

Skills Mismatch Survey

5th December 2018

Research Report



- ❑ In today's world, knowledge is considered the engine that drives a country's economy. Any mismatch in knowledge that graduates possess and markets require would not make the economy more effective.
- ❑ In Kenya , there has been an increased trend in skill mismatch among employees in the labour market. According to the 2010/2011 National Manpower Survey Basic Report (NMS), each year, our education and training institutions churn out tens of thousands of graduates who end up in careers for which they were not trained.
- ❑ This anomaly, described as a skills mismatch by Labour economists, leads to wastage and impedes Kenya's global competitiveness. It has also leads to mass unemployment among Kenyans. Based on a report by the Kenya Institute for Public Policy Research and Analysis (KIPPRA), about three in 10 Kenyans aged 15 to 64 are unemployed.
- ❑ This necessitates a survey to understand the educational mismatch between the knowledge graduates possess and market demands.

Research Objectives

The main objective of this survey was to investigate skills mismatch between what employers demand and the supply from higher institute of learning.

Specifically the study will sought to:

- ☐ Determine among employers the proportion of workers whose education level is higher or lower than their job i.e overqualification
- ☐ Identify hard and easy to fill vacancies among members of FKE
- ☐ Determine the percentage of firms identifying an inadequately education workforce as major constraint
- ☐ Determine the proportion of members who incur additional cost to re-train fresh graduates and by sector
- ☐ Determine/ identify the emerging skills and competences that will become increasingly key to succeed in the fast changing world of work.



Methodology Overview



Data Collection Methodology

- Used a mix of both qualitative and quantitative approaches which involved the following techniques:- Desk Research , Computer Aided Telephonic Interviews (CATI) and Key Informant Interviews

Target Respondents

- Government Ministries-Education & Labour
- Employers (specifically human resource managers) in Kenya (both public and private in the following sectors: Agriculture, Banking and Finance, Retail, Building and Construction, Education, Energy, Information and Technology, Manufacturing and Tourism
- Academic institutions (universities)

