

**BIBLIOGRAPHIC DATA SHEET**1. CONTROL NUMBER  
PN-AAJ-7882. SUBJECT CLASSIFICATION (698)  
DG00-0000-G140

## 3. TITLE AND SUBTITLE (240)

Professional and sub-professional manpower requirements for  
the cooperative sector of Kenya, 1988; study II

## 4. PERSONAL AUTHORS (100)

Schultz, R. B.; Gay, J. M.

## 5. CORPORATE AUTHORS (101)

Agricultural Cooperative Development International

## 6. DOCUMENT DATE (110)

1980

## 7. NUMBER OF PAGES (120)

22p.

## 8. ARC NUMBER (170)

KE331.123.S387

## 9. REFERENCE ORGANIZATION (130)

ACDI

## 10. SUPPLEMENTARY NOTES (500)

(Related studies: PN-AAJ-786 - PN-AAJ-790)

## 11. ABSTRACT (950)

## 12. DESCRIPTORS (920)

Kenya

Manpower needs

Cooperatives

Professional personnel

Manpower planning

Training methods

Personnel development

Management methods

Expansion

Human resources

Project analysis

Government employees

Private enterprise

## 13. PROJECT NUMBER (150)

938016100

## 14. CONTRACT NO.(140)

AID/SOD/PDC-G-0176

15. CONTRACT  
TYPE (140)

## 16. TYPE OF DOCUMENT (160)

KE

331.123

S387

PN-AAJ-788

PROFESSIONAL AND SUB-PROFESSIONAL MANPOWER REQUIREMENTS  
FOR  
THE COOPERATIVE SECTOR OF KENYA, 1988

Report prepared by: Rex B. Schultz

Jack M. Gay

November 1980

Submitted to:

The Ministry of Cooperative Development  
Government of Kenya

Agricultural Cooperative Development International

U.S.A.I.D. Mission to Kenya

STUDY II

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## I. INTRODUCTION

The Government of Kenya, supported by USAID, has undertaken a project for the improvement of training activities through the Ministry of Cooperative Development (MOCD) and for the study of existing and needed cooperative training activities throughout the country as the basis for an improved and expanded cooperative training program with particular emphasis on expansion of the Cooperative College in Kenya.

To carry out this purpose, Agricultural Cooperative Development International (ACDI) contracted to do three studies, this being second of the three.

Several studies of manpower needs in Kenya have been done in the past. The most comprehensive one done recently was for the Ministry of Agriculture by General Research Corporation in collaboration with the government and USAID. However, that study did not specifically identify cooperative manpower requirements in the MOCD or the cooperative movement.

Some additional studies and reports have been prepared by the MOCD staff of the Nordic Project. Those have not been totally sufficient in that they did not address needs in the movement part of the cooperative sector.

While the analysis done in this report was done in a 30-day period by two manpower planning specialists, it is not intended to be a scientific, research-based study of manpower needs. Additional research and analysis could be done if a donor were forthcoming and willing to follow-up on this report.

## II. ACKNOWLEDGEMENTS

There were several individuals who were most helpful in the conduct of this analysis. The professionals in the MOCD, especially the head of the Training and Manpower Development Division, Mr. Arende, assisted invaluable. Mrs. Gschago and Mr. Khasani were also very helpful and generous with their time. Mr. Venna of the Nordic Project added much to our basic understanding of manpower planning and development problems in Kenya.

Finally, we are indebted to our ACDI colleagues for their moral and intellectual support. Everyone we came in contact with was patient and candid with us and we appreciate that very much.

## III. CONCLUSIONS/RECOMMENDATIONS

1. Recruitment for the Ministry of Cooperative Development posts must be expedited in some manner. This is not to suggest that the Government of Kenya can or will change their procedures in employing personnel. However, more effective and efficient means of working within the system must be found. Numerous and long-term vacancies are

detrimental to morale and accomplishment of objectives.

2. The largest dilemma in acquiring and developing manpower facing the cooperative sector rests at the movement level. Since the MOCD has responsibilities to guide and supervise the movement, it should be a partner in finding a solution. Considerable resources of the Ministry should be directed to the discovery, planning, and implementation of solutions pointed out in this analysis.

3. High turnover and vacancy rates in posts throughout the MOCD is a problem that must be dealt with. There is no easy or single answer to this problem and it will not be solved overnight. Steps should be taken to determine prevalent causes and action taken to correct major causes. Reducing the turnover will significantly alter future manpower demands enumerated in this report.

4. At current capacities and current recruitment rates, the cooperative sector will not be able to satisfy a "low estimate" of demand for future manpower in several job families. The "low estimate" of average annual recruitment demands in excess of current capacities are 11 degree holders, 39 diploma holders, and 273 certificate holders.

5. The cooperative sector must, primarily through actions of the MOCD, take positive steps to expand the output of the Cooperative College of Kenya as well as work with other educational institutions to influence curricula so as to alleviate the deficit of trained manpower.

