



**KENYA INSTITUTE FOR  
PUBLIC POLICY RESEARCH  
AND ANALYSIS**

**STRATEGIC PLAN  
2003-2008**

**IMPROVING PUBLIC POLICY MAKING FOR  
ECONOMIC GROWTH AND POVERTY  
REDUCTION**

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## **Statement by the Chairman of the Board**

For the last four years, the Kenya Institute for Public Policy Research and Analysis has concentrated on putting in place programmes and activities consistent with the mandate for which it was established. The Institute has been able to recruit competent staff, acquire adequate infrastructure including offices, computer workstations, vehicles, and so on. During this period, the Institute has accomplished a great deal in terms of research outputs, implementation of capacity building programmes, seminars, conferences and workshops. In addition, the Institute has made significant progress in establishing a good working relationship with the Government of Kenya and other stakeholders. In short, the establishment phase of the Institute has been an outstanding success.

As would be expected, the activities of the Institute during its establishment phase have been primarily guided by Annual Work Programmes. After four years of operation, and now fully established, the Institute's activities should be guided by a well thought out plan of action so that it can better meet the mandate for which it was established. It is for this reason that this Strategic Plan for the period 2003-2008 has been prepared.

KIPPRA was established by the Government of Kenya and therefore remains a public institution whose primary client is the government. This being the case, the Board of KIPPRA has emphasized the need for the Institute's activities to remain focused on supporting the Government of Kenya in policy formulation. This strategic plan has therefore critically evaluated the Institute's working modalities with the government and proposed ways to improve its effectiveness in this area. I note with satisfaction that the Plan is the result of focused deliberations by the Institute's staff, the Board, and government officials.

The Institute can only be able to meet its mission if it is sustainable. Sustainability requires establishing modalities for generating resources, staff development and retention, and making sure that internal controls are in place so that accountability and integrity is maintained. The staff of KIPPRA, the Board and government officials have deliberated on these matters in depth and have formulated workable strategies to ensure that the Institute remains sustainable. As the Institute continues working with its current partners, there is need to broaden its resource base and undertake revenue-generating activities.

This Plan has been prepared with full participation of the staff of KIPPRA and other stakeholders, particularly the Government of Kenya. It reflects a common focus and understanding between the Institute and the government in as far as the role of the Institute is concerned. To this end, it is expected that as KIPPRA implements the Plan, its working relationship with the Government of Kenya will continue to strengthen.

Ultimately, the work of the Institute must translate into tangible results in terms of the quality of life of the majority of Kenyans. Given the current poor performance of the Kenyan economy and the high levels of poverty, it is hoped that the Institute's work will contribute positively to economic growth and poverty reduction. I am therefore pleased that this issue is at the core of the Plan as reflected in the Mission. The Board of KIPPRA will therefore work closely with the staff, Government of Kenya and other stakeholders to facilitate the implementation of this Strategic Plan.

*Professor Francis Gichaga  
Chairman of the Board, KIPPRA*

## ***Statement by the Permanent Secretary, Ministry of Planning and National Development***

The Kenya Institute for Public Policy Research and Analysis was established by the Government of Kenya with the primary objective and purpose of developing human and institutional capacities to contribute to the formulation of medium to long-term strategic perspective for economic and social development in Kenya. During the last three years of operation, the Institute has made significant progress through its various research and capacity building activities.

The preparation of this Strategic Plan, which has involved KIPPRA staff, the Board and also government officials from this Ministry and other ministries, is an important accomplishment in various respects. First, the Institute seeks to be more effective in supporting the government in policy formulation. The various proposed working modalities between the Institute and the government are the basis on which the objective of the Institute can be fulfilled. Secondly, the Institute has focused on capacity building for government officials. This is a critical role since a big challenge facing the government is maintaining high quality staff and upgrading the capacity for better policy analysis. Finally, the Plan focuses on sustainability strategies in terms of financial viability, infrastructure and staff retention. While the Government is committed to supporting the Institute through budget allocation, the Institute must diversify its funding sources, including generating its own funds.