Data Collection Dates

- 19th September - 7th November 2017

Sample Size

- 292 CATI Interviews
- 4 KIIs

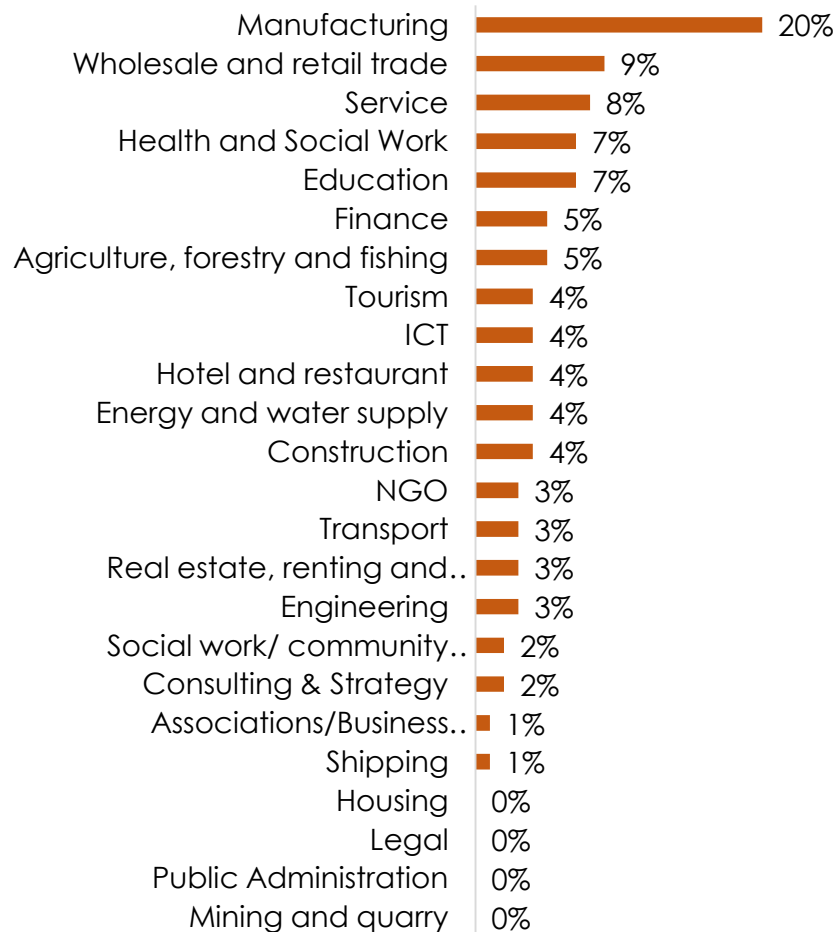


Firmographics and hiring outlook

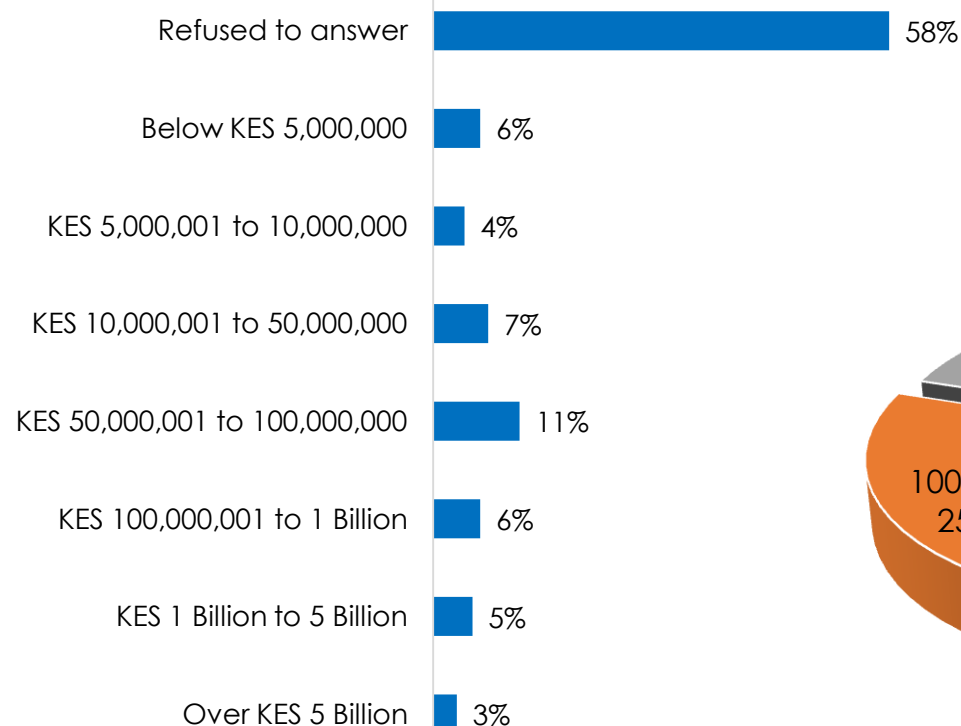
Firmographics



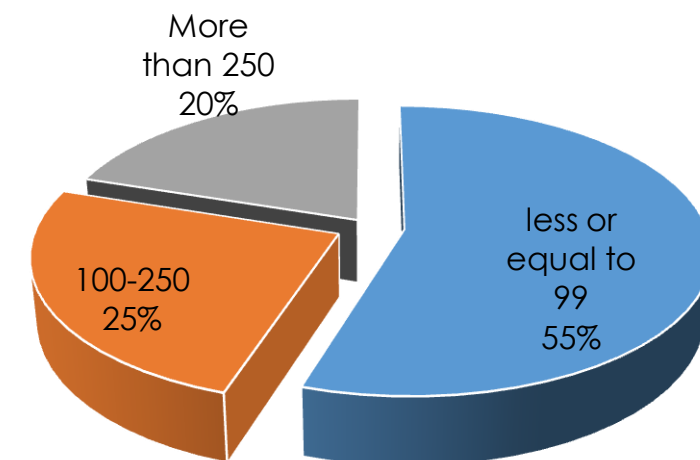
Sectors



Organization Annual Turnover



Number of employees

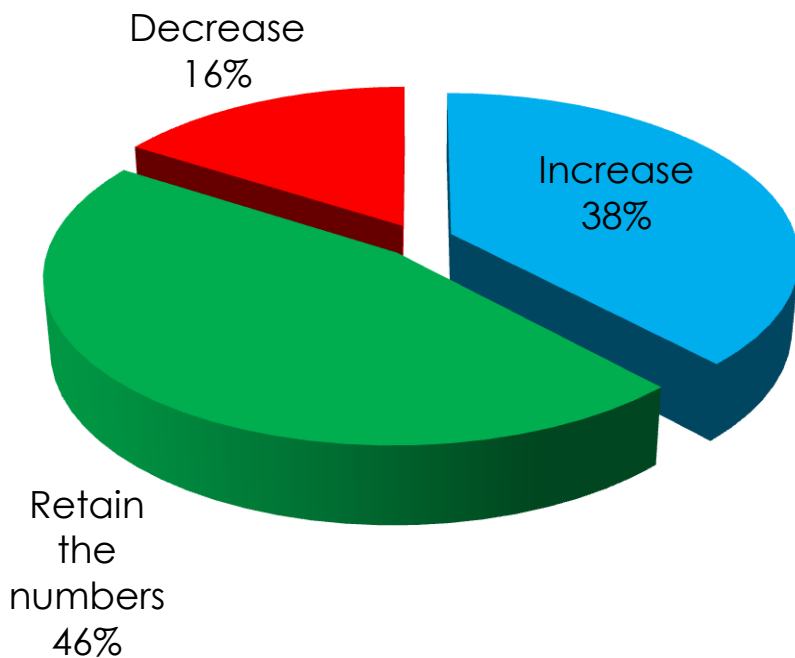


Base =292

Hiring Outlook



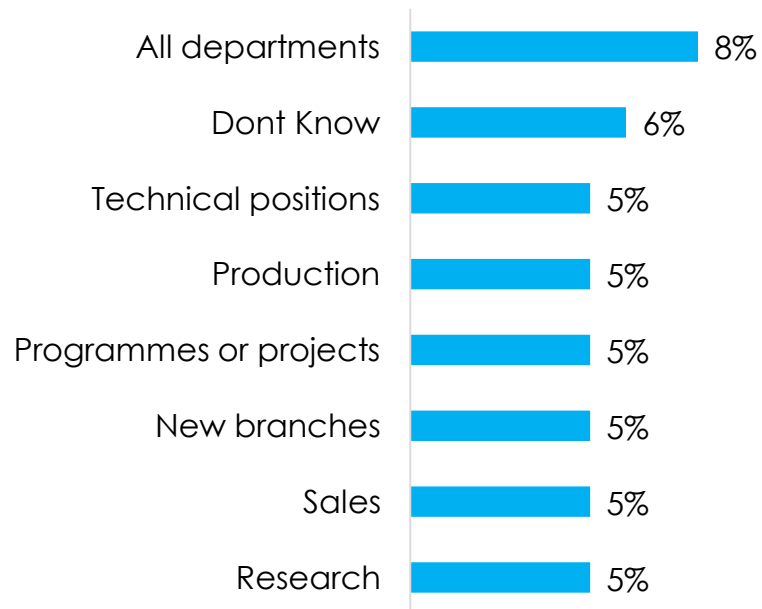
Plans for the next 3 years



Base =292

Q.What do you plan to do with the number of employees in the next 3 years?