6. There is a need to expand the skill level of current staff of the cooperative sector. Emphasis should be placed on developing a pyramidal organizational structure of trained persons throughout the cooperative sector. Persons over-trained for lower positions and persons under-trained for higher positions does not produce a highly motivated, vigorous organization.

7. In examining training opportunities, the movement appears to be at a distinct disadvantage in that they are not able to release a person for extended courses at the Cooperative College. There should be some provisions to alleviate this problem. The courses could be shortened in duration and concentrate on relevant material without relinquishing the quality of learning. The courses could be offered closer to the participant if enough people were interested in the course to facilitate a good interchange between students. Also, the Ministry might develop a program whereby a MOCD staff member could replace the movement staff person for the duration of the training course. Seemingly some manner of repayment could be developed.

8. Manpower planning is but one segment of a truly comprehensive human resource management system. In order for such a management system to be effective, whether in the public or private sector, it must contain other elements. Certain events must occur, not by chance but as a result of a carefully constructed and meticulously implemented strategy.

With an objective of upgrading the performance of the work force, the human resource management system should take several basic steps: formulating plans and objectives--not in isolation but in conjunction/coordination with the entire organization; designing an effective organizational structure; defining a staffing strategy including sources and numbers; developing performance evaluation procedures; relating compensation to performance; implementing an organized approach to training and development; and making sound promotion decisions.

The authors of this report have been impressed by the emphasis on human resources in the planning done by the Government of Kenya. We would encourage further manpower planning and continuation of the effort to coordinate manpower planning in the civil service.

#### IV. OBJECTIVE/PURPOSE

The objective of this analysis is to help determine the professional and sub-professional manpower requirements for the cooperative sector of Kenya over the next eight years. Because the planning time frame commonly used by the Government of Kenya relates to 1988, we have used 1988 as the end-period in this analysis.

In addition to projecting manpower requirements, we attempted to determine the demand for various skill levels and to identify the educational/training capacity required to satisfy the demand. Alternative ways of matching supply and demand of the skills needed and available have also been identified.

Because of time and resource constraints, this analysis did not provide opportunity for surveys, basic research, extensive field visits, or in-depth interviews with large numbers of professionals in the MOCD or the cooperative movement.

#### V. METHODOLOGY

While a visit was made to a District office (Kiambu) and a Union and Society, and several individuals in the MOCD were interviewed, most of the time for this analysis was consumed by reviewing existing information, data, and reports provided by the MOCD staff and our ACDI colleagues.

We have extrapolated data, used our best judgement, and relied on our own expertise to draw the conclusions and recommendations.

#### VI. CURRENT STATUS OF COOPERATIVE MANPOWER IN KENYA

In this section, we shall deal with the current situation regarding the acquisition, qualifications, stratification, and deployment of human resources in the cooperative sector.

## EMPLOYERS

While the cooperative sector consists of the Ministry of Cooperative Development (public employees) and the cooperative movement (private employees), it is necessary to look at the broad spectrum of employers in the entire sector and expand the breakdown of those units with power to employ a workforce. The employers, then, are as follows:

### The Ministry of Cooperative Development

The MOCD is the government agency designed and organized to promote, guide, and supervise the cooperative movement in the nation. The MOCD is currently structured into five divisions including Training and Manpower Development; Development and Planning; Credit and Finance; Audits and Accounts; and Legal. In addition to these divisions in Kencom House, there is the Administrative Division in Jogoo House. The MOCD employs job families (explained in the next section) of all types ranging from very experienced executives to highly skilled specialists in most every discipline to a subordinate staff of drivers, etc.

Besides the headquarters staff, the Ministry has a large contingent of field personnel away from Nairobi in Provincial and District offices.

### The Cooperative College

The Cooperative College is an institution charged with the responsibilities of developing and implementing cooperative education programs with a specific aim of providing the necessary managerial and administrative working skills to graded staff, committee members, members of the cooperative movement and the staff of the MOCD. From an employer perspective, the Cooperative College employs lecturers in accountancy, management, and law; educational media specialists; catering personnel; and other support/subordinate staff. Additionally, the general administrative staff provides employment for highly trained administrators.

The staff of the Cooperative College is included in the data and discussions to follow as a part of the movement personnel even though it is understood that the College is a free-standing institution and a part of neither the Ministry nor the movement.

### Country-wide Cooperatives

There are seven cooperatives that operate throughout the nation in specialized areas for the mutual benefit of the entire movement. Those seven include:

1. Kenya National Federation of Cooperatives (KNFC). - KNFC was established as an apex organization to unite all unions, societies, and other country-wide cooperative organizations. As an employer, KNFC has general administrators, specialists to carry out a broad

mission of supplying economic services to their members, and support/subordinate staff.

2. Kenya Planters Cooperative Union (KPCU) - KPCU is involved in the processing and marketing of coffee. They employ generalists for administration purposes; a large number of specialists in coffee culture; and a cadre of support and subordinate staff.

