is making important decisions. Being involved in Authority's important decisions Environmental friendly practices. 	<ul style="list-style-type: none"> Tarnishing the Authority's image. Destruction of the environment.
7	Politicians	<ul style="list-style-type: none"> Adherence to ruling Party election manifesto. To be treated with high degree of impartiality. 	<ul style="list-style-type: none"> Ruling Party can take sanctions against the Authority Other Opposition Parties will cry foul.
8	Media	<ul style="list-style-type: none"> Access to information. Adequate coverage on development activities of water and sewerage services 	<ul style="list-style-type: none"> Biased information /message which may mislead the public Lack of public support and response Tarnishing of Authority's public image
9	Training Institutions	<ul style="list-style-type: none"> Practical knowledge for students who come for field work Utilization of the knowledge acquired for improvement of the Authority's Performance 	<ul style="list-style-type: none"> Lack of interaction of ideas and knowledge Lack of new skills, knowledge and attitude hence "closed system"
10	BRA	<ul style="list-style-type: none"> Timely payment of taxes Compliance to Income Tax Act. 	<ul style="list-style-type: none"> Imposition of penalties. Sanctions against the Authority
11	PPR	<ul style="list-style-type: none"> Compliance with PPA 	<ul style="list-style-type: none"> Sanctions against the Authority. Authority getting Qualified Opinion. Lead to Corruption Misuse of Authority's
12	BERC	<ul style="list-style-type: none"> Adherence to the Performance Agreement. Adherence to the MoU with the Ministry. 	<ul style="list-style-type: none"> Denial of tariff review. As per item No. 1 above.

		<ul style="list-style-type: none"> • Affordable tariff. • Adherence to laid down government policy and guidelines. 	<ul style="list-style-type: none"> • Withdraw of Authority's operation license. • Possible recommendations of sanctions.
13	Quality Assurance Regulators (BSTI, ISO)	<ul style="list-style-type: none"> • Adherence to product quality standards. 	<ul style="list-style-type: none"> • Withdraw of quality certificate. • Tarnished image of the Authority
14	Social Security Institutions	<ul style="list-style-type: none"> • Timely remittance of monthly deductions 	<ul style="list-style-type: none"> • Imposition of penalties • Employees complaints after retirement
15	Board of Directors	<ul style="list-style-type: none"> • Adherence to laid down government policy and guidelines • Good performance of the Management Team • Supply of clean and safe water and safe disposal of sewage • Positively contribute toward National Poverty Reduction Strategy paper target year 2015. 	<ul style="list-style-type: none"> • Take sanctions against the Authority's Management.

Annex 2

Jackson's Dynamic Organization Audit Model (1977)

Please read the statements below which refer to your organization and record your level of agreement according to the following scale:-

1. Agree strongly 2. Agree partly 3. Unsure 4. Disagree partly 5. Disagree strongly

Your individual responses are confidential. However, for purposes of analysis, please circle the relevant category below.

Strategy group Employee Customer/client Key information Other Stakeholder

Sl.No.	Group	Statement	Scale No.				
			1	2	3	4	5
1	Customer Focus	<i>We have sharply defined the customer/client groups we serve</i>					
2		<i>There is total commitment to satisfying customers/client throughout the organisation</i>					
3		<i>We obtain and use information from our "front line" staff</i>					
4		<i>We use systematic methods to measure customer satisfaction</i>					
5		<i>Customers/clients know exactly what services they can expect</i>					
6	Results Orientation	<i>In their daily work, staff are conscious of the important "outputs" they must deliver</i>					
7		<i>Our organisation implements its plans</i>					
8		<i>Managers take corrective action when staffs do not perform</i>					
9		<i>Personal accountability for results is clearly defined</i>					
10		<i>Staff is clear about what they are expected to do</i>					
11		<i>Staffs are given regular feedback on how they are performing</i>					
12		<i>We monitor operational performance</i>					
13		<i>We have clear and agreed performance measures for key services</i>					
14		<i>Our organisation is continually looking to improve efficiency and productivity</i>					
15		<i>We recognize individual effort and performance</i>					
16	Leadership	<i>Staffs are given the authority to decide and act</i>					
17		<i>Our organization is good at communicating upwards and downwards</i>					
18		<i>Our organisation consults with staff on matters which affect them</i>					
19		<i>Our management style encourages active participation and debate</i>					