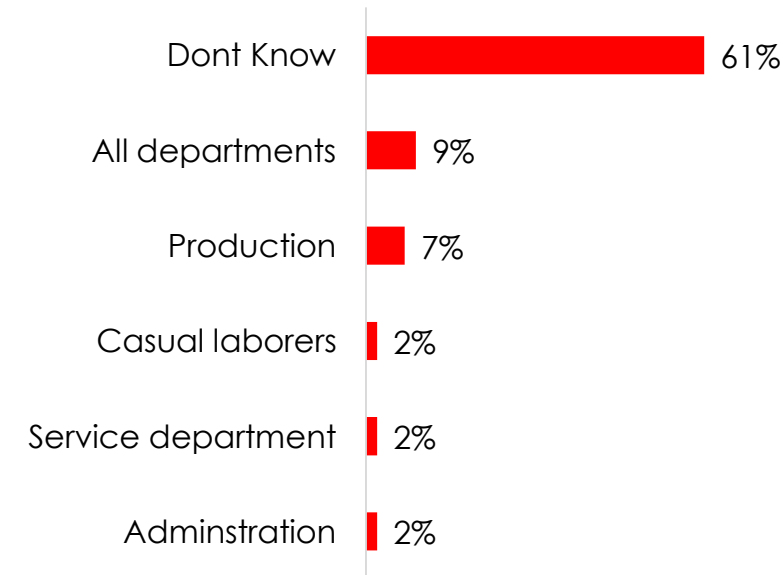
Areas/departments to increase



Base =111

Q.Which department do you intent to increase?

Areas/departments to decrease



Base =47

Q.Which department do you intent to decrease?

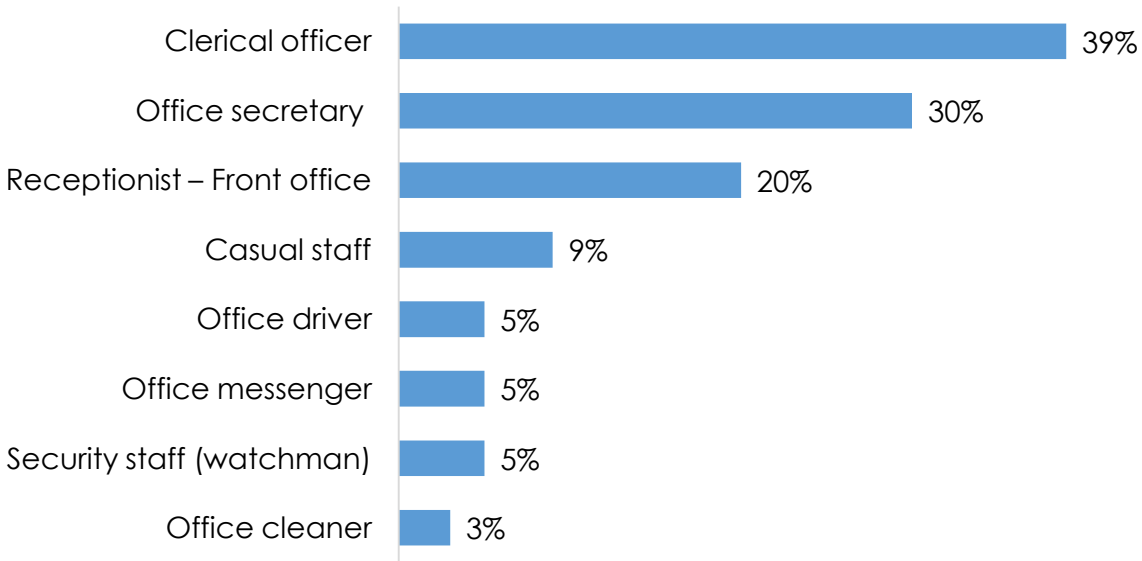
A greater percentage of employers are optimistic of their businesses for the next 3 years with nearly half (46%) planning to retain their staff . The plans to either increase or decrease cuts across all departments

Over-qualification in the Job Market

Objective: To determine among employers the proportion of workers whose education level is higher or lower than their job

Over Qualification-Degree vs Diploma/Certificate Job Positions

Graduates in low skilled positions



Base =292

Q. In your organization, do you have university graduates working in the following job positions?

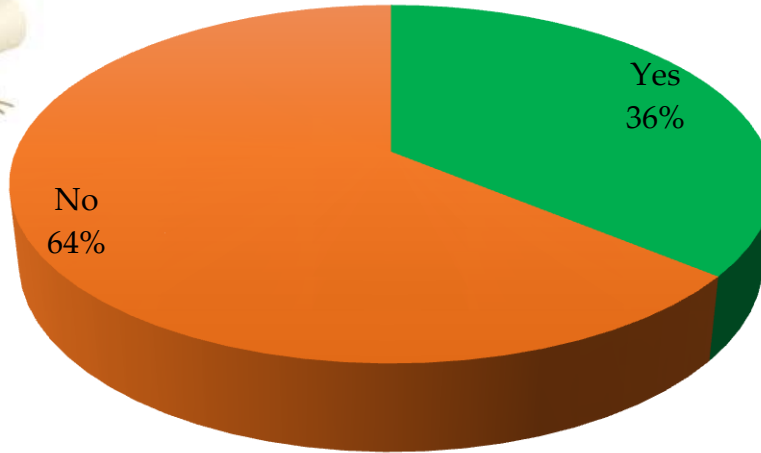
Job Position	Leading sectors
Clerical officer(115)	<ul style="list-style-type: none"> Manufacturing (19%) Wholesaler & retailers (17%)
Office secretary (87)	<ul style="list-style-type: none"> Manufacturing (20%) Wholesaler & retailers (11%)
Receptionist-Front office (59)	<ul style="list-style-type: none"> Manufacturing (15%) Wholesaler & retailers (15%)
Office Messenger(14)	<ul style="list-style-type: none"> Manufacturing (21%) Agriculture, forestry and fishing (14%) Energy and water supply(14%)
Office driver (15)	<ul style="list-style-type: none"> Manufacturing (27%) Agriculture, forestry and fishing (13%) Education(13%)
Office Cleaners(9)	<ul style="list-style-type: none"> Manufacturing (22%) Agriculture, forestry and fishing (22%) Education(22%)
Casual staff(25)	<ul style="list-style-type: none"> Manufacturing (28%) Education(12%) Real estate, renting and business service (12%)
Security staff (watchman (15)	<ul style="list-style-type: none"> Manufacturing (27%) Agriculture, forestry and fishing (20%) Education(20%)

Graduates are slowly squeezing out the diploma and certificate qualified personnel in the job market. This a project of a higher skilled economy with more people having a graduate degree as compared to diploma or rather certificate qualification.