For the last four years, the Institute has done a commendable job working with the Government of Kenya. The Institute has been working closely with the Ministries of Planning and National Development; Finance; Trade and Industry; Labour and Human Resource Development; and Agriculture and Rural Development. Implementation of this Plan should help the Institute expand its scope of operation to other government ministries and agencies.

The Ministry of Planning and National Development is optimistic that the Institute will meet the targets it has set for itself in this Plan. As the parent ministry, the Ministry will continue to provide necessary logistical support to the Institute so that it can successfully implement this Strategic Plan. The Ministry, therefore, expects the implementation of the Plan to enhance the quality of policies adopted by the government and will henceforth keenly follow the activities of the Institute.

*David S. O. Nalo*  
*Permanent Secretary*  
*Ministry of Planning and National Development*



## ***Statement by the Executive Director***

There is a saying that if you do not know where you are going, any road will take you there. The primary purpose for preparing a strategic plan for KIPPRA is to articulate the type of Institute we want to develop and how to achieve that. This required that we define a vision and mission for the Institute, outline core strategic objectives that would contribute to the achievement of the Vision and Mission, and outline specific strategies to achieve those objectives. The staff of KIPPRA, together with other stakeholders, have prepared this ambitious plan with the hope that the Institute will continue to play a pivotal role in the development of Kenya, the region, and Africa as a whole. There is no doubt that the Institute has already laid a strong foundation for it to become an international center of excellence.

This Plan is the outcome of the collective thinking of the KIPPRA staff, Board members, and stakeholders including private sector representatives and government officials. Galvanizing the collective thinking of all those involved was a result of the critical need to improve the quality of public policies, particularly policies to restart economic growth, wealth creation and poverty reduction. The Plan therefore proposes strategies that strengthen the Institute's capacity for research and analysis. In addition, it recognizes that capacity building for government is crucial to institutionalization of sound public policies. The Plan therefore proposes strategies for public sector capacity building.

A key challenge facing KIPPRA, and indeed all other such institutions, is sustainability. The Institute cannot hope to achieve the vision and mission it has set unless it establishes viable mechanisms for ensuring both operational and financial sustainability. This Plan therefore outlines various strategies that target long-term sustainability of the Institute. First, it is recognized that retention of high caliber research and support personnel is crucial to sustainability, and thus an important focus of the Plan is on staff welfare, remuneration, and capacity building. Second, the Plan outlines strategies for financial sustainability. Finally, the Plan proposes strategies for strengthening internal management for more efficient operations and delivery of services to the stakeholders. Ultimately, however, sustainability of the Institute largely depends on the quality of its products. The Plan therefore lays emphasis on quality in all its core activities.

Central to achieving the vision and mission is the Institute's relationship with the Government of Kenya. KIPPRA, enjoys a strategic and unique position in policy making in Kenya. While the Institute was established by the Government of Kenya to support policy formulation, it was well accepted that the Institute had to be autonomous for it to effectively conduct objective research and analysis. This operational autonomy, while at the same time working closely with the government, is what has made it possible for the Institute to make significant contributions to policy making in Kenya and to be recognized as a leading public policy think tank in Africa. Retention of such autonomy is crucial for the Institute to achieve the vision and mission outlined in this Strategic Plan. The Plan therefore proposes

strategies for improving the working relationship with the government and private sector without compromising objectivity.

A critical aspect of the direction that the Institute takes has to do with the quality of the Board. The current KIPPRA Board has demonstrated a high degree of professionalism in guiding the Institute. In particular, the Board has steered clear of political and other selfish interests. The Board has emphasized the need for transparency in the Institute's operations, particularly in the recruitment of the Director and all staff, and also in utilization of the Institute's resources. It is such type of a Board that will be required to support the Institute in implementing the Plan.

The preparation of this Strategic Plan has benefited from the input of many people and Institutions. KIPPRA staff took many hours and numerous discussions in conducting the SWOT analysis, which was an important input to the process. The Staff also participated in the planning workshop and various other meetings during which draft reports were discussed. The KIPPRA Board participated in the planning workshop and also commented on the draft Plan. Various government ministries were also involved in the preparation of the Strategic Plan. The draft report was presented to stakeholders, including government officials, private sector representatives, and development partners. KIPPRA wishes to thank all those who provided input and helped in the improvement of the Plan. In particular, we thank Prof. Francis Gichaga (Chairman of the Board), Moses Mwendwa, W.W. Deche, Joseline Ogai, Dr. Kang'ethe Gitu, Mary Wanyoike, Prof. Terry Ryan, A. Wauye, Raphael Owino, Dr. Catherine Masinde (DFID), Dr. Kiertisak Toh (USAID), Rhonda Njuguna (EU) and Dr. Apollinaire Ndorukwigira (ACBF).