3. Kenya Cooperative Creameries (KCC) - KCC is a country-wide cooperative engaged in the processing, marketing, and promoting of milk and milk products. As with other specialized cooperatives, they offer a wide diversity of employment opportunities ranging from general management type persons to highly skilled dairy scientists.

4. Kenya Farmers Association (KFA) - KFA is an agricultural input cooperative furnishing supplies, seeds, fertilizers, machinery, etc. They are also involved in some marketing activities and offer a wide range of employment opportunities.

5. Kenya Union of Savings and Credit Cooperatives (KUSCCO) - KUSCCO promotes and guides cooperatives savings and credit societies throughout the country. They employ personnel to work in general administration, education, insurance, bookkeeping, auditing, and finance.

6. The Cooperative Bank of Kenya (CBK) - CBK is organized as both a cooperative and a commercial bank under the laws of Kenya and as such serves to mobilize the financial resources of the cooperative movement. They offer services and employ personnel in areas such as banking, credit, savings, bookkeeping, and auditing.

7. Horticultural Cooperative Union (HCU) - HCU is a union that provides processing and marketing services to the horticultural industry in Kenya. Like the other country-wide cooperatives, HCU offers a wide range of employment.

#### Cooperative Unions

There are 36 cooperative unions scattered throughout the country that provide a multitude of services to cooperative societies. The number of unions vary from none in some districts to several in other districts and unions range from very small to quite large in terms of personnel employed. Some are general unions and some are very specialized. Most all the unions provide employment opportunities in banking, savings, credit, training, publicity, stationery, insurance, purchasing, marketing, and bookkeeping/auditing.

## Cooperative Societies

There are approximately 1,400 active cooperative societies in the country with membership totalling nearly one million. Most societies are affiliated with a union but some are not. As in the case of the unions, societies range in size from very small to quite large and are involved in a multiple of business and social activities.

The societies are the life-blood of the cooperative movement and are expected to play a vital role in the economic development of Kenya. They employ large numbers of people largely in the traditionally semi-skilled and unskilled occupations. As will be pointed out in other sections of this analysis, it is at the society level where the greatest challenge and opportunity to upgrade employment exists. However, it is at the society level where the greatest dilemma lies--the great need for more highly skilled people but the lowest capacity to pay competitive salaries. The society with the most need for improved management expertise is often the least able to pay for that talent. While a solution to this dilemma is difficult, suggestions/alternatives will be offered in this report.

## JOB FAMILIES/STRATIFICATION OF MANPOWER

To facilitate an analysis of the manpower employed in the cooperative sector, it was decided to use a job families approach to delineate the applicable skill and position levels. This approach provides a comprehensive view of the general qualifications of employees. It provides for a structure common in most organizations and for the stratification of skills, education/training, and work experience found.

The method used here divides the work force into two groupings--professional and sub-professional. Within those groupings, further division was made to provide the incremental levels found in managerial and technical positions. It is designed as a flexible model portraying staff disbursement and general qualifications for the levels used. Based on these premises, the model was used to analyse the cooperative sector staffing of current and future manpower.

The terminology used is consistent with organizational staffing patterns found in most organizations. Further additions and/or deletions to the families can be made if and when appropriate. The following is the breakdown of the job families used:

### Professional Level

#### 1. Executive.

a. Characteristics - Top decision-making position normally limited to the most experienced. Must be capable of handling and resolving complex issues, initiates change when required, is an effective communicator, and is resourceful in meeting the demands of the position.

Normally requires an advanced degree with significant work experience in upper level organizational responsibilities.

b. Designations - Permanent Secretary, Commissioner, Chief Executive Officer, Executive Director, etc.

2. Administrator.

a. Characteristics - Occupants serve in key positions of directing and communicating policies, procedures, and plans. Includes management of budgets, divisional, and departmental units. Position normally requires a degree plus experience in handling diverse and complex operations.

b. Designations - Deputy and Assistant Commissioner, Provincial Cooperative Officer, Principal - Cooperative College, Principal Auditor, General Manager of a large cooperative.

3. Manager.

a. Characteristics - Generally recognized as a major position in implementing organizational policies and services. Is commonly responsible for directing programs, resources, and personnel to get the results necessary for successful operations. They normally have degrees however, experience and demonstrated ability in managing personnel and handling multifaceted problems are key qualifications for these positions.

b. Designations - District Cooperative Officer, Vice-Principal, Senior Auditor, General Secretary, Manager, etc.

4. Supervisor.

a. Characteristics - Generally recognized as the first line manager responsible for daily operations of technical and/or service type programs. Technical or professional expertise in assigned duties is a prerequisite for handling responsibilities. Positions may or may not warrant a degree holder, however specialized education at the diploma level is normally required plus limited experience.

b. Designations - Cooperative Officer, Auditor, Cooperative Education and Publicity Officer, Examiner, Senior Loan Officer, Assistant Manager, etc.