20		<i>Senior managers model the behaviour which they expect of others</i>						
21	People Management	<i>Our key people do not have excessive workloads</i>						
22		<i>Our people are selected for their jobs on merit</i>						
23		<i>Ineffective staffs are kept in jobs where they can do limited harm</i>						
24		<i>Key staffs are only transferred to other jobs with the directors' consent</i>						
25		<i>We do not suffer from over-staffing in some areas</i>						
26		<i>We do not suffer from under-staffing in some areas</i>						
27		<i>Our people have the right technical skills and knowledge to perform their jobs</i>						
28		<i>Our senior officers have appropriate managerial skills and knowledge</i>						
29		<i>People believe they are fairly rewarded for the contribution they make</i>						
30		<i>The best people are promoted</i>						
31		<i>Our managers help their subordinates to solve work-related problems</i>						
32	Core Processes	<i>Our plans are realistic</i>						
33		<i>Our limited budgets are focused on the priority areas</i>						
34		<i>There is a tradition of using cross-divisional teams in our organisation</i>						
35		<i>We have information systems which allow us to compare the performance of managers, divisions and sections</i>						
36		<i>We consider opportunities for contracting out non-core activities</i>						
37		<i>We are good at building effective partnerships with NGOs, donors and the private sector</i>						
38		<i>We keep our meetings and our paperwork to a minimum</i>						

THANK YOU FOR TAKING THE TIME TO COMPLETE THIS QUESTIONNAIRE

Source: Adopted from the "Dynamic Organization Audit" in Jackson, D (1977)

Annex 3

Outputs of the Internal Diagnostic Scan Using Jackson's Dynamic Organization

Audit Model (1977)

Outputs of the Internal Diagnostic Scan Using Jackson's Dynamic Organization Audit Model (1977)

Criterion No. 1: Leadership

How leaders develop and facilitate the achievement of the mission and vision, develop values required for long-term success and implement these via appropriate actions and behaviours, and are personally involved in ensuring that the organization's management system is developed and implemented.

Strengths

- Leaders are involved in establishing the mission, vision and values and the behaviours expected in the organization.
- Leaders, themselves, set aside time and resources for facilitation activities, for example in the area of customer care. Also leaders' membership of professional bodies is helpful in actively promoting excellence.
- Leaders are always accessible to employees and do emphasize cooperation across the organization through social activities. Moreover, they also deliberately make themselves accessible through staff meetings and social gatherings and promote open door policy.

Areas of Improvement

- Leaders' actual behaviour to reinforce the values, behaviour and organization behaviour and expectations set by the organization (leaders to be role models). Moreover, leaders need to gather feedback to review their leadership style.
- Organization need to be structured to ensure optimum delivery of the strategy developed by its leaders.
- Cascading of mission, vision and values to employees.
- Need for our leaders to be exposed to modern management principles
- Delegation skills.
- Need for leaders to be involved in sports activities

Criterion No. 2: Policy and Strategy

How the organization implements its mission and vision via a clear stakeholder focused strategy, supported by relevant policies, plans, objectives, targets and processes.

Strengths

Our plans and strategies are developed based on:-

Data and results obtained as a feedback from:-

- Staff through Workers Council, Departmental, Workers Union, Sectional/Unit and all Workers meetings,

- Customers through seminars, suggestion box, workshops, press and field visits,
- Government through various reports, AWEC and CWASA's General Meeting and
- Other stakeholders through representation in the Board of Directors

Areas of Improvement

- There is need to incorporate research and new technology in preparing plans and strategies.
- Strategy to be developed should be reviewed and updated periodically in line with performance indicators and process to be taken.
- Communication means with employees to be evaluated and improved including evaluation of their awareness of the relevant aspects of policy and strategy annually.
- Budgetary provisions to conduct surveys to get feedback from stakeholders.

Criterion No. 3: People

How the organization manages, develops and releases the knowledge and full potential of its people at an individual, team-based and organization-wide level, and plans these activities in order to support its policy strategy and the effective operation of its processes.

Strengths

- Recruitment is done transparently and competitively.
- Team work is always encouraged in our day to day operations.
- People are empowered to make changes within their Sections/Units for the benefit of the Authority.
- Our people have the right technical skills and knowledge to perform their jobs.
- Our senior officers have appropriate managerial skills and knowledge.
- Our managers help their subordinates to solve work-related problems.

Areas of Improvement

- Need to develop and implement an effective succession plan.
- Need to review the current training programme and start making follow up of post training staff performance.
- Need to systematically cascade organizational objectives to the level of individual.
- In order to attract and retain staff there is a need to regularly review terms and conditions of employment and incentive packages.
- Need to assist underperforming individuals and stimulate cross functional teams.
- Need for devolution and delegation mechanisms to promote innovation, creativity and responsibility.
- Need to improve individual performance assessment and reward best performers.