Over Qualification-Masters vs Degree



Overall



Leading job positions

- ☐ Consulting & Strategy
- ☐ Finance

Base =292

Q. Do you have positions in your organization with the basic requirement being a degree course and yet those who apply and are recruited have a masters degree qualification?

Uptake of masters degree courses is on the rise in the job market offering competition for job positions with a degree requirement.

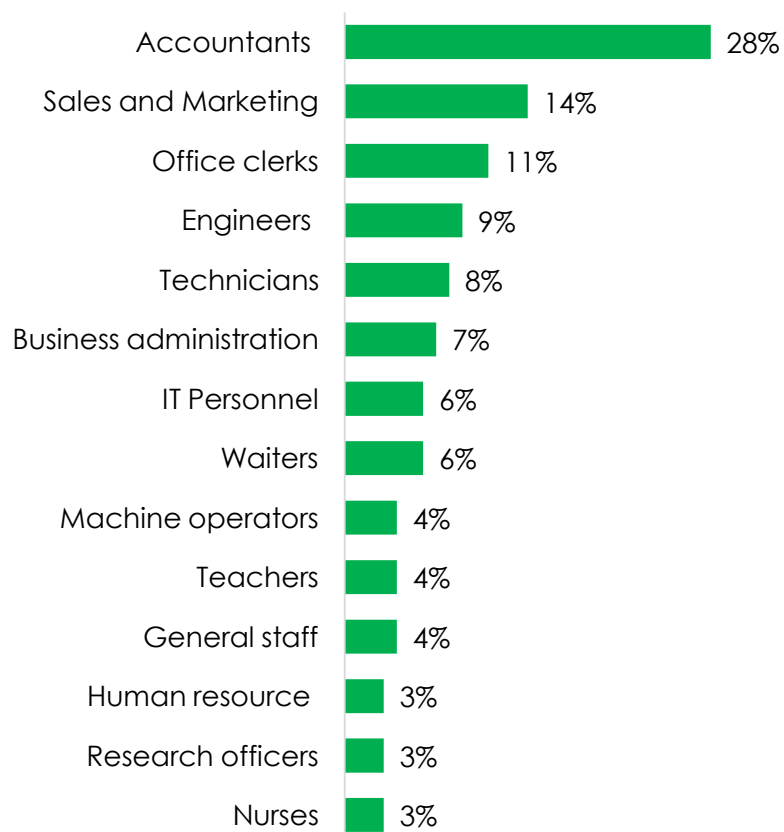
Job Application Trends

Objective: To identify hard and easy to fill vacancies among FKE members.

Job Positions: Highest Applications



Most Applied Job Specialities



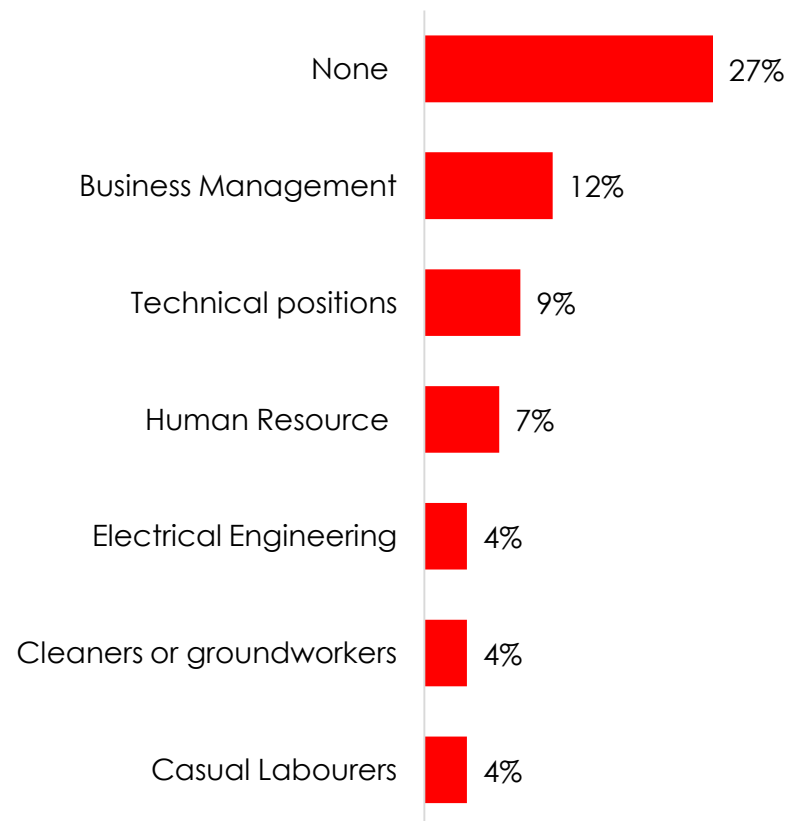
Base =292

Sector	Most applied position
Agriculture, forestry and fishing	Accounting
Construction	Accounting
Consulting & Strategy	Office clerks
Education	Teachers
Energy and water supply	Accounting
Engineering	Engineers
Finance	Accounting
Health and Social Work	Nurses
Information, Communications & Technology (ICT)	Engineers
Manufacturing	Sales and Marketing
Real estate, renting and business service	Sales and Marketing
Wholesale and retail trade	Sales and Marketing
Tourism	Waiters
Associations/ Business Membership	Office clerks

Q. Generally , which job positions/ specialties do you normally find ALOT of people applying for in your institution/ organization?