The Staff of KIPPRA are determined to work towards the achievement of the stated vision and mission. Collectively, we have committed to implement this Plan. With strong work ethic, realization of the added value in collaborating and supporting each other, a strong sense of commitment to success, dedication to excellence in all of our operations, and motivated by the desire to contribute to the betterment of the livelihoods of Kenyans, making KIPPRA an international centre of excellence is but a foregone conclusion.

*Mwangi S. Kimenyi*  
*Executive Director*  
*July 2003*

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## **VISION**

**TO BE THE LEADING PUBLIC POLICY  
RESEARCH INSTITUTE IN AFRICA, AN  
INTERNATIONAL CENTRE OF EXCELLENCE**

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## **MISSION**

**TO PROVIDE QUALITY PUBLIC POLICY  
ADVICE TO THE GOVERNMENT OF KENYA  
BY CONDUCTING OBJECTIVE RESEARCH  
AND ANALYSIS AND THROUGH CAPACITY  
BUILDING IN ORDER TO CONTRIBUTE TO  
THE ACHIEVEMENT OF NATIONAL  
DEVELOPMENT GOALS**



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## INTRODUCTION

KIPPRA formally commenced operations in June 1999 when the first Executive Director joined the Institute. Since then, the Institute has focused on establishing various operational procedures and research programmes, designing and implementing capacity building programmes, and establishing working modalities with the government and the private sector. By end of three years in June 2002, the Institute had instituted various policies and operational procedures necessary for achievement of the objectives for which it was established. The Institute had attracted a good team of professional staff, acquired the necessary infrastructure, and had also started and completed various research projects in all the Divisions: Macroeconomics, Productive Sector, Social sector, Infrastructure and Economic Services, and Private Sector Development. Most important, the Institute has been able to establish a good working relationship with the Government of Kenya and the private sector. Within a short period of three years, KIPPRA has made significant contribution to the policy process in Kenya. In essence, the establishment of the Institute has been a success. While there are still areas of its operations that need to be tightened, by and large the Institute has fairly well-functioning procedures and policies. It is expected that by the end of the fourth year of operation (June 2003), the Institute will have met all the targets of the establishment phase.

After successful establishment, it is crucial that the Institute prepares a longer plan to guide its operations. To a large extent, the Institute's activities have been guided by annual work programmes prepared by staff. While such an approach has been effective, it has its limitations because of the short-term focus. Furthermore, such annual planning does not take into account long-term strategic issues that impact on the performance of the Institute. During the establishment phase, several issues have emerged that require specific strategies. KIPPRA, for example, started as a fairly small organisation. In fact, the size envisaged during establishment was relatively small compared to the current size. Therefore, the management structure that was put in place may be inadequate for effective performance of the expanded activities of the Institute. In addition, given that the objectives and vision of the Institute focused on establishing the Institute, it is necessary to review the objectives and vision that will guide the Institute's operations in the medium term.

KIPPRA has gained a high level of credibility and goodwill from the Government, the public, and development partners. There is therefore a large burden on the Institute to maintain its credibility, efficiency and transparency in its operations. It must also seek to continuously improve its image and particularly its working relationship with its main client—the Government of Kenya. Likewise, the high expectations that the Institute must meet demands that it positions itself strategically to meet various challenges such as financial sustainability, staff retention, and remaining relevant in the context of the policy environment in Kenya. It is in this context that the KIPPRA Strategic Plan for the period 2003-2008 has been prepared.

From the outset of the planning process, it was acknowledged that KIPPRA was established by the Government of Kenya to help in formulation and implementation of public policy. As such, the preparation of this Plan has been a joint effort between the staff of KIPPRA, the Board, and representatives of the Government. The process has therefore not only helped in identifying the various strategic issues but has also been pivotal in increasing understanding between the staff and the government.

