



**REMARKS BY THE CHAIRPERSON, SALARIES AND REMUNERATION COMMISSION, DURING THE RELEASE OF JOB EVALUATION RESULTS FOR PUBLIC SERVICE AT KENYA INTERNATIONAL CONVENTION CENTER - 11<sup>TH</sup> NOVEMBER, 2016**

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**Head of Public Service and Secretary to the Cabinet,**

**Cabinet Secretaries,**

**Your Excellences the Governors,**

**Principal Secretaries**

**Chairpersons, Constitutional Commissions & Independent Offices,**

**Chief Executive Officers of Public Institutions,**

**Chairpersons, County Public Service Boards & County Assembly Service Boards**

**Distinguished Ladies and Gentlemen:**

**Good morning,**

We are deeply honoured that you found time to be with us this morning despite your busy schedules.

It is exactly 17 months ago when his Excellency the President, launched the job evaluation exercise for public service. Today's event is historic in the sense that we are releasing the first ever

public sector job evaluation results. The journey has been both challenging and exciting. I remember the first instance when we engaged the consultants, the Commission was taken to court. The Commission never lost sight of the noble intentions of the exercise and was more than ever determined to complete the exercise for the sake and benefit of Wanjiku who has mandated the Commission to address the public wage management.

**Ladies and Gentlemen:**

Kenyans for a long time desired to have an independent body that will determine the salaries and remuneration to be paid out of public funds to employees within the public sector. Kenyans were saying that they wanted to see transparency and fairness in wage determination and by extension prudent management of public funds. It was, therefore, with great relief that Kenyans in their wisdom created the Salaries and Remuneration Commission (SRC) when in 2010 passed the Constitution.

The SRC in carrying out the job evaluation exercise, was driven by this wishes of Kenyans and also the desire to address the deep-rooted problems of wage inequities and disparities in the public service that had been in existence since independence and beyond. Such a state of affairs was, to put it simply, untenable. It was a source of low morale and disaffection amongst the public servants and a major contributor to poor service delivery and industrial unrest. The impact of such strikes is not only costly to the economy but a big letdown to the taxpayer who rightfully expect quality public services but is continuously left disappointed.

As a Commission, we have continued to rededicate ourselves to the aspirations and values Kenyans voted for in the new Constitution. The Commission was informed by the desire to have a salary grading structure that would ensure the principle of equal pay for work of equal value. This is important to stabilize public institutions and ensure that they play their role of service delivery

effectively and break the cycle of public servants moving from one government department to another due to pay.

What the Commission would like to see is a situation where industrial relations is driven by the desire to serve Kenyans in the best possible and will do everything possible to achieve this dream. It is in this context that I am happy that recently the country witnessed the successful conclusion of the CBA for the teaching service. This came as a breath of fresh air for everyone and a sigh of relief for our children who are going to the exams hall without apprehension and fears of impending teachers strike. This is as a result of the strategies and efforts made by the Commission to streamline wage determination in the public service.

The Commission is making every effort and playing its part in ensuring that we have a healthy industrial relations in the public sector where CBA Negotiations can be concluded to the best interest of the parties and the entire nation. We would like to see a situation where the job evaluation and other strategies that we have implemented translate the expectations of Kenyans into meaningful results by helping to bring public services like education, health, water, and infrastructure closer to the people.

### **Ladies and gentlemen:**

Today's event is about unveiling of the results of the job evaluation exercise in which we all participated. I want to emphasise that this process is a transformation in the way we manage human resource in public service institutions. It is indeed a paradigm shift from the system that has existed since independence and it requires open minds and a focus on the bigger picture.

### **So, what is it that we have achieved?**

The results that we are releasing today have a number of policy implications;

**First**, the job evaluation has enabled the commission to develop a harmonised grading structure across the public sector. This implies that each role has a grade that is transferrable within the public sector without distorting the structure and disadvantaging the individual.

**Second**, Job evaluation has considered all factors associated with the public sector jobs for purposes of compensation. These factors include job complexities, risks, decision making, physical and mental pressure, among others. These therefore renders the remunerative allowances that form part of the compensation pay redundant.

**Third**, the current public sector salary structure rewards employees every year without recognition of performance. The system in essence compensates for the number of years and not the value add to the job. That means, the longer the person has been working in the service, the higher the remuneration. This automatic annual increment is one of the causes of escalation of wage without corresponding productivity. While we recognize the need to compensate inflation and other factors that erode employees pay, the same review will be considered against the performance of the economy.

The new structure will focus more on productivity and performance. This calls for a robust performance management system to be put in place to support this new dispensation.

**Fourth**, the Commission has been receiving requests to address pay stagnation among some officers. This problem shall now be addressed by specific pay entry points that will be adjusted from time to time by the Commission. Before July of every year, the commission will work out a compensation benefit for officers based

on performance of the economy to take care of cost of living adjustments.

**Fifth**, the new grading structure addresses the problem of frequent staff movements which has been motivated by pay disparities and inequities hence creating stability in public service.

**Sixth**, through the JE exercise, all public institutions now have well-structured job description manuals. This enables the institutions to define roles and functions better leading to good performance and accountability.

**Seventh**, I know most of us are expecting to hear the salaries attached to these positions. Besides the job evaluation exercise, the Commission has conducted salary survey for public service. The salary will be anchored on the JE grading structure. As per article 230 (4) (b) and article 41 of the constitution of Kenya, we have developed scenarios that will be communicated to the public sector employing agencies. It is expected that these entities shall initiate negotiations with respective unions, where applicable, on salaries based on the Commission's advice and in consideration of the principle of affordability and sustainability.

**Eighth**, it is worth noting that the job evaluation enhanced the values of the lower level positions within the public sector structure while maintaining the values of the top positions. This not only improves the pay of the lowest paid employees but also reduce the compression ratio, which is the difference between the highest paid and lowest paid positions.

**Ninth**, the recommended grading structure and the new salary structure will be effective in the next financial year 2017/18

**Ladies and gentlemen:**

In conclusion, our vision really is a public service that is a centre of excellence in service delivery, motivated workforce, fairness and equity in wages and reduced compression ratio between the highest and the lowest paid public officers. The hallmark is creation of conducive environment for public and private sector to thrive. We have also taken time to examine the nomenclature of all the positions and harmonize them for ease of management and cross transfers in government.

I am encouraged by the high level of participation in this occasion and confident that we shall all lead the way in proper implementation of these new structures.

Finally, as a country, Kenya is faced with a sophisticated set of challenges that calls for transformative leadership to address them. As we aspire to join the League of Nations that have prospered and developed, and its people enjoy high quality life, the need of the hour is a leadership that is strong, visionary and agile.

Thank you and God bless you.

Mrs. Sarah Serem, EBS

**Chairperson, Salaries and Remuneration Commission**