5. Senior Technician.

a. Characteristics - Generally recognized as experienced specialist in a vocation providing key services to meet organizational objectives. Position is most frequently filled by promotion and normally requires a certificate level person with some professional training. A diploma or degree may be necessary in highly technical positions.

b. Designations - Assistant Cooperative Officer, Senior Lecturers, Assistant Auditor and Audit Examiner, Audio-Visual Officer, Senior Bookkeeper, Public Relations Officer, Personnel Officer, Training Officer, Assistant Secretary, etc.

6. Junior Technician.

a. Characteristics - Entry level professional position providing significant support as a technician, specialist, or organizational representative. Position often accounts for the largest number of professional employees. A certificate would be the minimum qualification required. Persons with higher level of education would be placed in this level for training/development purposes.

b. Designations - Cooperative Assistant, Senior Clerical Officer, Bookkeeper, Store Manager, Executive Assistant, etc.

Sub-professional Level

1. Support Staff.

a. Characteristics - Job-holders usually provide key administrative services in organizing and processing work, maintenance, and/or logistical operations. Qualifications may require a skill certification in addition to basic educational achievement (Form IV).

b. Designations - Clerical Officer, Clerk, Typist, Receptionist, Key punch Operator, etc.

2. Subordinate Staff.

a. Characteristics - Includes laborers and all semi-skilled/unskilled employees. Minimal qualifications are usually required.

Table 6.1 is an estimation of the numbers of personnel in the cooperative sector by job family.

Table 6.1 - Manpower by Job Family, 1979 - 1980

<u>Job Family</u>	<u>Typical Education Level</u>	<u>Estimated Numbers</u>		
		<u>MOCD</u>	<u>Movement</u>	<u>Total</u>
<b>A. Professional</b>				
1. Executive	Degree +	5	0	5
2. Administrator	Degree	15	30	45
3. Manager	Degree	27	120	147
4. Supervisor	Diploma	189	750	939
5. Senior Technical	Certificate	213	870	1,083
6. Junior Technical	Certificate	283	1,230	1,513
<b>B. Sub-professional</b>				
1. Support Staff	Form IV	535	10,800	11,335
2. Subordinate Staff	Form II	<u>205</u>	<u>4,200</u>	<u>4,405</u>
<b>Total</b>		<b>1,472</b>	<b>18,000</b>	<b>19,472</b>

PROFESSIONAL TRAINING CURRENTLY PROVIDED

While developing the current status of manpower planning and development within the cooperative sector, it is necessary to assess the skill development of current staff members--training they have access to and what is being done to update their professional skills. The following is what was found to currently exist.

In the Ministry of Cooperative Development, approximately 60 per cent have two or more years of post-secondary education (certificate, diploma, or degree). According to 1978 data, 13 per cent have a degree. It is the current practice to fill all posts in Job Grade H, and above with degree holders which will effect an increase in the educational level of the Ministry staff. However, these new and rather inexperienced employees are often expected to assume management responsibilities very quickly.

In-service training programs for the professional employees is limited except for the lower levels. Most of the upper level professionals compete with all other civil servants for the limited number of management courses offered at the Kenya Institute of Administration. They also depend on scholarships from foreign donors and foreign programs to further their professional training. Lower level professionals and some support staff have had opportunities for in-service training at the Cooperative College. There is major interest in and an organizational objective to provide professional development programs for the entire staff but results to date have been negligible.

Training for the movement staff is primarily carried out at the Cooperative College. The programs offered provide basic training in bookkeeping, administration, and management. It was the stated goal in the MOCD

Development Plan, 1976-1980, that all cooperative societies be headed by ABM I graduates from the Cooperative College. At that time, it was observed that only 50 per cent of the societies had ABM trained managers and at a 12 per cent turnover rate, the College does not have the physical capacity to meet the goal. Since persons must complete the ABM courses to qualify for the certificate courses, little progress is being made at upgrading the movement staff.

Additional in-service training programs are offered at the Cooperative College for coffee factory managers, committee members, society members, and support staff. These programs serve a special need in providing developing opportunities for movement personnel.

In-service training programs conducted by the countrywide cooperatives are limited and vary considerably as to content and participants involved. Only KUSCCO and KNFC utilize the Cooperative College resources.

The Cooperative Bank of Kenya uses standard bank training programs for some of their staff.

Exactly where joint cooperative training and development benefits could be realized is difficult to determine. However, it appears that where similar needs exist and they are documented, certain advantages could be gained by developing joint programs. This is especially true at the upper level professional positions and is currently not being done.

With a relatively young history in training and development, expanding staffs, and limited resources, emphasis has primarily been on providing foundation training. This is not inappropriate. However, it should be remembered that information obtained in foundation courses and seminars often becomes either distorted, forgotten, or superceded. This is particularly apparent when competing in the open market where technological and economic developments are rapidly changing. Therefore, the need to provide in-service training programs is a major need in maintaining a competent professional staff.

