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VISION
Equitable and sustainable remuneration and benefits for state and public officers in Kenya

MISSION
To set, review and advise on fair, competitive and sustainable remuneration and benefits through research and analysis

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Editorial

Since establishment, the Commission has made some major accomplishments amidst a few challenges. This newsletter informs us of some key activities that the Commission has been undertaking, and how the challenges experienced are being tackled.

The Commission is carrying out job evaluation (JE) for the public service, which will determine the true worth of public service jobs. This exercise has attracted lots of questions, criticism, and uncertainty in the public sector and Kenyans at large. The Q&A article on tit bits of job evaluation seeks to respond to some of these concerns. I truly hope that this article gives you insights on the exercise and clears any doubts.

The media has been instrumental in informing the public about abuse and misappropriation of public funds as experienced in the national and county government. The Commission, based on its compliance checks, has highlighted some of the reasons behind the abuse, and the actions it is taking to curb this.

The continued public service strikes are also worrisome, and this has been a stumbling block to development. There is need to put a stop to this by coming up with realistic and sustainable measures. We delve into this tragedy that leaves mwananchi clamouring for services.

Kenya’s retirees are a lot that we cannot ignore. Could considering a medical cover be one way of adding a smile to the lives of men and women who have served the country and the nation diligently? What are your thoughts?

Finally, we introduce a new column where we get to know a little more about SRC Commissioners. In this issue, we feature Commissioner Serah Kinyua.

These and many more short stories and incisive write ups for reading and enjoyment are featured in this issue.

I urge you to read on, and at the end, give us your feedback.
Message from the Chairperson

This second issue (July-December 2015) of the Salaries and Remuneration Commission (SRC) newsletter is presented to our dear readers to keep abreast with the ongoing activities of the Commission and general issues affecting our day to day life.

SRC is established under Article 230 of the Kenyan Constitution to set and regularly review remuneration and benefits of state officers and advise the national and county governments on the remuneration and benefits of all other public officers.

With public service employees estimated at seven hundred thousand (700,000), it is important to ensure that every job is evaluated to determine the true worth and entrench the principle of equal pay for work of equal value.

In this regard, the Commission is currently conducting job evaluation (JE) for the public sector which was launched on 5th June 2015 and expected to be concluded in the second quarter of 2016. This is a historic moment for the country as we seek to transform the public service through the first ever JE exercise. It is important to note that the exercise is about evaluating the job and not the job holder.

The key to achieving fairness and consistency in JE is in obtaining factual evidence about the scope and responsibilities of the roles being evaluated. The quality of the output from the exercise is reliant on the quality of the input. The Commission has therefore been looking into all the critical issues that have been raised in the course of this exercise so as to improve the JE process and the outcome to the satisfaction of everyone.

We, like many Kenyans of goodwill, are fully committed to the transformation of the Public Service under the banner of ‘Fair play for fair pay’ since this will not only enhance productivity, but also enable the Government meet its goals and constitutional responsibility to provide services efficiently and effectively.

We are extremely encouraged and thankful for the support of all Kenyans through their active participation, interactive and robust engagement in support of our constitutional mandate and principles.

It is disheartening, however, to note the increasing incidences of abuse and misappropriation of public funds as highlighted by concerned citizens, relevant government institutions and the media. It is our prayer that this impunity is stopped and the perpetrators brought to book. As a Commission, we are doing all within our mandate to ensure that all public institutions adhere to the advice issued on remuneration and benefits and any non-compliance is punished.

Finally, it is my sincere hope that the articles in this newsletter will be of great value to you. Please read on and give us your feedback as we grow together and embrace a culture of hardwork and accountability.

Sarah J. C. Serem (Mrs), EBS
CHAIRPERSON
The Court of Appeal ruling on November 6, 2015 that rescinded the award by Industrial Court of 50-60 per cent pay increase for teachers reiterates one of SRC’s principles as stipulated in Article 230 of the Constitution of Kenya: to ensure that the total public compensation bill is fiscally sustainable. SRC is cognizant of the bloated wage bill, and its subsequent effects on Kenya’s economy, hence the need to realize parity and equity in remuneration and benefits structure.

SRC is thus committed to ensuring that it adheres to its mandate as specified in the Constitution:

• To set and regularly review the remuneration and benefits of all state officers; and
• To advise the National and County Governments on the remuneration and benefits of all other public officers.

In carrying out its mandate, SRC is subject only to the Constitution and the law. Suffice it to say the Commission is independent and not subject to the direction or control by any person or authority. I encourage the public sector (both at the National and County level) to continue seeking guidance from the Commission on matters of remuneration and benefits whenever they engage in discussions pertaining remuneration and benefits including discussions on Collective Bargaining Agreements (CBAs) with unions.