Criterion No. 4: Partnerships and Resources

How the organization plans and manages its external partnership and internal resources in order to support its policy and strategy and the effectiveness of its processes.

Strengths

- Combined resources of the Partnerships with Donors such as the World Bank through water sector development program (WSDP) have assisted the Authority to identify areas for service expansion and improvement.
- Key suppliers are obtained through tendering system, which is transparent and has proved to be a more cost effective way of procurement.
- The annual planning and budgeting process involves all internal stakeholders and is aligned to the Strategic and Business Plans.
- Our organization has modern tools and equipment, including vehicles as well as ICT facilities.

Areas of Improvement

- Need to have information security strategy including information disaster recovery plan.
- Need to encourage waste water recycling.
- Need to construct a modern office block.
- Sustainability in all undertakings.
- Cost reduction measures.
- Need to update and design new software's to enable the Authority to do more and better.

Criterion No. 5: Processes

How the organization designs, manages and improves its processes in order to support its policy and strategy and fully satisfy, and generate increasing value for its customers and other stakeholders.

Strengths

- ❖ New principles in design and technology are introduced for process improvement and decisions are made and approved at Management level.
- ❖ The organization has always been aiming at improving its operating ratio by cutting down operating costs through innovation of energy audit and design of gravity systems.
- ❖ Outsourcing of products and services for defined requirements are done as per the following criteria:
 - Non-core business
 - Cutting down the costs and increase efficiency.
 - If there is under performance.
- ❖ Transparent tendering process has enabled us to get better quality goods and services at competitive prices.
- ❖ Our limited budgets are focused on priority areas.
- ❖ There is a tradition of using cross-divisional teams in our organization.
- ❖ We have built effective partnerships with NGOs, donors and the private sector.

Areas of Improvement

- ❖ Criteria to select areas for outsourcing of services/activities should be reviewed, improved and broadened.

- ❖ Establish a system whereby all processes shall be measured against set standards.
- ❖ Improvement on feedback mechanism.
- ❖ Need to keep meetings and paper work to a minimum.
- ❖ Need to improve our plans so as to align with revenue forecasting.
- ❖ Need to improve information system which will allow us to compare Departments' and Sections/Units' performance.

Criterion No. 6: Customer Results

What the organization is achieving in relation to its external customer.

Strengths

- Customer use of our services has been increased and there is willingness of existing clients/consumers to refer others for getting CWASA services.
- Good press and media coverage.
- Detailed customers' data can be easily retrieved.
- We have sharply defined the customer/client groups we serve.
- Customers/clients know exactly what services they can expect.

Areas of Improvement

- Need to strengthen the culture of total commitment to satisfy customers/clients throughout the organization.
- Develop system to obtain and use information from the "front line" staff.
- Develop and use systematic methods to measure customers' satisfaction.
- Need to introduce systematic and proper recognition and appreciation/accolades and awards to exemplary customers in all segments/categories.

Criterion No. 7: People results

What the organization is achieving in relation to its people.

Strengths

- We have a functioning Workers Council, Workers Union and conduct Management Meetings weekly and conduct Departmental and Sectional/Units regular meetings.

Areas of Improvement

- Need to strengthen OPRAS.
- Need for a comparative analysis to realize actual productivity.

Criterion No. 8: Society Results

What the organization is achieving in relation to local, national and international society as appropriate.

Strengths

- There is a harmonious relationship with relevant authorities. (Chittagong City Corporation, CDA, Regional/City Leadership and NGOs)
- The Chittagong City community has access to the Authority's information through the PR office and the website.
- The Authority supports the local community in different social aspects like education, road maintenance within the production area and others.

Areas of Improvement

- There is need to systematically conduct customer satisfaction surveys.
- Need to review performance indicators and associated targets, and systematically monitor, evaluate and report on performance.
- Strengthen the planning, budgeting, implementation, M&E, review and reporting cycle.
- Need to review the current Client Service Charter and monitor performance of commitment in the Charter.

Criterion no. 9 Key Performance Results

What the organization is achieving in relation to its planned performance

Strengths

- MoU is in place and sets out a comprehensive set of financial and non-financial performance targets for the Authority. The Regulator (GOV.) annually assesses CWASA's performance and for the last three years our score has been satisfactory.
- Service coverage has improved.
- Billing Software, Accounting Software, Local area Network, e-mail and internet are in place and hence can make possible:
- Comparison of results with the organization's own target as well as trend analysis.
- Comparison of results with other benchmarking bodies.
- CWASA water meets BSTI and ISO standards.