#### SOURCE OF CURRENT MANPOWER REQUIREMENTS

Recruitment of manpower seems to be a difficult task for both the Ministry and the movement, but for quite different reasons. The Ministry, as a governmental body, is confined to procedures common to most bureaucratic organizations. The movement, specifically the unions and societies, are hampered by a lack of revenue to pay competitive salaries, inadequate facilities to house and/or office employees, remote and somewhat undesirable locations, and/or all of the beforementioned.

In the case of the Ministry, positions must first be approved by the Permanent Secretary's office. The Permanent Secretary's office then works directly with the Public Service Commission (PSC) in advertising, interviewing, and posting new employees. In addition to lacking coordination within the Ministry, there are often long delays at the PSC. It was reported that in most cases it takes 9 - 11 months to fill an approved post.

All the recruiting problems aside, there are essentially four sources of professional manpower for the Ministry at the present time. They are as follows:

1. Recruitment Form IV and Form VI persons directly into Ministry posts. For most of the Job Grades applicable to this level of personnel, the Permanent Secretary has authority to make temporary postings pending action by the Public Service Commission.
2. Recruit Form IV and Form VI persons that have been accepted at the Cooperative College. This particular group is posted by the Public Service Commission into a pre-service certificate or diploma course at the College. Upon completion of the course, they are bonded to the Ministry for a period of three years.
3. Recruit in the open market for degree holders. Positions posted in Job Grade H and J require a degree and the Ministry, through the Public Service Commission, competes with all other ministries of government and the private sector for the degree holder. The Ministry had had moderate success recently in attracting holders of general degrees from Nairobi University and Kenyatta University College.
4. Recruit from other ministries and the private sector. In most cases, employees with suitable experience come from other ministries after the person has served the bonding period and can acquire a promotion in the Ministry of Cooperative Development.

While the MOCD seem to be committed to a policy of promotion from within, problems arise in carrying out the policy because of either a lack of experienced (and unqualified) candidates for promotion or a seemingly over-emphasis of matching position with level of education. In most cases, experience does not overcome the lack of formal/professional education and because a person does not hold a degree, they will not be promoted regardless of experience.

The Cooperative movement accesses the same job market as does the MOCD but as a general rule do not seek the degree holder and try to hire local people. The unions and societies are usually able to attract school-leavers from the secondary schools and the certificate holders from technical institutes or the Cooperative College who either can't or don't pursue their professional education alternatives.

While it is not the intent of this paper to examine government policy, it is important to note two specific and relevant references.

Paragraph 2.43 of the 1979-1983 National Development Plan addresses the planned role for cooperatives. To quote, "Cooperative form a segment of the private sector that has a special role to play in promoting economic development...." Further in the same document (paragraph 6.300) it is stated that, "The most serious constraint to further growth of the cooperative movement is an internal one, that is, the shortage of qualified and

experienced personnel needed to carry out accounting and management functions."

Both of these observations have particular import to the matter of recruitment and manpower planning/development. In fact, they place a greater challenge on the entire issue of human resource management.

## VII. FUTURE STAFFING AND DEVELOPMENT PATTERNS

Up to this point, a model for the analysis of manpower demand has been developed and the current situation has been identified in terms of employers, qualifications, job families and professional training. Sources of manpower for the Ministry and the movement have also been identified. Before starting a projection of the future demand and supply of manpower, it is important to explain the terms that will be used. There are at least three terms that are commonly used in this and other reports that seem to be used interchangeably. Needs for manpower. Demands for manpower. Requirements for manpower.

Needs and requirements have similar meanings in that "needs" relate to what division heads, etc. would like to have and "requirements" relate to what they perceive is required to accomplish the mission of the organization. "Demand" is quite different in that it calls for, from an economic sense, the ability to hire manpower.

In the context of this analysis, demand is used to mean what can reasonably be expected given various levels of constraint. The constraints/assumptions will be identified.

One other introductory comment is necessary. Manpower projecting is not an exact science. Since no one knows what the future will bring, one must make certain estimates and draw certain premises about the projection. There are many variables and all are subject to change and when changed, alter the forecast.

There are at least three commonly used methods of manpower projecting. They are: 1. Documented needs/requirements expressed by employers. 2. Objective-based from plans in place or anticipated without regard to constraints. This method usually assumes that the future will be similar to the past. 3. Resource-based determined in large measure by the resources available or predictable. The third method attempts to alter the future by information known in the present. In the following discussions, the latter method has been used.

### Distribution of Manpower

From Table 6.1 in the previous section, it is known that the current manpower in the Ministry numbers 1,472. Data on the cooperative movement is less accurate since a comprehensive manpower inventory has not been done since 1975. The estimated 18,000 employees is a conservative estimate of those actually in posts in 1980. Also, because of the lack of data, reliable estimates of manpower in the country-wide cooperatives had to be made. There has been no attempt to separate the

cooperative movement into segments, i.e. unions and societies vs. country-wide cooperatives.