The ongoing job evaluation exercise currently being undertaken by the Commission for the entire public service will form a basis for determining the relative worth of all public service jobs. I therefore urge the entire public service, teachers included to be optimistic and accommodative of the job evaluation; and give the Commission time to complete the exercise.

Anne R. Gitau (Mrs)
COMMISSION SECRETARY
Tit Bits of Job Evaluation

By Purity Njeru,
Principal Communications Officer

In June 2015, the President, H.E. Uhuru Kenyatta, launched the Job Evaluation (JE) exercise for the public sector being undertaken by the Salaries and Remuneration Commission (SRC). This exercise has been on course and is expected to end in the second quarter of 2016. However, the exercise has been crowded with speculations, queries and more queries on its end results. While some public officers and Kenyans at large are expectant of the results, others are pessimistic and see it as a polite government effort to retrench public officers or interfere with their salaries. Zealous, deliberate and astute about the exercise, Nicholas P’kiach Siwatom, Director of Remuneration and Benefits, and Coordinator the Job Evaluation Project responds to some of the major concerns.

Q. What is job evaluation and what are its objectives?
A Job Evaluation (JE) is a systematic way of determining the value/worth of a job in an organization relative to other jobs in the same organization and/or other organization. It tries to make a systematic comparison between jobs so as to assess their relative worth for the purpose of establishing a rational pay structure. It achieves internal equity when it compares jobs within the same organization, and external equity when compared with those of another organization.

Every job changes over time due to technology, organizational mandate, strategy, market environment, job redesign and organizational restructuring. The public sector JE is timely because the country was completely restructured with the advent of the new constitution, and each public sector institution ought to re-evaluate its role in the new dispensation.

Every organization should conduct JE to understand its situation. It should have specific objectives that may include identification of optimum head count, and role alignment to create efficiency and effectiveness in delivery of services. The results may lead to different recommendations and activities compared to those that will be achieved by SRC during JE of the public sector.

Q. Why is SRC conducting JE?
Specifically, SRC wants to achieve the following objectives:
- Equitable and defensible job grading criteria;
- Standardized and harmonized job grading in Public Offices;
- Job descriptions and job specifications for the evaluated jobs;
- A framework for harmonization of salaries/pay and benefits that would guide current and future remuneration and benefits for Public Offices; and
- A remuneration structure aligned to the harmonized grading structure.

Q. How does JE differ with performance appraisal?
JE does not evaluate the job holder, it focuses on the job. Performance appraisal, on the other hand, assesses the performance of the employee against the annual targets that have been set for the role as assessed by the supervisor. It also differentiates between high and low performing employees. The key word in JE is relative worth of the job. A job cannot be evaluated on its own. It is in comparison with other jobs within and outside the institution in terms of specified JE factors taking into consideration minimum requirements for someone to perform the job satisfactorily when all necessary resources are provided.
Q. What in remuneration informed the need for JE in the public sector?
In 2003, the Permanent Public Service Remuneration Board was set up and in its first report in 2004, recommended to the Government the need to undertake JE in the entire public service. The reason was to provide a basis for pay determination and ensure that comparable jobs of equal value are remunerated equitably. However, over the years, this process was not actualized. The same recommendation was reiterated by various taskforces that were set up to advice on pay review.

Therefore, when the Commission began its work in 2013, it was very clear that JE would form a basis for a pay review that is objective, defensible, and equitable to attract and retain competent work force for the public service. A JE exercise for State Officers was done and the results have enabled SRC to set pay for them. In view of the cost and complexity of the large size of the public sector, it took longer than expected to begin the process. However, the journey has begun.

Q. There has been growth in the number of people employed in the national and county governments despite JE and salary harmonization efforts. What impact does this have on the economy and SRC’s work?
One of the constitutional principles that is cardinal is affordability and sustainability. The Commission looks at sustainability by comparing how the country is performing against productivity as measured by GDP. The wage bill for the entire public service has been between Ksh 500-600 billion, with an internal revenue that struggles to reach Ksh 1 trillion. This shows that we consume only in wages over 50% of our internal revenue, yet public officers are only about 700,000 against a population of over 40 million. Thus, the tax payer is paying too much on wages compared to agriculture, education, health and infrastructure; sectors that spur growth and development.

SRC does not have the mandate to spell out the setting up of institutions, employment and setting of staff establishments in institutions, making our work rather challenging. However, it is the responsibility of each institution to ensure that the head count is at optimum level to deliver the mandate of the organization and introduce efficiency, rewards and sanction measures that will ensure achievement of the goals of the institution. The Commission therefore believes that with the right pay for the right number, productivity will improve. Unfortunately, cases have been noted where there are ghost workers and people employed purely for political reasons. In these cases, the amount of work
done is not commensurate to the pay received. Cases of abuse of benefits such as mileage, sitting and travelling allowances have also been reported. We request institutions to be accountable and take responsibility for such excesses/lapses.