Job Positions: Least Applied

A few People Apply for



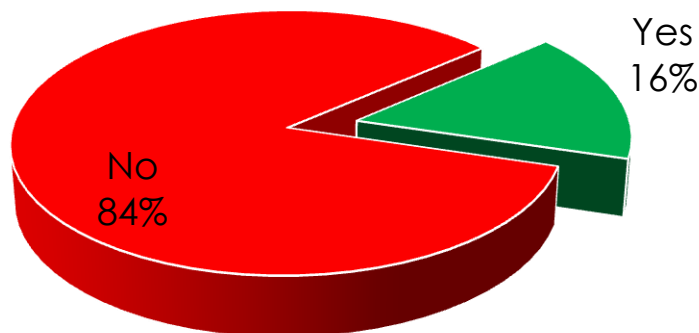
Sector	Least applied position
Agriculture, forestry and fishing	Management
Construction	Management & Human Resource
Consulting & Strategy	Technical positions
Education	Cleaners or ground workers
Energy and water supply	Management
Engineering	Technical positions
Finance	Management
Health and Social Work	Management
Information, Communications & Technology (ICT)	Cleaners or ground workers
Manufacturing	Technical positions
Real estate, renting and business service	Management
Wholesale and retail trade	Human Resource
Associations/ Business Membership	None

There are few managers and technical staff in the labour market. Jobs which require technical skills have few applications.

Base =292

Hard to fill vacancies

Vacancies that have taken more than 6 months



Base =292

% Yes (n=47)

- ☐ Business administration(15%)
 - ☐ Management (13%)
- ☐ Sales and marketing (11%)
- ☐ Technical personnel(11%)

Reasons for Hard to fill Vacancies

- ☐ Lack of required skills(22%)
- ☐ Lack of experience (19%)

Requirements for Hard to fill Vacancies

Job Position	Requirement
Administration	Previous experience
Management	Previous experience
Sales and Marketing	Bachelors degree, Previous experience, Post graduate
Technical Personnel	Bachelors degree, Previous experience

Actions taken for the hard to fill Vacancies

- ☐ Increased advertisement (38%)
- ☐ Head Hunting(29%)

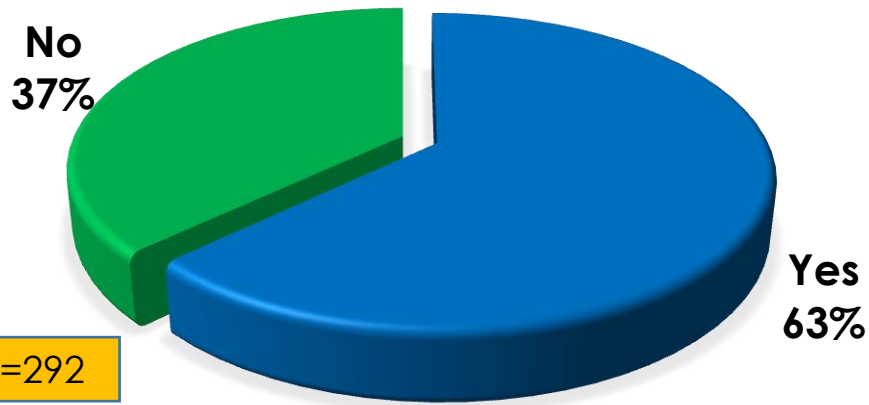
Recruitment at Entry Level

Objective: Determine the proportion of FKE members who incur additional cost to re-train fresh graduates.

Recruitment at the entry level



Recruit at entry level



Base =292

% Yes (n=182)

- ☐ Office assistance or clerk(23%)
- ☐ Support staff(14%)
- ☐ Finance and accounting(13%)

Acclimatization of entry level recruit

- ☐ Re-training (65%)
- ☐ Induction session(63%)
- ☐ Job shadows(10%)

Q. Do you recruit/employ staff at the entry level with little or no experience?

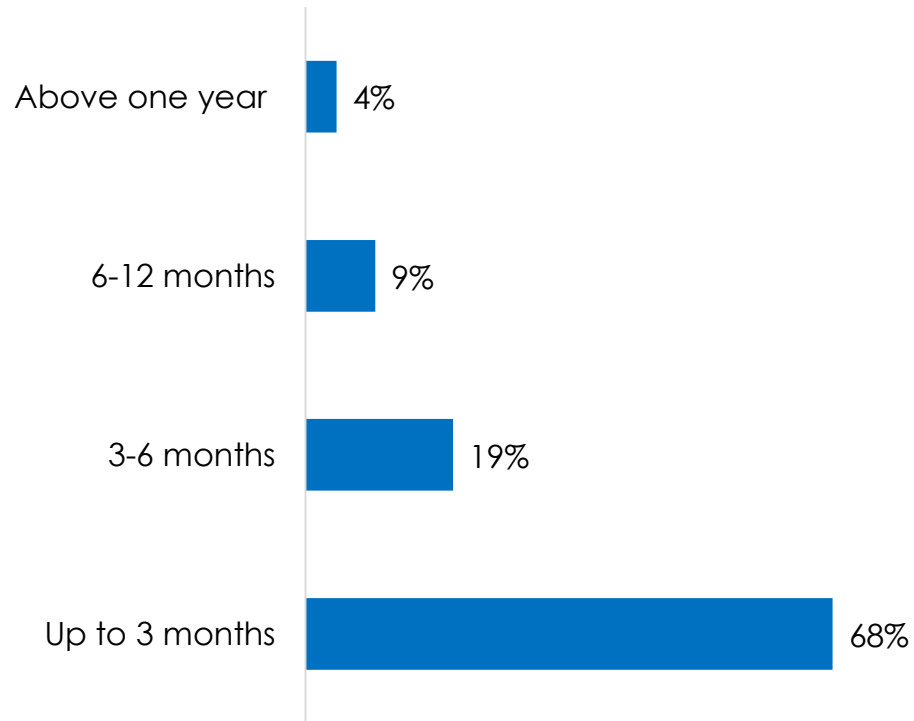
Q. What job specialty/title?