Areas of Improvement

- The Authority should systematically keep track of its results so that they can be used to focus on improvement.
- Managers to take corrective actions when their subordinates do not perform.
- Operationalization of OPRAS

Annex 4

External Trends Analysis

External Trends Analysis

Workforce Trends: We expect that, for a variety of reasons, to attract and retain highly qualified personnel will become a greater challenge. Compounding the potential problem, government has yet not to grant us full autonomy for resource utilization.

Ensuring our that staff have the right skill-sets, may also be a threat to our future success. As the world and our work gets more sophisticated new skill-sets will be needed (e.g. program me and financial management, technology, customer services and customer care, innovative, and strategic skills). Moreover, existing skills-sets, that we will continue to need, may become more difficult to sustain if the "brain drain" within government and across country increases. Lastly, without pro-active capacity building, much of our technical expertise needs will continue to reside with external consultants and NGOs.

On the other hand, we believe that the government through the BOARD reform efforts will allow for innovation with regard to recruiting and retaining staff. We are also confident that we have many talented staff within our organization whose skills can be developed and who can be groomed for leadership positions.

Political/Administrative/Legal/Regulatory Trends:

We believe that there is a remarkable trend of most politicians taking positive actions towards water and sewerage services development. Consequently, reviews of existing laws to cope with current reforms in the water sector will continue in the Government agenda.

The threat, however, is with water and water sources being politicized, problems in mindset shifts from the old paradigm of water as a social good to that of water being considered as an economic good. The Water Policy advocates for change from traditional (subsidize) to full cost recovery. We shall also continue to explore possibilities of instituting the Authority's by-laws so that we can maintain instituting fines and other sanctions for offenders.

Another threat is politicizing the acquisition of any new water sources. The acquisition of new water sources is usually faced with huge compensation claims and protracted court injunction processes in some cases.

Economic/Revenue Trends: Within the economic arena, we have identified several closely related trends: the economy of Bangladesh is growing, government revenues are increasing, and the private sector is growing. Each of these trends presents a series of associated threats and opportunities. We anticipate that our economy will continue to grow.

The Chittagong City economy is also growing due to expansion of social economic, Port and industrial activities such as International Meetings, commercial, tourism, International

Universities, establishment of International Institutions and the development of small and medium scale industries.

Like most dependent economies, Bangladesh will continue to face the risk of its economic performance being dictated by events outside its control (the problem of political unrest, escalating fuel prices, the power crisis and fragmented markets will continue to impact the economy of Bangladesh).

Additionally, the global economic downturn may force some of our development partners to reduce their development aid to Bangladesh and hence impact on our ability to conduct development projects.

As Government revenues and CWASA's revenue increase, the increased revenue means we can do more for our staff and our customers. It may also mean increased performance expectations from the public and from the government who is our main stakeholder. And even though revenues are increasing, our resources are still limited. We will need to continue to identify and pursue priorities consistent with the available resources.

We expect that the private sector will also continue to grow, leading to rising revenue sources and increasing the number of customers and private sector partners. It may also lead to an increase in competition for staff, growing demand for our services and growing expectations for excellence among our customers (due to increased comparisons to best practices).

Sociological Trends: During our strategic planning effort, we identified sociological trends that may impact our work. First, we believe that rural to urban migration, with its associated challenges, will continue. Secondly, expanding the City area rapidly will Challenge to CWASA.

Asset and Technology Trends: Technology will continue to provide an important tool for improving performance, but we recognize that it needs to be adopted in a managed fashion. A computerized working environment will allow us to do more and to work better.

It will also allow us to communicate better with stakeholders. To make the most use of technology, we will need to ensure we have the right skills to use, support, and maintain it. Current mobile phones technology may enable us to adopt e-payment, and message bills delivery. Technology may also enable us to automate our processes. The anticipated risks that we face include but not limited to regular change of technology, forfeited products etc. Similarly, in order to improve effectiveness and efficiency, as well as attract and retain talented staff, our working environments (e.g., office space, equipment) will need to improve. However, financial constraints will continue to make it harder to improve our facilities and equipment as the water and sanitation industry is capital intensive.

Ecological/Environmental Trends:

The possibility of getting water from rivers and underground source within the City is declining due to global warming effects. NaCl_2 intuition increases year to year in dry season in Haldariver and the water aquifer of city go down day by day. While appreciating this effect we are aware of the risks of prolonged dry weather effects on our water production and uncontrolled human activities on the environment. We will therefore be forced to use a costly alternative for producing water using boreholes that require power to run the water pumping schemes. In the long term we may need to explore the possibilities of rain water harvesting and surface water like from Karnaphuli River at a distance from 35 km.