Q. What remuneration issues have you identified so far as you carry out JE?
As we progress to the stage of salary survey, there will be clarity in terms of what pay is pertaining in institutions and how it compares to other institutions for similar roles. As we continue with our work, we have established that there are disparities. So we do believe that the exercise will provide the Commission with a foundation for future pay reviews.

Q. The public service are expectant of positive results. For example, will there be salary increments?
If positive means salary increments, the answer is No. It is not true that every JE will result to a salary increment as what the employee may perceive may be incorrect. The impact of the results on an individual may not necessarily result into a salary increase. Public officers should realize that this exercise is being done for posterity and to determine the worth of the jobs and not as a method to increase salaries. Therefore, the results will be positive as we shall have a foundation for pay review in future and it shall not result into a salary reduction.

Q. Will every public servant be affected in terms of remuneration? How?
Not every public officer will be affected. It should be noted that the process of JE is not the same as job design. Therefore, in terms of the job, there will be no change in duties. The only effect may be on salary.

Q. Does this mean remuneration on the specific job groups will be the same despite the various categories of institutions (commercial, non-commercial, teaching, parastatals, commissions etc) in the public sector?
It means within the parameters spelt out, there will be pay differentiation. Since the true status will be unveiled after the exercise, it is still too early to speculate on how the public officer will be affected. There may be situations where pay may be the same, and in other situations, it may be different. However, it will be objective and defensible but not necessarily the same salary as equitable pay is not necessarily the same or equal. More so, the Constitution also

SRC Sensitizes Kitui County Assembly Members

SRC had an interactive session with members of Kitui County Assembly on 8th December 2015 at Pride Inn Hotel in Nairobi. The over 40 MCAs were keen on understanding the role of SRC and learn if they were complying with SRC’s guidelines and policies. Some of the issues they sought clarification were why there were ceilings in the number of committee meetings held per week, if SRC was having any considerations for persons with disabilities, why there were differences in mileage claims between elected and nominated MCAs, why there were salary gaps between members of county assembly and national assembly among others.

Susan Lukano, SRC’s Assistant Director of Remuneration, provided a background and overview of SRC, its role and functions. She reiterated on the need for job evaluation (JE) and the benefits it would bring to the public sector and the country. She requested the MCAs to partner with SRC in the JE journey. “Walk and support SRC in this exercise for the betterment of the country,” she observed.

SRC’s Assistant Director of Compliance, Cleopus Wang’ombe, addressed concerns of compliance. He offered examples of some of the non-compliance issues identified in counties and the corrective measures undertaken. He emphasized on the need for MCAs to comprehend chapter 6 of the constitution because failing to adhere to it may compromise on the integrity of an individual and county. Wang’ombe cautioned the MCAs on failing to comply with the set SRC guidelines, as this would lead to surcharging.

Several questions and clarifications were raised on the salaries and benefits of MCAs. At the end of the interactive and informative session, Kitui County Assembly Speaker, Hon. George Ndotto, thanked the SRC team for honouring the invitation from the County. He observed that the County was complying by the set guidelines, and would endeavour to maintain the same. He urged SRC to handle non-compliance issues with the specific culprits, and not to generalize the issue.
spells out the principles to be used under Article 230 (5) which include affordability and sustainability, transparency and fairness, productivity and performance, and attraction and retention. Under the SRC Act 2011, an additional principle was introduced of equal pay for work of equal value which is also important to consider.

Q. How then will you achieve harmonization of remuneration among public officers?
The process of harmonization has been going on where some cadres have been seen to be heavily disadvantaged, and the commission will continue receiving appeals and requests from institutions that perceive that the salaries for their employees are low and require review. The process of Collective Bargaining Agreement (CBA) has also provided another avenue for harmonization as unions propose to institutions reviews of remuneration that appear unfair. JE is a major yardstick to ensure that the true worth of every job is known. Therefore, this is a journey in which the Commission is willing to walk with employers until harmonization is achieved.

Q. What mechanisms will be put in place to ensure remuneration disparities are not experienced in future?
There will be continued implementation of the SRC’s mandate as per the Constitution and the implementation of the public sector remuneration and benefits policy.

Q. Do you think after this exercise the public sector will continue being attractive to Kenyans?
The public service is already more attractive in the lower and higher grades compared to the private sector as revealed by a comparative study on public private sector wage differentials in Kenya of 2013. There are however specific sectors where specialized skills are required. The country is also experiencing skills shortage in some areas, while there is an oversupply in other areas.