The preparation of the Strategic Plan was approved by the Board of KIPPRA during the Institute's third year of operation (2001) and was expected to be completed by end of 2002 and to be implemented beginning July 2003. The process was expected to take into account the evaluation reports that were commissioned by development partners. To complement these reports, the Institute conducted a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis. The staff also evaluated and discussed in detail the core objectives of the Institute and also agreed on a new vision for the Institute. In addition, the professional staff of KIPPRA prepared various background papers on various issues that had emerged from the external evaluations and the Institute's own annual self evaluations. For objectivity, background papers on some of the issues concerning the Institute's operations were prepared by individuals outside KIPPRA. The final planning workshop was held from 6-10 October 2002 at the Naro Moru River Lodge and was attended by all professional staff of KIPPRA, key representatives of the Board, senior government officials and members of the private sector.

At the core of the Strategic Plan was identification of the various challenges that confronted the Institute in its goal of retaining its leading position not only in Kenya but also in Africa and also formulating appropriate strategies to deal with those challenges. From the deliberations, various core objectives emerged, including improving the working relationship with the government, sustainability, enhancing capacity building, expanding the Institute's networks, and improving working modalities with other stakeholders. The next step in preparing the Strategic Plan was to share the draft with various stakeholders such as development partners, a broader cross-section of government officials and representatives of the private sector. Therefore, the KIPPRA Strategic Plan 2003-2008 not only reflects the views of the Institute's staff but also those of the key stakeholders.

Chapter 1 provides a brief background on KIPPRA—history and profile. It highlights some milestones in the establishment of the Institute, the management and organizational structure, objectives, staffing and current activities. Chapter 2 outlines the key challenges facing the Institute based on the various evaluation reports and also on the SWOT analysis undertaken by the staff of KIPPRA. Chapter 3 outlines the Mission, the broad Objectives and Strategies that emerged from the deliberations. The strategies, specific objectives and activities are discussed in Chapter 4. Finally Chapter 5 contains the implementation matrix showing the issues, activities, outputs and indicators and also the timeframe. A breakdown of resource requirements for implementation of the Strategic Plan is also appended.

## KIPPRA HISTORY AND PROFILE

### 1.1 Overview

The Kenya Institute for Public Policy Research and Analysis (KIPPRA) was established as a public institute under the provisions of the State Corporations Act through Legal Notice No. 56 of the Kenya Gazette of 9<sup>th</sup> May 1997. The Institute was later exempted from the provisions of the Act through Legal Notice No. 114 published in the Kenya Gazette of 21<sup>st</sup> August 1998, therefore allowing it to operate as an autonomous organization. The non-official Board members were named in a Gazette Notice No. 582 of 13<sup>th</sup> February 1998 and the first Board meeting was held in March 1998.

The primary mandate of the Institute is to develop human and institutional capacity to assist in formulation of a long-term strategic perspective. To achieve this, the Institute is expected to develop adequate research programmes in human resource development, social welfare, environment and natural resources, agriculture and rural development, trade and industry, public finance, money and finance, and macroeconomic modeling. The Institute is also expected to develop capacity in public policy analysis in order to assist the Government of Kenya in policy formulation and implementation.

The Institute was established under the auspices of the then Ministry of Finance and National Development. Over time, the Institute has been able to establish mechanisms for close working relationships between the Institute and government institutions, as well as other agencies interested in utilising its policy outputs.

So far, the key activities of the Institute have focused on:

- ❑ Identifying programmes of public interest, including long-term macroeconomic goals and policy issues;
- ❑ Conducting objective research and analysis to provide information for use in policy formulation and implementation;

- ❑ Providing advisory and technical services on public policy issues to the government and other agencies of the government;
- ❑ Collecting and analysing data on public policy and disseminating findings to policy makers and the general public, and encouraging and facilitating exchange of views between the government, the private sector and other agencies;
- ❑ Developing and maintaining research resources and databases on public policy and related issues and making these available to the government, the private sector and academic institutions;
- ❑ Undertaking contracted public policy research and analysis for the Government of Kenya and for the private sector;
- ❑ Organizing symposia, conferences, workshops and other meetings of public interest; and
- ❑ Creating an electronic documentation and information centre for use by the Institute's researchers, the government, universities, and the general public.