The breakdown of personnel into the various job families is somewhat arbitrary since job families do not exist as such at this time. A cursory review of job responsibilities was done and the rationale for this procedure was discussed in Section VI.

In order to make a sensible projection of future manpower demand, one must first have a base or know the number of employees currently in place. The data in Table 6.1 is the baseline data used in the following projections.

Table 7.1 is the projection of manpower demand that will exist in the Ministry and the cooperative movement in 1978/88. Part I of Table 7.1 assumes an annual growth rate in employment of two per cent and is the low estimate. The two per cent limitation was derived from data in the Appendix of Sessional Paper No. 4 of 1980 (revised budgets for the MOCD). The following is a documentation of that data and the derived estimates.

<u>Ministry of Cooperative Development</u>					
	1979	1980	1981	1982	1978
	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1988</u>
Total Budget: (K£000)	4,282	4,501	4,662	4,928	5,990
Total Salaries, assuming 45 per cent is salaries (K£000)	1,927	2,025	2,098	2,218	2,695
Average salary per professional staff member assuming a K£60 per annum increase:	2,633	2,693	2,753	2,813	3,113
Number of professional staff (total salaries divided by average):	732	752	762	788	863

To determine the low estimate of movement staff in Table 7.1 a two per cent growth rate in employment was assumed also. Using that financial constraint, it is estimated that there will be 863 professional employees in the Ministry in 1988. Assuming the same relationship for sub-professionals in 1988 that currently exists, it is projected that there will be 874 sub-professionals in the MOCD in 1988. Further, it is estimated that there will be 20,087 employees in the cooperative movement in 1988.

The separation into job families for 1978/88 in Table 7.1 was done by using the same ratios of job families that exist in 1979/80. This may or may not be accurate in eight years--and one might hope for some improvement--but it was felt that the ratios would not change.

Table 7.1 Estimated Manpower, 1979/1980 - 1987/1988, by Job Families.

Part I. Low Estimate (assumes 2 per cent growth)

	1979/1980		1987/1988	
	<u>Ministry Movement</u>		<u>Ministry Movement</u>	
<b>A. Professional</b>				
Executive	5	0	7	3
Administrative	15	30	20	32
Manager	27	120	39	131
Supervisory	189	750	227	820
Sr. Technical	213	870	243	951
Jr. Technical	283	1,230	327	1,345
<b>B. Sub-professional</b>				
Support Staff	535	10,800	630	11,812
Subordinate Staff	205	4,200	244	4,993
Total	<u>1,472</u>	<u>18,000</u>	<u>1,737</u>	<u>20,087</u>

Part II. High Estimate (assumes 5 per cent growth in professional and 3 per cent growth in sub-professional)

<b>A. Professional</b>				
Executive	5	2	7	5
Administrative	15	40	22	59
Manager	27	160	40	236
Supervisory	189	1,000	279	1,477
Sr. Technical	213	1,160	315	1,714
Jr. Technical	283	1,638	418	2,402
<b>B. Sub-professional</b>				
Support Staff	535	12,200	677	15,454
Subordinate Staff	205	4,800	260	6,080
Total	<u>1,472</u>	<u>21,000</u>	<u>2,018</u>	<u>27,426</u>

Part II of Table 7.1 assumes a 5 per cent growth rate in employment in the professional posts and a 3 per cent increase in the sub-professional posts and is the high estimate. Again, some reliance on government policy is made in that the National Development Plan; 1979-83 states that employment in the cooperative sector shall be expanded.

Employment increases have averaged slightly over five per cent in the past and Sessional Paper No. 4 of 1980 indicates that some expanded goal will need to be reduced. The paper did not give a specific number and five per cent was selected as a reasonable high figure.

The reduction from the five per cent to three per cent on the sub-professional families was a judgement made based on a sincere conviction that the ratio of sub-professional to professional must be reduced in the future, if at all possible.

As was done in the low estimate, the high estimate separation into job families assumes the same ratio of executives, administrators, managers, etc. for 1987/88 that exists in 1980.

When an organization knows where it is today in terms of manpower and where it can reasonably expect to be in the future, there are many opportunities to make human resources decisions in the interim. Just hiring a number of new employees is only a part of the process. Replacing those who leave the organization for any reason is still another part. In this instance, replacing the turnover is the largest part and must be taken into consideration.

Turnover is a problem in the Ministry of Cooperative Development and in the movement. There are usually multiple reasons for high turnover but the analysis of that will be left for another study.