The new structure should be able to ensure that the public sector is able to attract and retain the skills required. It should also not compete with the private sector who are the drivers and the engine of the economy, as this will result to high cost of labour making Kenya unattractive to foreign investors. A healthy balance has to be achieved.

Q. How will you ensure that what you recommend is implemented?
The implementation of the recommendations is heavily dependent on affordability and sustainability.

Q. What challenges are you experiencing as you undertake JE?
Funding of all the key activities has been a challenge. JE on two key sectors (disciplined forces,
research and public institutions) is yet to begin due to lack of funding. The misconception that this is an SRC project has been there. Also, there has been concerns that the exercise is a way for SRC to reduce staffing or salary for public sector employees.

Kenyans need to understand that this project is good for employees, unions, government, and wanjiku who is the tax payer that funds the public service. SRC is only a driver, the organizer and the institution that is guiding the process. Due to misconception, it has been necessary to conduct heavy sensitization.

Q. How will this benefit the common mwananchi? What should they expect?
The common mwananchi expects that the taxes they pay are utilized more on development matters than payment of wages, and that, in the long run, the ratio of wages to GDP reduces from 53% to below 40%.

Q. Is it true that CBAs have been stopped until JE is complete?
No.

Q. Why are CBAs important?
A CBA is an important process that protects an employee. It is a two way process with the employer on one side, and the employee on the other. More so, it has an element of salary and allowances in it. In this case, the employee is represented by a registered union that has signed a recognition agreement with the employer spelling out all the negotiable items and none negotiable items. Each party ensures that the employee issues are handled in the most objective and sustainable manner, for better performance of the organization. All employees have a right to belong to a union that will drive its demands. The JE process does not interfere with the CBA process, and SRC is not a party to any negotiation process.

Q. Have you stopped salary increments within the public service due to job evaluation and the need for harmonization?
No.

Q. Any parting shot?
JE is the best thing that could have happened to any public sector employee and employer.

**Change Champions for State Corporations and SAGAs Trained**

Commissioner Muhoro emphasized on the need for support from the state corporations and SAGAs, if the desired outcome of JE is to be achieved. He asked the participants to be change champions in their respective institutions, bearing in mind that the exercise was being undertaken by SRC for the benefit of the public service and country at large.

Ken Monyoncho, SRC’s Acting Director Research, Compliance, Policy and Planning, informed the participants that the exercise would make a systematic comparison between jobs by assessing their relative worth so as to establish a rational pay structure. He noted that the exercise would evaluate the job and not the person.

Let Us Build a Culture of Ethics and Compliance

By Cleopus Wang’ombe, Assistant Director of Compliance

Since SRC recognizes the need for compliance monitoring to ensure its decisions and advice are adhered to by the public sector, it has a compliance, monitoring and evaluation division. The division supports and ensures that the Commission’s mandate of ensuring the total public compensation bill is fiscally sustainable is discharged effectively.

Compliance checks are premised to gather, by any appropriate means, relevant information including requisition of reports, records, documents or any information from any source, including government authorities. Therefore, interviews on any individual, group or members of organizations or institutions are conducted at the Commission’s discretion.

To determine institutional compliance level, weights are assigned to various aspects (i.e. entry point, responsibility, commuter, airtime, extraneous, accommodation, sitting and other allowances for both the national and county public officers). These weights help to compute the compliance ratings, hence compliance levels and ranking. Once institutions are rated, a risk matrix is developed and annexed as assessed against various compliance indicators.

During the financial year 2015/16, a host of activities and measures have been lined up. As part of continuous compliance checks, twelve (12) national institutions have so far been checked. The main areas of concern are remuneration and benefits payable to the state officers, and challenges experienced in complying with the advice issued by the Commission.

At County level, the compliance checks target the County Executive (the Governor, the Deputy Governor, County Public Service Board-CPSB members, the County Executive Committee-CEC members, County Secretary) and the County Assembly. The checks reveal a level of non-compliance traceable to misinterpretation of Commission circulars, and availability of conflicting messages from different quarters on remuneration and benefits. For instance, some County Assemblies receive information and directives that contradict SRC’s advice from bodies such as the Speakers’ Forum.

A compliance register which consolidates all advisories with regard to salaries, remuneration and other benefits to all the national and county government institutions has been developed. The register is constantly updated whenever an advisory circular is issued. The circulars issued so far have been indexed for ease of reference and uploaded on the SRC website. This register will be a quick reference booklet when conducting compliance checks or attending to any issues.

SRC and Commission on Revenue Allocation (CRA); SRC and Office of the Controller of Budget (OCOB); and SRC and Office of the Auditor General (OAG) have been formed to coordinate and implement the system of engagement.