## **1.2 The Board**

The Management of the Institute is vested in a Board consisting of government officials and representatives of the private sector, universities and research institutes. Government Board Members include:

- ❑ Permanent Secretary, Secretary to the Cabinet and Head of the Public Service;
- ❑ Permanent Secretary, Ministry of Finance and Planning;
- ❑ Permanent Secretary, Ministry of Trade and Industry;
- ❑ Permanent Secretary, Ministry of Labour and Human Resource Development; and
- ❑ Economic Secretary/Director of Planning, Ministry of Finance and Planning.

Non-official members of the Board are Prof. Francis Gichaga (Chairman), Prof. Justin Irina (Commission for Higher Education), Mr Kassim Owango (Private Sector), Mr Richard Evans (Private Sector), and Mr Moses Mwendwa (Private Sector).

The Board is responsible for, among others:

- Reviewing and approving the annual programme and annual reports of the activities of the Institute;
- Approving the annual budget of the Institute;
- Appointing a firm of auditors to audit the accounts of the Institute to ensure funds are properly expended and accounted for;
- Appointing an Executive Director of the Institute;
- Approving the recruitment of professional staff;
- Delegating to the Executive Director the appointment of staff and other employees, consultants, or agents necessary for proper and efficient discharge of the functions of the Institute;
- Deciding the composition of the panel for recruitment of professional staff, the Finance and Administration Manager, Librarian, and Editor with the advice of the Executive Director;
- Approving the salary structure, salary increments and bonuses of the Institute; and
- Reviewing and approving the terms and conditions of service for all employees of KIPPRA.

### **1.3 Staffing**

KIPPRA started as a small organization in 1999 with a lean staff structure. Among the first group of staff to be recruited were the Executive Director, Finance and Administration Manager, a Principal Analyst, a Senior Analyst, an Analyst, Librarian, Secretary, Receptionist, and an Office Assistant. The Institute has expanded substantially since then. The table below gives the staffing progression since inception.

	1999/2000	2000/2001	2001/2002	2002/2003	Total
<i>Professional staff</i>	4	6	3	-	13
<i>Support staff</i>	6	1	2	1	10
<i>Secondment</i>	-	1	1	2	4
<i>Total</i>	<b>10</b>	<b>8</b>	<b>6</b>	<b>3</b>	<b>27</b>

KIPPRA staff members are normally hired on a three-year renewable contract. Currently, 23 members of staff (13 professional staff and 10 support staff) are on such contracts. The professional staff comprise seven (7) PhD and six (6) MA holders. In addition to the staff on contract, the Institute has continued to rely on services of short-term consultants and interns. The Institute also receives staff seconded from government ministries and/or agencies.

#### **1.4 Physical Facilities**

The Institute started its planning and initial operational activities with three offices at the Treasury building in the Ministry of Finance and Planning. It was however felt that there was need for not only operational but also physical autonomy of the Institute. For this reason, the Institute rented offices at the second floor of Bishops Garden Towers. The rented office space accommodates the Executive Director's office, the library, the boardroom, eight research workstations and the finance and administration unit. The single office unit at the Treasury was retained primarily for use by the KIPPRA-Treasury modeling team.