Annex 5

CWASAs Detailed Strategic Plan and Results Matrix

Table 3: CWASA'S DETAILED STRATEGIC PLAN MATRIX JULY 2015– JUNE 2020

Strategy	Target	Responsible	Activities	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Objective 1:	Adequate, Safe, Clean, Reliable, and Sustainable Water Supply Services achieved.			FIVE YEAR PROGRAMME				
Outcome Indicators	<ul style="list-style-type: none"> •Ratio of production against demand. (%) • Average hours of water supply. Revenue Water 	<ul style="list-style-type: none"> • Quality of water produced against Bangladesh Standards • Service coverage • Ambience and cleanliness at WTPs 	• Non					
1.1. Develop new water production capacity	1.1.1 Emergency Installation of 15 DTW by June,2015	PD/EWSP	Select place after test boaring					
			Design DTW					
			Procure the driller					
			Drill the boreholes					
			Develop well and conduct pumping test.					
			Construct head works.					
	1.1.2. Ongoing Construction of Karnaphuli 1st phase 143 MLD surface WTPby Dec,2015	PD/KWSP-I	Complete the construction Works of					
			Install pumping units.					
	1.1.3 Construction of Modunaghat WTP by Dec 2017	PD/CWSISP	Procure Contractor					
			Completed the work					
			Commissioning, testing & operation					
	1.1.3.1 Construction of Transmission Main –Modunaghat to Kalurghat by Dec 2017	PD/CWSISP	Prepere Detail Design,Estimate& Bidding Documents					
			Appoint Contractor					
			Completion of overall construction works					
			Testing & operation					
1.1.3.2 Construction of Distribution Networks (No –Regret investment	PD/CWSISP	Prepere Detail Design,Estimate& Bidding Documents						
		Appoint Contractor						
		Completion of overall construction works						
		Testing & operation						
1.1.3.3.Rehabilitation of Kalurghat BPS	PD/CWSISP	Appoint construction Contractor						
		Complete Overall Construction Works						
		Testing & operation						

			Complete Overall Construction Works						
			Testing commissioning & operation						
	1.1.4.3 Construction of Distribution line	PD/KWSP-II	Prequalification of Contractors for WTP						
			Procure Contractor						
			Complete Overall Construction Works						
			Testing commissioning & operation						
1.2 Prepare plans for future water	1.2.1 Construction of Bandaljhuri Surface WTP.	PD/BWTP	Feasibility Study & Appraisal						
			Loan Agreement						
			Appointment of Consultant						
			Appointment of contractor						
			Complete Overall Construction Works						
	1.2.2 Mohara WTP 90 MLD extension work funding secured .							Need Donor	
1.3 Maintain National & International Water Quality Standards	1.3.1. Water quality monitoring carried out annually	Chemist	Establish New Sampling points						
			Collect and analyze water samples						
			Rectify non conformities.						
	1.3.2 Consultant procured to provide Technical support to the Water Laboratory	PD/CWSISP	Procure Local Individual Consultant (COC) to provide technical support, determine staff requirements, and provide on job training to laboratory : work for an initial period of six months						
			Supervise work of consultant						
1.4 Reduce NRW and improve Billing efficiency.	1.4.1 Accurate data captured annually	CM	Identify malfunctioning water meters						
			Capture data using meter readings						
			Identify all customers' segregated						
			Revisit the gate closed customers						
			Revisit all meters with abnormal consumption						
	1.4.2 Leak detection activities in selected areas carried out	PM/II	Carry out house survey in new meter area						
			Replace defective consumer meters, control valves and bulk meters						
			Carryout water audit activities in five selected areas						
1.5 Carry out Annual Maintenance of Plants and Infrastructure	1.5.1 Annual maintenance of DTWs, WTPs, and Infrastructure carried out	Executive Engineers	Assess the annual maintenance works						
			Prepare APP and obtain approval from MD						
			Procure contractor						
			Supervise works						
			Evaluate works and take corrective actions						
1.6 Keep WTPs in	1.6.1 Regular cleaning of pump stations and their	Executive Eng.	Identifying the problems						

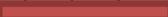
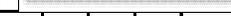
1.5 Carry out Annual Maintenance of Plants and Infrastructure	1.5.1 Annual maintenance of DTWs, WTPs, and Infrastructure carried out	Executive Engineers	Assess the annual maintenance works					
			Prepare APP and obtain approval from MD					
			Procure contractor					
			Supervise works					
			Evaluate works and take corrective actions					
1.6 Keep WTPs in good state of ambience and cleanliness	1.6.1 Regular cleaning of pump stations and their electromechanical installation carried out	Executive Eng. Mohara and Booster	Identifying the problems					
			Assign duties for cleaning					
			Procurement of cleaning materials and renovation work					
	1.6.2 Renovations to WTPs carried out by June,2015	All XENs	Regular supervision					
			Identify work to be carried out including painting of the					
	1.6.3 Compound kept well maintained throughout the year.	All XENs	Procure Contractor to execute the works					
Plant grass in selected areas and maintain well								
			Store old parts and equipment in designated areas					