To enhance compliance levels, the Commission has continuously been building capacity and sensitizing key personnel at the county and national level on the content of circulars, and any advice provided. The Commission will be diligent in its efforts to enhance and expand capacity building and monitoring programmes.
Job Analysis Moves to the Counties

Job analysis of field roles and validation of job analysis questionnaires for the Civil Service cluster were carried out between 23rd November and 4th December, 2015. Since ministries have roles being undertaken in the field stations, it was important that these roles are evaluated at the specific work stations bringing the job analysis in this sector to a conclusion. The exercise at county level started after the completion of job analysis at the headquarters (Nairobi). Seven counties participated including Mombasa, Nakuru, Kisumu, Kakamega, Nyeri, Garissa, and Embu.

The exercise which attracted Directors, HoDs and other county staff began by paying courtesy calls to County Commissioners. This was followed by various fora being held at the counties to bring on-board the civil service cluster and share the progress of job evaluation (JE) exercise. Presentations on the approach and methodology to be used in the JE process were made, attracting discussions and clarifications on the same from participants.

Nakuru County Commissioner reiterated that the exercise was very important and it should have been done in the past to address the salary disparities, which had demotivated the workforce in the counties. He urged SRC to be highly objective since the exercise touched on the livelihoods of the staff.

A Measure of Productivity and Performance is Underway

Besides setting salaries and benefits, SRC should also consider productivity and performance for the public sector. A project to inform this principle is under implementation and aims at coming up with a rewards and sanctions mechanism, designed mainly to improve the effectiveness and efficiency of service delivery towards enhanced productivity. This should be based on the Performance Management System (PMS) put in place by the organization, or the Public Service Commission (PSC) and stakeholders. Therefore, the PMS should have; a clearly defined, articulate and enforceable implementation framework; executive commitment/involvement and support for the PMS; clear understanding of the roles of PSC/Directorate of Personnel Management (DPM) in the appraisal system; and rigorous, objective and continuous administration of the system. The effectiveness of PMS thus depends on clearly defined and measurable objectives; activities and outputs that achieve the objectives; and incentives should be linked to performance measures which lead to the desired (long-term) outcomes in a predictable way.

There is evidence that public sector agents respond to incentives which can promote or hinder enhanced effort and performance, depending on how well they have been designed and implemented. A single measure may not capture the relevant aspects of performance, but any set of measures must be manageable; and ensure the rewards and sanctions are cost-effective. Where financial elements are involved, it may be sensible to model the operation of the system to help define appropriate values or ranges; and introduce safeguards to prevent unintended behaviour. These approaches can include maintain a degree of independence in performance assessment and validate key performance measures; develop and implement data systems that collect and analyze timely and reliable performance data; develop expertise to apply sanctions or rewards in a timely, consistent and transparent manner, especially when using complex contractual arrangements with delivery agents; and build regular internal and external reviews of the effectiveness of the sanction or reward mechanism into the overall performance management.
It’s Time to Avert the Looming Tragedy of the Commons

By Brig. (Rtd) Samuel Kirugi, a Commissioner of SRC

The continued strikes experienced in 2015 are as a result of agitation for higher salaries. Even after the Court ruling that rescinded teachers 50-60 per cent pay increase, the two teachers unions are still pressing hard to have the award honoured. Matters are compounded by health workers strike at various counties for a host of reasons, pay and parity of treatment included. This is going on despite the grim statistics that show a sharp upsurge in the public sector wage bill in the last six years. What is even more worrying is the fact that the number of public servants has grown by a meagre 3 per cent per year, while the wage bill has shot up at an annual rate of 20.9 per cent over the last five years.

Why worry about a wage bill when some Kenyans are enjoying better salaries and benefits? In fact, many other Kenyans in secure public employment feel their job is far more important than the rest, yet they are poorly paid. This thinking has led to demands for higher salaries and perks across the public service.

Why worry about a wage bill when some Kenyans are enjoying better salaries and benefits? In fact, many other Kenyans in secure public employment feel their job is far more important than the rest, yet they are poorly paid. This thinking has led to demands for higher salaries and perks across the public service.

Indeed, this mind set is aptly captured in the metaphor “tragedy of the commons,” a term, originally used by Garrett Hardin, a famous American ecologist, to denote a situation where individuals acting independently and rationally according to each ones self-interest behave contrary to the best interests of the whole group, by depleting some common resource. In recent times, renowned Environmental Law Professor, Daniels Brigham, has used it to illustrate the argument that ‘free access and unrestricted demand for a finite resource ultimately reduces the resource through over-exploitation, temporarily or permanently.’ Is this the case of Kenya’s public spending?