Over half (63%) of employers recruit staff at entry level. Most of the recruitment at the entry level is lower managerial and non technical positions such as office assistant or clerk. Approximately 4- 10 staff are recruited at the entry level. To bring the entry level recruit to fully adjust or acclimatize and be productive in their position, employers opt to retrain and have induction sessions for the recruits.

Time taken for an entry recruit to settle



Time taken



Base = 182

Reasons for taking long to settle and perform

- Time taken on training and probation is long
- Familiarizing with the environment
- Taught practical /application of the theory learnt in tertiary institution and that takes time
- They engage in specialized training
- Some are slow learners and take time to get familiar with rules and regulations
- Lack exposure/experience
- lack of training from the universities

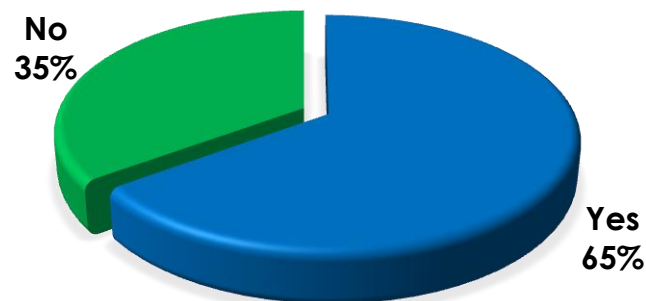
Q. Generally, how long does it take for the entry level recruit to settle and perform on the job employed?

Q. If more than 30 days , why do you say it takes long to settle on the job employed?

On average, 68% of entry level recruits take up to 3 months to settle and perform on their job. This is attributed to the time taken in the training and induction of the recruit.

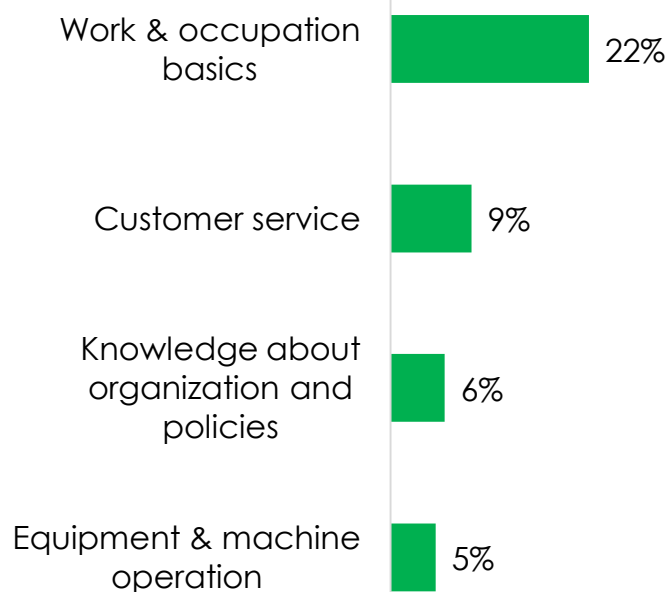
Fresh Recruits Training

Proportion who retrain fresh recruits



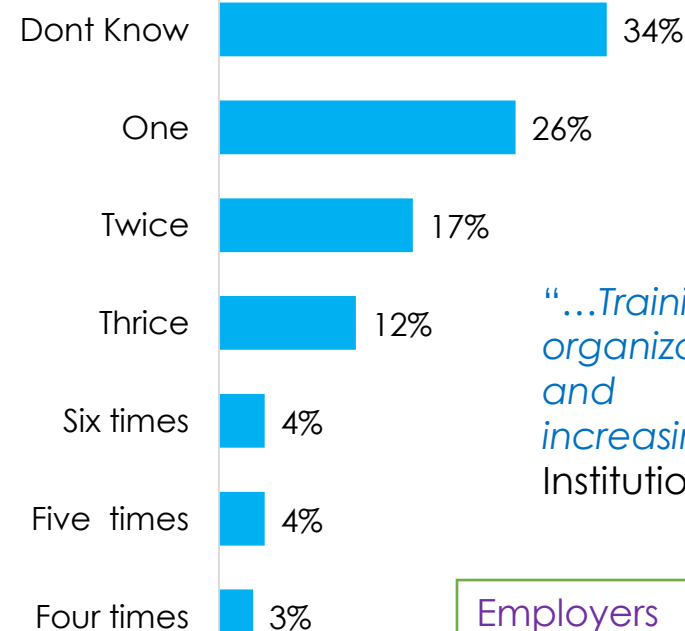
Q. Do you have re-trainings for the recruit?