Strategy	Target	Responsible Officer	Activities	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Objective 2:	Study & Installation of sample Affordable Sanitation Services system			FIVE YEAR PROGRAMME				
Outcome Indicators	Sanitation and Drainage master plan							
2.1 Develop a complete study report to install the sewerage & sanitation service	2.1.1 Consultant for Institutional framework study for drainage, wastewater management, sanitation and solid waste in Chittagong. secured by Dec ,2015	PD/CWSISP	Appoint Consultant Complete study Report					

The following are to be noted about this work:

- The development of a sanitation and drainage master plan for Chittagong will be carried out in two phases. It is only phase one that will be done during the one year period and involves carrying out a study to understand the various institutions involved in sanitation and drainage service provision; understanding why past plans failed to be executed and strategise on the way forward.

Strategy	Target	Responsible Officer	Activities	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Objective 3:	Ethical, Competent, Professional and Motivated Staff Enhanced			FIVE YEAR PROGRAMME				
Outcome Indicators	<ul style="list-style-type: none"> • Customers satisfaction levels with the Authority's service delivery * Staff turnover rate • Trend of complaints received * Percentage of staff satisfactorily assessed • Percentage of achievement of commitments made through the Client Service Charter 							
3.1.Strengthen Institutional Capability	3.1.1TA Project on Institutional Improvement & Advancing NRW Reduction initiatives of CWASA ,which includes the following activities :- ((i)To support CWASA board to approves the revised organization structure,(ii) develop detailed transitional plan up to 2020 and implements it up to 2017(iii) outline planning of organogram after 2020 (iv) reviews, identifies and proposes amendment of rules and regulations (v) reviews the training policy, prepares and implements yearly comprehensive staff training program (vi) develops the customer service division (vii) updates key management documents continuously and efficiently (viii) develops and implements the HR and recruitment policy (ix) reviews and proposes measure to increase the environmental compliance capability (x) restructures CWASA's Long-term Debt.(xi) develop plans and implements measures to increase revenue generation (xii) implements measures to improve bill collection efficiency (xiii) maintains an overview of installation of the computerized accounting and billing system (xiv) expands customer data base and computerizes management of asset.(xv) improves Tube Well Licensing (xvi) increase water supply to LICs (xvii) establish water meter testing facility and conduct training (xviii) continues to update GIS	PD/Institutional Improvement	Seek approval from Ministry	■				
			Works complete	■				

3.2 Conduct specific and vital training for Senior managers.	3.2.1 Senior Managers of CWASA trained in Corporate Governance and Utility Management		Prepare scope of services					
			Agree on funding arrangement					
			Arrange training & complete training batch by batch					
			Continue					
3.3 Implement measures to instill ethical conduct	3.3.1 The National Anti-corruption Strategy and action plan implemented annually.	DMD/Admin	Identify key issues which impact ethical behaviour.					
			In collaboration with the Anti Corruption Commission conduct sensitization sessions.					
			Monitor and evaluate.					
3.4 Install the Performance Improvement Model (PIM).	3.4.1 Strategic Plan , strategies and targets reviewed annually		Review Strategic plan for 2014-2015					
			Seek Board approval.					
			Annually conduct working sessions to review targets.					
	3.4.2 Business Plan reviewed annually.	DMD/F	Review Business plan for 2014-2015					
			Submit plan to CWASA Board					
			Implement & Review annually					
	3.4.3 Monitoring and Evaluation System developed implemented annually	DMD/F	Collect baseline data for all performance indicators and develop annual targets.					
			Collect information on performance indicators					
			Prepare quarterly, mid-year and annual progress reports and the annual performance report.					
			Publish and disseminate annual performance report.					
	3.4.4 Performance Contract audited annually	Sr Audit Officer	Procure audit firm					
			Supervise					
			Prepare proposals for amendment or enactment of laws, rules and regulations.					
Seek Board approval.								