A closer check on the economic perspective in Kenya indicates that there is already an emerging and wide consensus that the country is facing a serious development crisis caused by a steady increase in government spending, with a bigger budget on current spending. The IMF/World Bank Joint Advisory Note of March 2014 warns that unchecked growth of the wage bill could derail fiscal discipline, leaving lower buffers to deal with adverse shocks, and disrupt provision of public services.

This argument has been reinforced further by the National Treasury’s observations that the current public service wage bill and average wage trends are giving rise to four fundamental concerns in the quest for national development and realization of the aspired general good life for Kenya. Treasury argues that the ballooning wage bill is threatening to crowd out resources that could be used in other development priorities - social and infrastructure development needed for long term growth and development. Second, it is bringing about large fiscal deficits causing macroeconomic instability (inflation: wage price spiral, exchange rate impact); third, feeding into unsustainable public debt arising from high wage bill – has attendant refinancing and sovereign risks; and, finally, it is likely to deteriorate competitiveness of the economy, ultimately impacting negatively on growth and employment.

All these risks stand under circumstances where this cost of employment is benefiting only three per cent (comprising approximately 700,000 employees in the public service) at the expense of 98 per cent of Kenya’s population.

The job evaluation exercise is just one of the various mitigation measures that will address the rising wage bill by rationalizing remuneration and benefits, and paying the relative worth of jobs, under the policy of same pay for jobs of equal value. Thus, workforce will be motivated, productivity will increase, the economy will grow and the relative size of the wage bill vis-à-vis the economy will no longer blink red.

This exercise will play a pivotal role in bringing objectivity and an equitable setting of compensation. It may very well be the catalyst the human capital needs to drive service delivery, performance and productivity, customer satisfaction, and growth that will bring positive changes to the lives in Kenya. The successful implementation of the public sector remuneration and benefits policy and the JE exercise will lay down a strong foundation for sound management of the public service, and thus enable Kenya to avert the looming tragedy of the Commons. This is a key factor in achieving Vision 2030 goals and the aspirations of our Constitution, hence avoiding being trapped in the tragedy of the commons.
Is A Medical Cover for Public Sector Retirees Feasible?

By Grace Mwangi, Research Analyst in the Research, Compliance, Policy and Planning Department

Health condition generally deteriorates with age. At retirement, retirees tend to develop chronic illnesses such as hypertension, arthritis and diabetes, which require treatment on a regular basis. Over time, many of those on fixed pension incomes confront a bewildering array of health problems, which consume into their pension. More so, family members are overwhelmed with medical bills, leading to fundraising, sale of property, among other activities, to meet the ever rising expenses.

While access to medical care (medical allowances, National Health Insurance Fund or outright medical insurance cover) is available during years of service, on retirement these benefits cease. Relevant statistics show that public retirees are increasing and currently stand at 5,500 per annum. Healthcare costs are continuously rising, hence the need for provision of a medical benefit cover.

Several countries provide health cover for retirees for decades through different approaches. In some cases, retirees health benefits are treated as a form of deferred compensation where employees work expecting that, upon retirement, they will receive the benefits. Often, the retirees’ plans clearly indicate that the employer will pay the premium for the retiree and the spouse or dependant, as long as the retiree is living. Other governments have opted to co-pay premiums or contribute to a medi-fund between the employees and the employer, who is the government.

In Kenya, there is no comprehensive medical scheme for government retirees except for the Kenya Defence Forces (KDF) which runs after service for its members and their families. The public sector retirees, however, have an option of taking up the voluntary self-employed contributions option offered by NHIF. Though various policies exist such as the Kenya National Social Protection Policy (2011), the Kenya Health Policy (2014–2030), and the Kenya National Policy on Ageing (2009) that aim at improving the welfare of the aged in the society and enhance access to good health care, the aspirations of these policies are yet to be fully achieved.

There could be several alternatives of establishing a post-retirement medical benefit for public sector retirees. One option is having the employees contribute towards their health cover just like the case of contributory pension and, at retirement, a portion of the pension be used for a medical cover. By doing so, this will equate the importance of medical benefits the same way employees look at pensions and, better still, assist the government to implement a contributory pension scheme.

Additional options could entail setting up a prefunding account for post-retirement health benefits, which allows
employees to contribute to the cost while still working. Employees can contribute voluntarily or the government may sponsor the fund. As employees make the regular contributions, the government could match wholly or in part towards the fund. The rate can be allowed to change based on total accumulation to the fund and changes in medical-cost.

At retirement, contributions by government and employee drawn from the fund can be in equal instalments to pay for the employee’s health cover annually. In this case, when a contributing employee retires, the funds in both accounts will be used on prorata to pay for his or her share of coverage. In the event the money from both accounts is exhausted, the burden will automatically shift to the retiree. The various types of plans will ensure that the government is able to provide a high-quality medical plan for its retirees and their families, despite the significant increases in medical costs.