Training Topics



Base = 144

Frequency of Training



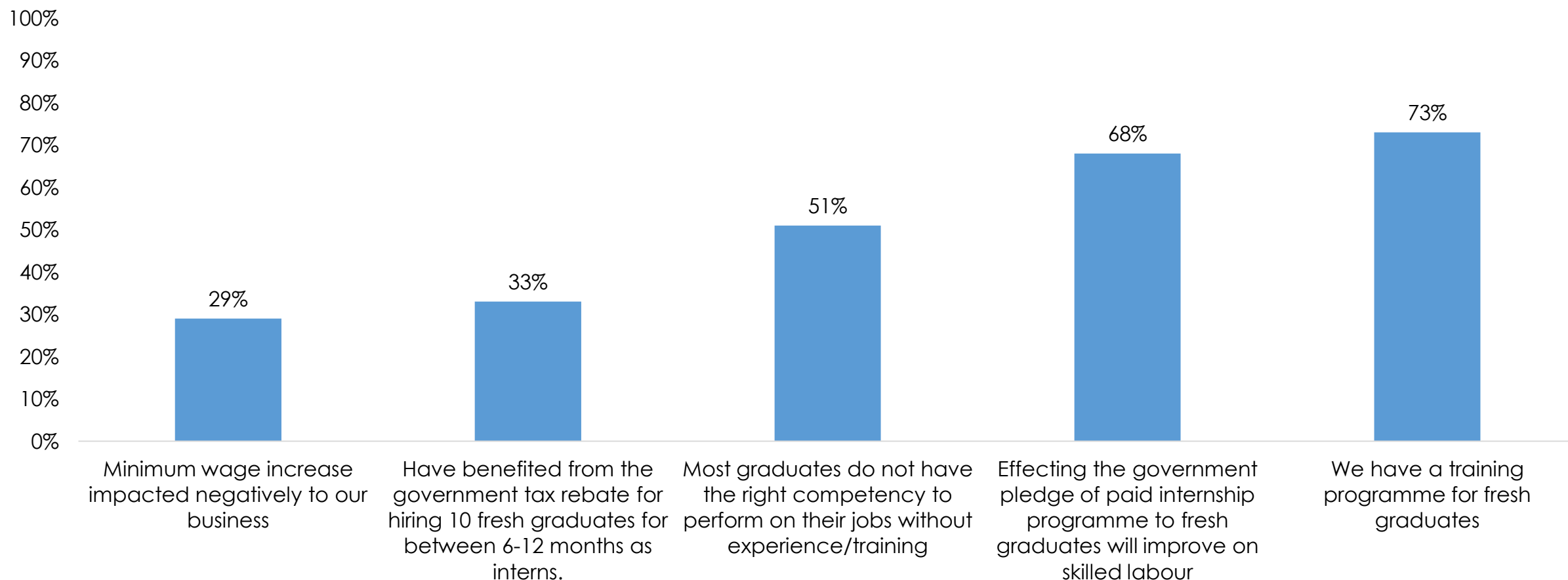
“...Training within the organization takes longer and the content is increasing...”
~KII Tertiary Institution

Employers spend between Ksh 20,000 – Ksh100,000 in retraining the fresh graduates.

Q. Which topics do you have for the training? Q. How often do you conduct trainings for each person to be able to effectively perform his/her job?

A greater proportion of employers incur a cost in retraining the fresh graduates. Work & occupation basics, Customer service and knowledge about the organization are among the key topics covered in training of fresh recruits. 55% of employers have the trainings session between one and three times.

Agreement with various attributes



Base =292

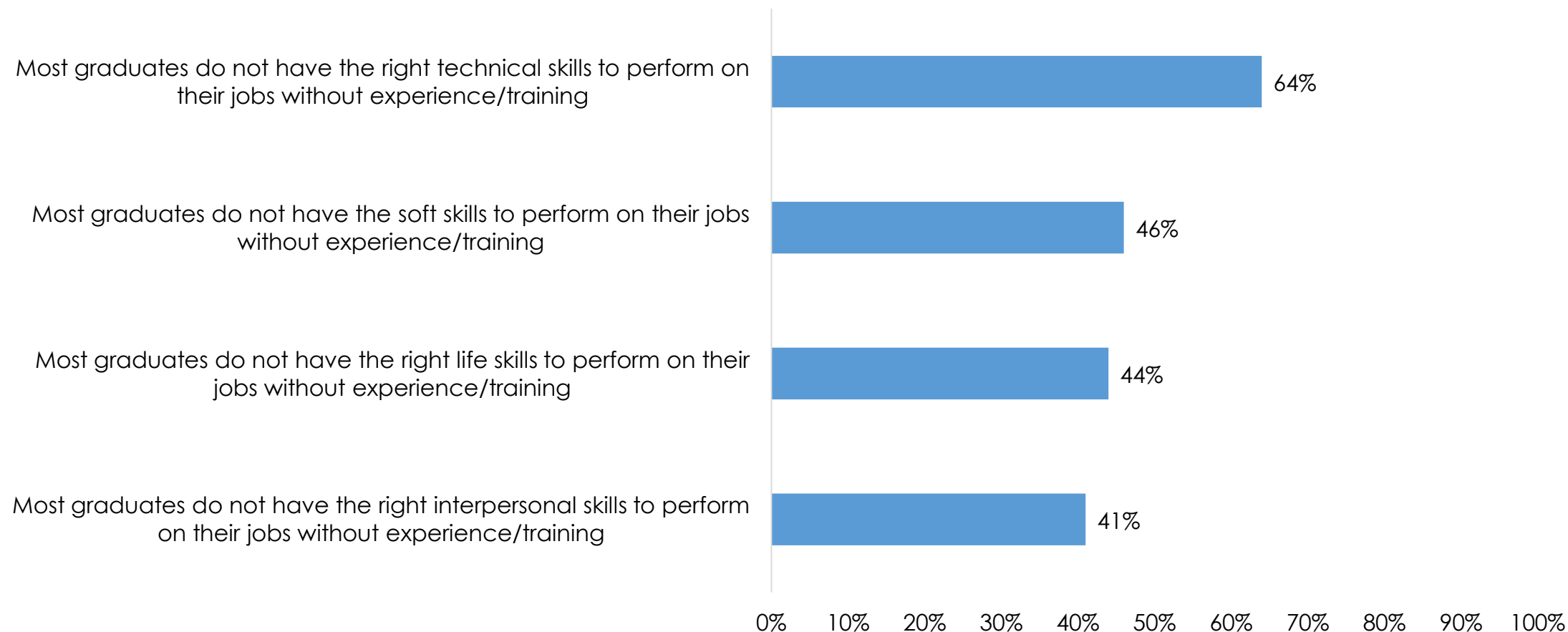
Employers have a training programme for fresh graduates and also feel that effecting the government pledge of paid internships would improve the skill labour

Skills Mismatch

Objective:

- *To determine the percentage of firms identifying an inadequately education workforce as major constraint*
- *To investigate skills mismatch between what employers demand and the supply from higher institute of learning.*

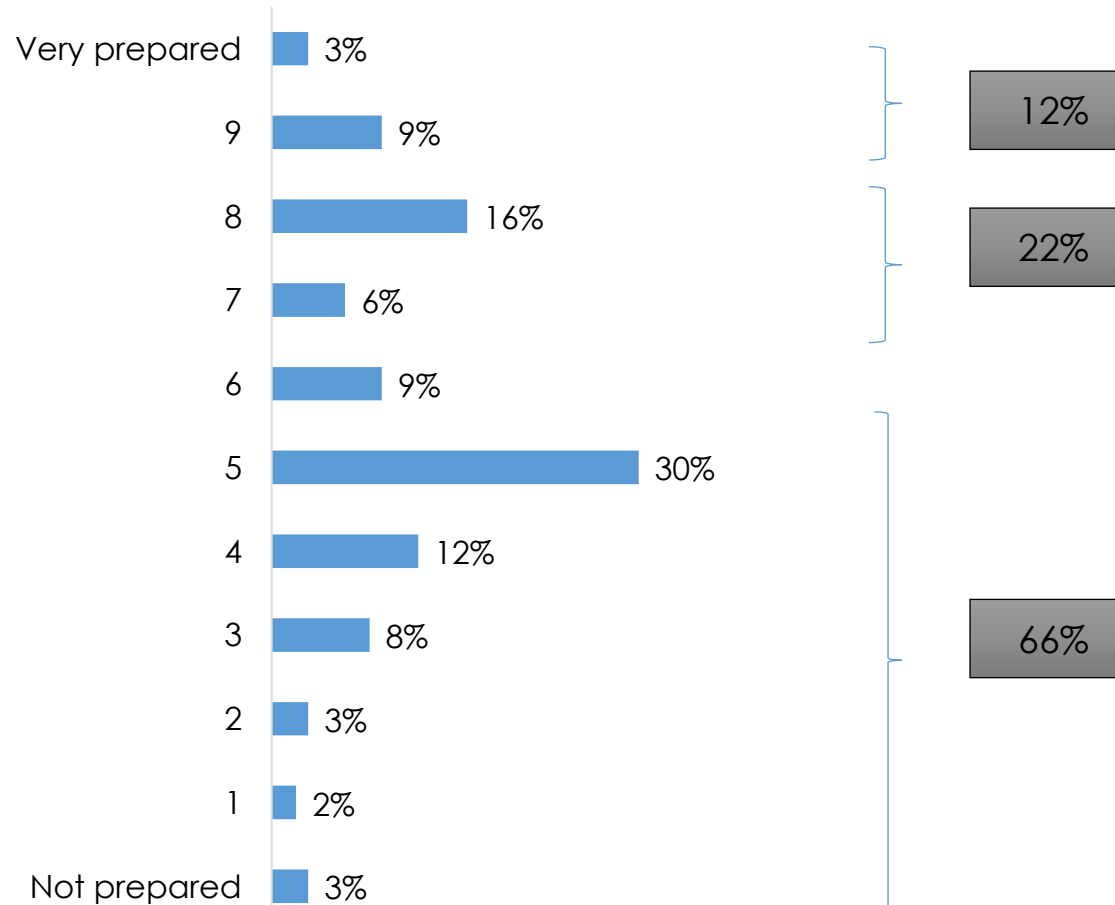
Agreement with various attributes



Base =292

Higher proportion of employers feel that graduates do not have the right technical skills to perform their jobs without training.

Graduate Preparedness - Entry level positions



Graduate preparedness score

-54

$$12 - 66 = -54$$

Base =292

Q. On a scale of 1-10, how do university graduates come prepared to take entry level positions in an organization?

A greater proportion of fresh graduates are unprepared to take entry level jobs.

Suggestions from employers

To academic institutions



Base =292

Emerging Skills & Competencies

Objective: To determine/identify the emerging skills and competences that will become increasingly key to succeed in the fast changing world of work.

Emerging Skills or competency

Technical (54%)

Computer literacy
IT skills
Tech Savvy
Analytics
Literacy
Accounting skills
Customer relations
Machine operation
Stock Control
Marketing skills
Public relations skills
Health and safety skills
Basic Management skills
Administration skills
Project Management
Proposal writing
Record management skills
Research Skills
Engineering skills
Event management

Soft (17%)

Interpersonal skills
Communication skills
Negotiation skills
Office etiquette
Time management
Hospitality skills

Attitude (19%)

Handle pressure
Fast learners
Innovativeness
God fearing
Hardwork
Couteous
Responsibility
Team work
Creativity
Hygiene
Multitasking
Problem solving
Productivity
Agressiveness at work
Exposure on current affairs

Other comments (10%)

Depends with job
Everything
Nothing or No idea



Improvement Suggestions

Suggestions for Tertiary Institutions



- Review curriculum to have courses relevant to the labour market
- Impart sufficient skills and competency to the students so that organizations doesn't have to spend much money on training on those competence
- Have a direct link between faculties and employers
- Offer more practical skills to graduates
- Have more attachment programmes for their students
- Have employer and Tertiary Institution forums

Suggestions for the Government



Need to review curriculum to meet labour needs-Putting more practical oriented units, ensuring all the students who graduate are exposed to more contact hours in terms of practical training



Ensure effective implementation of the curriculum by the tertiary institutions



Provide policy guidelines which will lead the sector in the right direction

Suggestions for Employers



Engage the training institution and share their labour requirements of graduates

Take attachment and internship programs as a corporate social responsibility for an organization

Offer opportunities for students during the attachment/internship period to learn more on the industry related work

Channel their voices through FKE in case of areas of skill mismatch in their industry

Suggestions for Learners



Retrain if you were trained and still unemployed



Do research and consult widely before taking course



Learn soft and interpersonal skills

Thank You!

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