Kenyan employers are warning of surging business costs arising from the hiring of new under-prepared university graduates even as the country grapples with an oversupply of university leavers.

The Federation of Kenya Employers (FKE) – a lobby group for all major corporate organisations – says in its latest survey that at least 70% of entry-level recruits require a refresher course in order to start to deliver in their new jobs. As a result, they take longer than expected to become productive, nearly doubling staff costs in a majority of organisations.

“We are facing a complex situation that is increasingly driving up the cost of doing business. The university training focuses more on academic qualifications as opposed to imparting specific skills and competencies,” said Jacqueline Mugo, the executive director at FKE.

The FKE survey shows that over 90% of job seekers have more education qualifications than are required for entry-level jobs, a situation that is being driven by an oversupply of university graduates.

“If an employer advertises for a clerical job, for instance, over 60% of applicants will be graduates. This is distorting the labour markets as we end up with people hired in positions they don’t have passion for, making them less productive,” Mugo told reporters in Nairobi last week.

Kenya is producing at least 10,000 graduates annually, government data shows. Educationists and employers say there is a glaring mismatch between the country’s developmental goals and university programmes and tough decisions are needed.

**Partnerships**

“The link between academia and industry is a blurred one. Consequently, we continue to witness a skills gap,” said Professor Egara Kabaji, the founding principal at Turkana
University College, a Kenyan higher education institution.

“Enduring partnerships between various agencies and universities should address this problem. We need to create synergy between universities and technical and vocational institutions,” he said.

“The nation has to deal decisively with challenges facing university education. We have to take tough and unpleasant decisions. We have to adopt proactive interventions and not knee-jerk reactions.”

Government data shows that youth unemployment hovers around 60% and remains one of the biggest obstacles to economic growth, with the potential risk of triggering social upheaval.

**Policy review**

Moving to address the problem, the government implemented a policy review earlier this year that will see the rationalisation of higher education institutions. Education Cabinet Secretary Amina Mohamed told the Commission for University Education, the regulator, to justify the existence of the country’s 74 universities. The cabinet secretary also wants all universities to defend their academic programmes and provide evidence of adequate staffing.

“The misadventures of Kenya’s education and training programmes are now coming to bear on the labour market. Years of unplanned education expansion, characterised by a push for numbers with academic qualifications devoid of practical skills and work ethos, have created a huge pool of unemployable graduates, which is disastrous to the economy,” the *Business Daily*, Kenya’s premium business newspaper, said in an editorial on the matter last week.

“The curriculum for basic education is rigidly academic and, worse, promotes memorisation and rote learning. At higher levels, it is outdated and at variance with industry dynamics.

“Employers are never involved in developing, implementing or assessing the curriculum. Some universities mount courses such as engineering and medicine without consulting the respective professional organisations to validate quality and relevance,” the editorial said.

**Technical and vocational education**

As a result of the skills gap, government is refocusing on technical and vocational education.

In his 2018-19 budget speech last week, Kenya’s National Treasury Cabinet Secretary Henry Rotich said provision of quality and relevant education and training was critical in equipping Kenyans with the skills necessary for industrialisation, adding that this would
be a key focus area in the next financial year.

“For this reason, the government will focus on improving and expanding technical and vocational education and training institutes in order to equip the youth with the relevant skills necessary for industrialisation,” he told Parliament.

For the next fiscal year which begins in July, Kenya has allocated US$160 million for technical institutions, recruitment of an additional 2,000 technical training instructors, capitation grants, 15 new technical training institutes, a curriculum development assessment and certification centre, and a technical and vocational training authority. Universities have been given US$910 million while the Higher Education Loans Board will get US$96 million, Rotich said.

But Kenya could be better off than its peers in the East African region as far as quality of skills goes. The Inter-University Council for East Africa, which regulates higher education in the East African Community’s five countries – Burundi, Kenya, Rwanda, Tanzania and Uganda – said in its latest survey that most graduates are not fully prepared for the job market across the nations.

The study shows that Uganda has the worst record, with at least 63% of graduates found to lack job market skills. It is followed closely by Tanzania, where 61% of graduates were ill prepared. In Burundi and Rwanda, 55% and 52% of graduates respectively were perceived to not be competent. In Kenya, 51% of graduates were believed to be unfit for jobs.