As the Government aims to provide the highest attainable standard of health to all its citizens as stipulated in the Constitution, provision of medical benefits to public sector retirees through a co-shared approach is essential, since in doing so, it will complement government initiatives. This will also allow the employees to contribute to their retirement medical costs, while still productive. The contribution may start with small amounts, which will grow over a period of time to cater for retirees medical obligations.

NEWS BRIEF

Job Evaluation for the Teaching Service Launch

SRC launched job evaluation (JE) for the teaching service on 8th February, 2016. The launch which was attended by over 100 TSC county directors and officers of TSC, aimed at sensitizing them about the exercise.

SRC’s Vice Chairperson, Omondi Ogutu, and Commissioner Isaiah Kubai graced the launch. Mr Ogutu reiterated on the importance of the exercise and urged the participants to embrace it. He observed that the exercise would lead to a better public service, improved performance and productivity, and growth in the economy.

The intent of the JE for the public service is to establish the relative job worth. More so, it will provide an objective criteria to manage remuneration, create harmony in the relationship between employees and employer, afford the unions and employers an informed platform for negotiation hence create good labour relations, and enhance stability in the work environment, among other benefits.

During the launch, a sample job analysis tool was shared with the participants. PWC, the consulting partner for the teaching service sector, discussed the tool with the participants and urged them to offer their input. Several issues that affect the teaching service jobs were discussed including school size, working environment, teaching materials, responsibilities, special education, financial responsibility, quantity of work, among others.

A completed job analysis tool will form the basis for the development of job descriptions. It is expected that these job descriptions will be evaluated to develop the grading system. These grades will determine the relative worth of jobs in the public service, which will eventually inform the basis for a fair and equitable pay structure.

The next phase for the exercise after the launch entails conducting county visits for the teaching service to fill the job analysis questionnaires so as to develop job descriptions for the various levels in the teaching service. This will be followed by the actual job evaluation phase.
Sidney Madwed could not have been more spot-on when he said that if everyone received the encouragement they needed in order to grow, the virtuoso in most of us would flourish and the world would yield abundance and lavishness beyond our wildest dreams.

I do not know anyone who has not wished for more than what they have. If any, very few. They must have had enough because they have already lived a full life and accumulated a substantial amount of wealth. Paying of bills or living the way they wanted to, are not issues of concern.

You may be a buoyant person, with more than enough, and at the same time have a specific and strong opinionated mind about a number of issues and concerns. However, if you do not initiate your own and inner positive change, you are part of the problem. How do you connect happiness, having enough and living a full life?

First, never fuel your being by grappling with bitterness towards other people. Resentment does not portend well for a happy person because it eats away one’s spirit and tends to make one unable to extend affection and kindness. The holding of antipathy within causes deep mental stress which can lead to conditioning one to despair or unease with their own spiritual innermost being.

Second, challenge yourself each day and help or bring a smile to someone. Assistance does not have to be a big deal, but the ability to see something positive in everything. A good friend commuted to work daily. Each morning, he passed an older man (rugged and with chapped lips) who was always at the same spot with a cup hoping to get a bit of loose change from passers-by. For most people, this person was ignored and didn’t exist; a tableau of eyesore. Invariably, though, my friend always greeted him and bid him a good day. The stranger would smile back, respond and remain on at the same place till evening. Occasionally, my friend would drop a twenty shillings coin in his cup. When financial prudence would allow, he would drop a crisp new fifty shilling note. This he did for several years until on his last day of employment, when he stopped for a few minutes to speak to the man. He told him that he would no longer be passing by because this was his last day of employment. The man shook his hand affectionately saying that he had always looked forward to seeing him, and not because he dropped a few shillings coin in his cup. He said he would miss him because he was one of the few people who passed by daily, said hello, and bid him a good day. The man also said that his warm words always brightened his day, despite being ignored by thousands of others.

Third, abundant happiness also means the ability to look at each hurdle in life as a stepping stone and not as an excuse to quit. The weak cannot see past it, or move
past it. Happiness, therefore, is progression within you that understands that being truly happy is a complete mechanism of your own abilities and desire for life that sees no impediments but possibilities. As George Bernard Shaw enunciates, ‘those who cannot change their minds cannot change anything’.

Fourth, we all have power in words. In fact, our words have impact and where the words are portrayed positively, that is enough. On the contrary, we, at times, do not recognize that some words are devastating to others. Your words may be the encouragement that someone desperately needs. You may make a difference in someone’s life.