Strategy	Target	ResponsibleOffice	Activities	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Objective 4:	The Authority's functions run efficiently and effectively			FIVE YEAR PROGRAMME				
Outcome Indicators	<ul style="list-style-type: none"> Percentage of revenue collected against set target Operating ratio Type of CAG Audit opinion received. 	<ul style="list-style-type: none"> Percentage of personnel expenditure against revenue collected Working ratio Type of PPRA assessment awarded to the Authority 						
4.1 Acquire appropriate ICT.	4.1.1 Contract for appropriateSoftware that includes as a minimum; Human Resource Management Information System (HRMIS), Accounting package and Billing software, E-Payment for water bills (including Automated bills delivery through SMS), Document Management Information System and Inventory Management and Payroll and MIS, Assets management Software awarded by Dec 15	PD/CWSISP	Engage specialist to develop TOR for the required ERP software package.					
			Prepare tender documents and estimated of costs					
			Seek approval, Tender and evaluate tender					
			Seek approval and Award Contract					
			Complete the works as per requirement & Monitor					
	4.1.2 WAN or LAN (at Head Office) installed	PD/CWSISP	Review feasibility and effectiveness of installing WAN as compared to LAN at Head Office only.					
			Prepare tender documents and estimated of costs					
			Seek approval					
			Tender and evaluate tender					
			Seek approval and Award Contract					
			Supervise Contractor & Complete Work					
4.2 Develop and implement selected structures, systems and programs.	4.2.1 Utility Modernization Umbrella Consultancy to carry out (i) Review CWASA's organogram and make recommendations for improvement; (ii) Develop standard operating procedures, O&M manuals and a maintenance management program for facilities and equipment (iii) Develop a commercial management plan (iv) Review, identify and evaluate options for a decentralization zonal management model for CWASA., (v) Develop a management information systems plan (vi) Develop and implement a staff training and development program.(vii) Conduct an energy audit and prepare an energy management plan (viii) Review financial management	PD/CWSISP	Appoint Consultant					

	update CWASA's financial management improvement action plan (ix) Develop a customer improvement action plan (ix) Develop a customer services improvement plan and public education program (x) Expert advice and assistance in respect to implementation of CWASA's strategic plan. (xi) Review the utility maturity scorecard for CWASA, confirm base-line and develop mechanisms for periodic review and monitoring of CWASA's capacity development. (xii) Prepare CWASA for ISO 9001 certification		Supervise Contractor	
			Complete the works as per requirement & Monitor	
4.3 Continue Outsourcing non-core functions	4.3.1 Out sourcing of non-core functions implemented annually		Conduct technical meetings to identify areas for outsourcing.	
			Out-source non-core functions.	
			Follow up implementation of the outsourced functions	
4.4 Strengthen Commercial Operations	4.4.1 Improved debt collection mechanisms developed and implemented annually	CM	Identify obstacles in the current debts collection mechanism.	
			Make improvement of the system.	
			Implement the improved system.	
			Follow up implementation.	
	4.4.2 Decrease defective metered connection & achieve 99% by Dec,2017 and Maintained .		Identify all defective metered	
			Procure contractor to meter the connections	
			Supervise Contractor	
	4.4.3 Effective disconnection teams established	CM& Magistrate	Review work on disconnection of non paying customers and establish regular work load	
			Determine number and form disconnection teams required.	
Equip teams with necessary transport, tools and other necessary logistics				
4.5 Adherence to financial and procurement procedures	4.5.1 Budgetary control procedures adhered to annually	CA	Review previous budget implementation	
			Prepare the Budget.	
			Seek Board approval.	

			Prepare cash flow plan.	
			Implement the budget.	
			Prepare statutory reports.	
			Conduct mid- year budget review.	
	4.5.2 Legal compliance adhered to annually.	DMD Fin and Senior Audit Officer	Prepare audit plan.	
			Conduct routine and field work audit.	
			Prepare statutory reports.	
	4.5.3 Manual asset register developed and implemented by December 2015	DMD/F	Develop format for manual assets register	
			Sections including projects use manual register countersigned by respective DMDs	
			Compile and prepare central stock register	
4.6 Develop measures to comply with PPA 2006 and PPR of 2008	4.6.1 Annual Procurement Plan prepared and implemented	All Executive Managers	Collect procurement requirements.	
			Prepare Annual Procurement Plan.	
			Seek MD's approval.	
			Implement the approved APP.	
			Prepare statutory reports	
			Monitor and evaluate.	
			Arrange training	
4.7. Increase office space	4.7.1 Consultancy on Design and Construction Supervision of remodeling and refurbishment of zonal and head office buildings of CWASA at Agrabad and Dampara	PD/CWSISP	Approval by the appropriate authority	
			Contract Signing	
			Mobilize and Commence service	
			Service Completion	
4.8 Provide adequate equipments, furniture and logistics to all sections	4.8.1 Equipments, furniture and logistics optimally provided to staff	PD/CWSISP	Assess equipment, furniture and logistics needs	
			Arrange financing of needs.	
			Procure needs	
4.9 Maintain good housekeeping and cleanliness in and outside all Buildings /Offices	4.9.1 All offices have good working environment and ambience	Executive level officers	Assess works to be done	
			Execute repairs and renovations	
			Select proper staff and assign the work of cleaning offices	
			Assign for each section an officer to supervise cleanliness and good housekeeping	