Rather conservative estimates of turnover in the future have been assumed here--much lower in some cases than currently exists in the MOCD. Exact turnover data for the movement staff was not available so it was estimated to be identical to the Ministry. The annual turnover rates used in this analysis for the future projections are as follows:

Executive	0%
Administrator	2%
Manager	5%
Supervisor	8%
Senior Technical	10%
Junior Technical	10%
Support Staff	15%
Subordinate Staff	15%

Table 7.2 illustrates the recruitment needs for replace departed employees and to fill new posts based on the high and low estimates of manpower in 1987/88.

Table 7.2 Recruitment Needs, 1980-1988.

	<u>Replacements</u>		<u>New Hires</u>		<u>Total Needs</u>		<u>Average per year</u>	
	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>	<u>Low</u>
Executive	0	0	5	5	5	5	n/a	n/a
Administrator	12	9	26	7	38	16	5	2
Manager	103	70	89	23	192	93	24	12
Supervisor	968	711	567	108	1,535	819	192	102
Sr. Technical	1,514	1,026	656	111	2,170	1,137	291	142
Jr. Technical	2,118	1,431	899	159	3,017	1,590	377	199
Support Staff	19,405	16,058	3,396	1,107	22,441	17,165	2,805	2,146
Subordinate Staff	7,627	6,512	3,135	832	10,762	7,344	1,345	918

The total column is for the eight-year period while the average per year is derived by dividing the total column by eight (the number of years in the forecast period). To illustrate how to read Table 7.2, it can be expected that the cooperative sector, in total, will need to recruit two to five administrators; 12 to 24 managers; etc.

Table 7.3 is a summary of the estimates of demand, accounting for new and replacement needed; an estimate of supply by job families and formal education level; and an estimate of surpluses and deficits.

Table 7.3 Cooperative sector manpower projections, by Job Families and level of education, 1980-1988.

PART I. LOW ESTIMATE

<u>Educational Level</u>	<u>Currently Employed 1979/1980</u>	<u>Additional Demand 1980/1988</u>	<u>Additional Supply 1980/1988</u>	<u>Total Surplus (+) Deficit (-)</u>	<u>Annual Average S+/D-</u>
Degree	197	114	26	-88	-11
Diploma	939	819	504	-315	-39
Certificate	2,596	2,727	540	-2,187	-273
Form IV	11,335	17,165	12,301	-4,864	-608
Form II	4,405	7,344	14,245	+6,901	+863
Total	19,472	28,169	27,616	xxxxxx	xxx
<u>Job Families</u>					
Executive	5	5	1	-4	n/a
Administrator	45	16	6	-10	-1
Manager	147	93	19	-74	-10
Supervisor	939	819	504	-315	-39
Sr. Technical	1,083	1,137	195	-942	-118
Jr. Technical	1,513	1,590	345	-1,245	-156
Support Staff	11,335	17,165	12,301	-4,864	-608
Subordinate Staff	4,405	7,344	14,245	+6,901	+863
Total	19,472	28,169	27,616	xxxxxx	xxx

## PART II. HIGH ESTIMATE

<u>Educational Level</u>	<u>Currently Employed 1979/1980</u>	<u>Additional Demand 1980/1988</u>	<u>Additional Supply 1980/1988</u>	<u>Total Surplus (+) Deficit (-)</u>	<u>Annual Average S+/D-</u>
Degree	249	235	26	-209	-26
Diploma	1,189	1,535	504	-1,031	-129
Certificate	3,294	5,187	540	-4,647	-581
Form IV	12,735	22,441	12,301	-10,140	-1,268
Form II	<u>5,005</u>	<u>10,762</u>	<u>14,245</u>	<u>+3,483</u>	<u>+435</u>
Total	<u>22,472</u>	<u>40,160</u>	<u>27,616</u>	<u>xxxxxx</u>	<u>xxxxxx</u>

### Job Families

Executive	7	5	1	-4	n/a
Administrator	55	38	6	-32	-4
Manager	187	192	19	-173	-22
Supervisor	1,189	1,535	504	-1,031	-129
Sr. Technical	1,373	2,170	195	-1,975	-247
Jr. Technical	1,921	3,017	345	-2,672	-334
Support Staff	12,737	22,441	12,301	-10,140	-1,268
Subordinate Staff	<u>5,005</u>	<u>10,762</u>	<u>14,245</u>	<u>+3,483</u>	<u>+435</u>
Total	<u>22,472</u>	<u>40,160</u>	<u>27,616</u>	<u>xxxxxxx</u>	<u>xxxxxx</u>

An explanation of the additional supply of manpower is necessary. The supply of educated people provided between 1980 and 1988 will be a function of the educational system in the nation. For the purpose of this analysis, it was assumed that the cooperative sector might recruit one per cent of the graduates of the University of Nairobi and Kenyatta University College; all of the diploma and certificate graduates from the Cooperative College; and five per cent of the Form II and Form IV school leavers. These are sound judgements based on current and predicted enrollments as well as past trends of employment in the cooperative sector.