Finally, before his death, Tupac Shakur summed it by emphasizing that ‘you gotta make a change.’ It is time for us to start making changes. Change the way you eat, live, and treat others. Only then, will enough be enough!

**NEWS BRIEF**

**Macroeconomic Modelling to Determine Remuneration and Benefits**

SRC is committed to its Vision, however an opportunity exists to develop a quantitative model for determining remuneration and benefits in a fiscally constrained economic environment. The model will go a long way in assisting the Commission to implement recommendations of job evaluation, based on the prevailing economic environment such as public sector productivity and performance, inflation rate, and fiscal sustainability of the public sector wage bill. Constitutional principles such as equity and fairness, attraction and retention of skills required to execute functions, and the SRC principle of equal pay for work of equal value will also shed some light on the development and operationalization of the model.

A general wage determination model will forecast the effects of different public sector wage adjustment scenarios on the economy. Sub-sector models will be used to capture the uniqueness of remuneration and benefits requirements by different professions across the public sector. The sub-sector model will further help to attain the constitutional principles of pay determination. Though the sub-sector models for national and county institutions will share similar underlying principles, the two models will be distinctly constructed to capture the intrinsic uniqueness of the operating environment (national and county).

**STAFF NEWS**

**Bundles of Joy**

The following SRC staff were blessed with new-borns: Dr David Muthaka (baby girl), Ms Caren Oduor (baby boy), Mr George Oila (baby girl), Mr Kenneth Mwirigi (baby boy), Ms Josephine Karuga (baby boy), Mr David Kamande (baby boy) and Mr Martin Kirung’o (baby boy). Congratulations to these parents.

**New Appointments**

SRC continues to retain and attract talent. Mr John Kennedy Monyoncho was promoted to Director Research, Compliance, Policy and Planning from Deputy Director. Mr Ambrose Agenga, joined as Assistant Director, Finance; Mr Kirwa Lelei as Principal Analyst, Policy and Planning; Ms Mary Mutheu as Principal Labour Relations Officer; and Ms Purity Njeru as Principal Communications Officer.
A daughter of Njoguini (meaning where elephants are) Village in Nyeri County, Serah Kinyua is a Commissioner of SRC. She holds a Master’s Degree from the University of Connecticut USA in Public Administration (MPA) and a Bachelor’s Degree in Literature in Philosophy, Political Science and Literature from Makerere University in Uganda. Serah served as a Deputy Secretary Human Resource at the Teachers Service Commission. She was a member of the task force that reviewed Labour Laws where she represented the teaching service.

Q. How has your journey been?
I went to school at Kahuhia Girls and later joined Alliance Girls High School. Back then, it was quite a challenge. Making it to high school was the first step to recognition. After my A levels, I joined Makerere University for BA degree in Philosophy, Political Science and Literature.

Q. As a Commissioner, what is your driving force?
Being a Commissioner of SRC is self actualization. I have always been an HR practitioner who is driven by the desire for fairness and equity in salary and benefits for workers. Having been appointed to the position of establishing fairness in salary, my goal is to do my best for the Commission.

Q. What kind of a public sector do you hope for?
A public service that does what it is supposed to do. A public service that is productive and performing in the best way possible to deliver services to Wanjiku.

Q. Where do you hope to see the Commission before your exit?
That the Commission is accepted by all as the only reference point on remuneration and benefits for the public service.

Q. What has been the most challenging period as a Commissioner?
The job evaluation exercise for State officers.

Q. What has been your biggest edge to get where you are now? Religion, personality, work ethic, luck etc?
Without doubt, work ethic. You must do your bit.

Q. Who has influenced you most in your life?
My parents shaped my life; they were my biggest influence. Also, my English teacher during my O levels played a key role in guiding me to be who I am today. As a keen student of history, I have been inspired by quite a number of historical figures. However, I admire Mahatma Gandhi most because he had great personal values and the right attitude.

The Court of Appeal ruling on 6th November 2015 rescinded the 50-60 per cent pay increase for teachers, reiterating one of SRC’s principles as stipulated in Article 230 of the Constitution of Kenya: to ensure that the total public compensation bill is fiscally sustainable. SRC is cognizant of the bloated wage bill, and its subsequent effects on Kenya’s economy, hence the need to realize parity and equity in remuneration and benefits structure.
1. SRC Chair, Mrs Sarah Serem, meets IMF officials
2. SRC Commissioners during a luncheon
3. (Left to right) SRC Vice Chair, Omondi Ogutu, and Commissioners Sellestine Kiuluku and Isaiah Kubai in a job evaluation meeting on independent offices and commissions
4. SRC Chair, Mrs Sarah Serem, with SRC staff during a luncheon
5. The SRC family
7. SRC staff with members of Kitui county assembly