Strategy	Target	ResponsibleOffice	Activities	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Objective 5:	Consciousness towards the Environment in all Undertakings Enhanced			FIVE YEAR PROGRAMME				
Outcome Indicators	<ul style="list-style-type: none"> Trend in number of groups involved against set targets * Trend in number of activities the Authority involved against target Trend in number of people involved in environmental protection *Type of environmental awarded by City Council annually 							
5.1 Take measures to promote corporate social responsibility	5.1.1 Corporate social responsibility plans developed and implemented annually.	Secretary	Identify areas for corporate social responsibility involvement					
			Prepare CSR Plan.					
			Implement the plan in phases.					
			Monitor and evaluate.					
Strategy	Target	ResponsibleOffice	Activities	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Objective 6:	Public Knowledge, Awareness and Understanding of the Authority's Functions Enhanced			FIVE YEAR PROGRAMME				
Outcome Indicators	<ul style="list-style-type: none"> Trend of stakeholders visiting the Website * Satisfaction level with the Authority's IEC initiatives Percentage of stakeholders getting information through the Authority's IEC initiatives. Number of suggestions, comments, and complaints received through various media 							
6.1 Provide Logistics and Training to staff	6.1.1 Staff trained in Public Relations	DMD Admin & PD/CWSISP	Carry out TNA					
			Identify training Institution and Arrange training					
	6.2.2 Required equipment/logistics provided to section	PD/CWSISP	Identify required equipments and logistics					
			Procure equipments and logistics					

Annex 6

FORCE FIELD ANALYSIS

The force field analysis describes the driving and restraining forces that may support or constrain the achievement of the strategic plan. The driving forces are those forces that may contribute positively to the successful achievement of the desired vision, whilst the restraining forces are those forces that may cause a major block to the driving forces and to the attainment of our desired goal.

Table 5: Supporting Forces (Bridges)

Supporting Forces (Bridges)	Strong	Medium	Weak
<ul style="list-style-type: none"> • Effective leadership abilities within the Authority (both at Board and Management levels) to guide towards the overall achievement of the vision and mission. 	√		
<ul style="list-style-type: none"> • The Authority is one of the leading performing urban water and sewerage utilities in Bangladesh for the last few years 	√		
<ul style="list-style-type: none"> • Collaboration with and support of, stakeholders including Ministry of LGRD, Donors, Chittagong City Corporation and Customers. 	√		
<ul style="list-style-type: none"> • An Autonomous utility with sufficient legal authority and institutional framework 		√	
<ul style="list-style-type: none"> • Clearly defined overall water policy including urban water supply and sanitation sub-sector and corresponding legal framework. 		√	
<ul style="list-style-type: none"> • Provision of water supply and sanitation services is a priority of the Government. 	√		
<ul style="list-style-type: none"> • Professional and Experienced staff in water and sewerage related activities 	√		
<ul style="list-style-type: none"> • General willingness to pay for water and sewerage services in Chittagong City 		√	
<ul style="list-style-type: none"> • A rapid growing economy 	√		

Table 6: Restraining Forces (Barriers)

Restraining Forces (Barriers)	Strong	Medium	Weak
➤ Limited resources for modernizing and expanding both the water and sanitation services	√		
➤ Problems in mind-set shifts from the old paradigm of water as a social good to that of water being an economic good.		√	
➤ As the labour markets become gradually competitive, the Authority may be unable to attract and retain highly skilled personnel through enhanced incentive packages.		√	
➤ The effects of global warming on the environment and its impact on our water production.		√	
➤ Unreliable electric power to operate our water production scheme	√		
➤ Illegal connections affect the Authority's revenue collection.	√		
➤ Unwillingness to pay timely by some government institutions		√	
➤ Unwillingness to pay by some individual customers.		√	
➤ Some of the customers/stakeholders perceive the Authority as a profit making organization while it is a service oriented utility, which may lead to resistance in supporting the Authority's development initiatives.		√	
➤ Sabotage on water and sewerage infrastructures and illegal connections affect the Authority's revenue collection.		√	