### Future and Alternative Sources of Manpower

If the future happens reasonably close to the way it has been forecast in the previous part of this section and cooperatives do, in fact, play a vital role in the development of Kenya, and the policy of self-reliance for the cooperative movement is realized in the next decade, some very challenging manpower decisions will have to be made. There is demand for trained manpower in excess of what educational institutions in place can produce.

The current sources of manpower are described in Section VI and it would appear that there are very few viable alternative sources in the future if it is assumed that there are no dramatic changes in personnel policy, job qualifications/requirements, compensation structure, or budgets. Change dramatic enough to alleviate the complexities of meeting future demand as projected here is unlikely.

Therefore, believing that the cooperative sector must work within the current structure, the following are seen as possible alternatives.

1. A more aggressive posture in getting degree holders from Nairobi University and/or Kenyatta University College. The possibility of sponsoring a small number of people in the Agriculture or Commerce discipline along with influencing the curriculum toward cooperative principles and management is very real. Some efforts need to be taken to increase the proportion of degree holders being employed in the cooperative sector. To get experienced degree holders from other ministries or from outside government will be difficult.

2. Expand the number of diploma and certificate holders graduating from the Cooperative College. Without a doubt, the Cooperative College has the best opportunity to give the appropriate preparation for cooperative sector employees and some way must be found to increase the number of graduates there.

3. Additional diploma and certificate holders may be acquired from Egerton College, Kenya Institute of Administration, and other diploma/certificate granting institutions. Because of the great need for managerial and accounting expertise, some curriculum evaluation and modification may be required, if possible. It was reported that negotiations are underway to increase the number of diploma/certificate holders from Egerton College that will be employed in the cooperative sector in the future. That effort is commendable and should continue.

4. Some of the junior technical and support staff demand might be met by relaxing some of the requirements for cooperative education/training and/or experience. This will require a close examination of the requirements and some compromise with traditional thinking that cooperatives are "unique" and different from other types of business enterprises.

Most discussions of manpower planning or manpower projections inevitably lead to a debate on how to get experienced personnel most efficiently. It is a very complex problem that faces most every enterprise/organization regardless of their state of development. On one hand, some argue that it is best to "buy" experienced people from outside the organization while, on the other hand, some argue that it is best to "grow your own" experienced personnel.

The authors here feel rather strongly that a balance between the two approaches is needed and believe the cooperative sector in Kenya could not logically expect to go one way or the other, completely. However, because the work force is relatively young and financial resources are limited, the cooperative sector will have to lean toward a policy of "grow your own" experience acquisition. That policy will call for vigorous promotion from within practices and inservice

training/development programs of the highest quality.

Other Issues Influencing the Supply and Demand for Manpower and Manpower Development

There are a number of issues that exist, both within and outside the scope of this analysis, which will (or have the potential to) influence the acquisition, development, and retention of capable manpower in the cooperative sector. These issues are described below without regard for order or priority.

1. Resources to support current and future manpower should have a careful review. Employment of qualified personnel without regard for office and/or housing facilities, equipment, transport, etc. leads to inefficiency and a high level of frustration.

2. Job Grade level in the Ministry of Cooperative Development has significant impact on the ability to attract qualified personnel. A proposal has been made to the Civil Service Review Committee that would, if approved and implemented, bring more equity in job responsibility levels within the MOCD.

3. Transfer practices within the units of government has had a negative effect of employee productivity within the MOCD. Employees should remain in the same post for some minimum time period (5 years would be ideal) and transferred only on approval of the employee and his/her supervisor. Professional background should also be considered when transfers are made.

4. With the introduction of more highly trained technicians, the cooperative sector faces the dilemma of matching older and more experienced employees who understand the business (politics, human relations, dynamics, etc.) with those younger employees that have a good grasp of the technical expertise required. The older employee who has "grown up" with the organization generally lacks the management and/or technical insight while the new, young technician does not know how to manage people.

5. Manpower development should be done in a planned, systematic fashion. Currently, there is no standardized inservice training program in the MOCD or the movement. A well thought-out scheme of manpower development and training would result in more efficient use of limited resources and reduce the apparent competition by large numbers of people for relatively few available programs.

6. It was reported that the University of Nairobi does not recognize (give academic credit for) some of the course work completed at the Cooperative College. This needs further examination to determine accuracy and rational. If this is so, it could adversely affect some of the students at the College who want to

pursue a degree program and improve the capabilities within the cooperative sector workforce.

7. There appears to be an inverse relationship between degree holders recruited and promotions in the MOCD. As new degree holders are recruited, the chances of Assistant Cooperative Officers being promoted diminish. 1977 and 1979 are years of typical example when degree holder recruitments were high and promotion of ACOs were low. 1978 demonstrated the opposite situation. This practice, consistently applied, hurts morale and increases inefficiency.

8. Improved data and information retrieval systems or processes on manpower need developing. The last manpower inventory for the cooperative movement was done in 1975 and a copy of that was not available in the MOCD. Intelligent information is vital to adequate manpower planning and development.