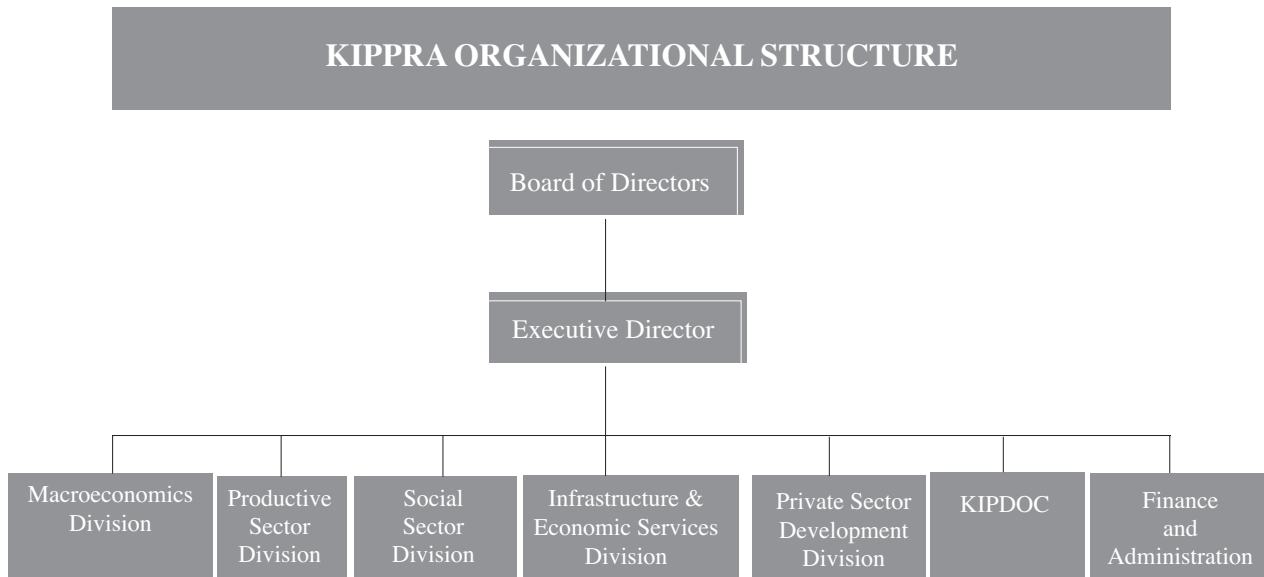
Due to continued expansion of the Institute, the need for additional space arose leading to renting of office space on the fifth floor western wing of Bishops Garden Towers. This additional office space accommodates ten research workstations, a conference hall, and a supplies store.

The three office premises are networked and linked with a 24-hour Internet service. Over 80 percent of the staff are well equipped with modern computer facilities in form of either desktops or laptops. The offices are also well equipped with necessary office equipment.

The Institute has five vehicles: three saloon cars, a Land Rover (project vehicle) and a van.

## 1.5 Organizational Structure

Below is the current organizational structure of the Institute.



### 1.5.1 Office of the Executive Director

The Board appoints the Executive Director through a competitive recruitment process. The Director is responsible for, among other things, directing the affairs and transactions of the Institute, preparing and submitting annual work programmes and annual reports of activities to the Board for approval, and generally guiding the research activities of the Institute. This is in addition to the day to day running of the Institute, including recruitment of staff and establishing of procedures for effective communication and coordination with Government agencies, the universities, other research bodies, donor agencies, and the general public.

### 1.5.2 Finance and Administration

The Finance and Administration Division is mainly involved in the day-to-day general management of the financial and administrative activities of

the Institute. This includes monitoring deployment of support staff and work allocation, reviewing and recommending alternative work allocation methods, ensuring that appropriate mix of staff is put together for each assignment, and conducting assignment appraisals. The Finance and Administrative Manager prepares financial accounting tools in consultation with the Executive Director.

### **1.5.3 Research Divisions**

The organizational structure of the Institute at present comprises five research divisions: Macroeconomics Division, Productive Sector Division, Social Sector Division, Infrastructure and Economic Services Division, and the Private Sector Development Division. A Head of Division, who reports to the Executive Director, heads each of the divisions. The Heads of Division assist the Executive Director in implementing activities related to the operations of their divisions. The responsibilities of the Heads of Division include:

- Deployment of staff in the respective divisions;
- Supervision and coordination of staff and activities in the division;
- Approval of all expenditures related to specific divisional programmes;
- Hiring temporary staff in consultation with the Finance and Administration Manager, and with approval of the Executive Director; and
- Recommending to the Executive Director payment of bonuses to staff with exceptional performance.

#### ***Macroeconomics Division***

The Division focuses on analysis of pertinent macroeconomic policy issues such as interest and exchange rate movements, optimal tax policy, and domestic and external debt. The Division also develops analytical tools, such as the KIPPRA-Treasury Macro Model, to help in planning, budgeting

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and policy making. Research in the Division seeks to support government formulation of pro-growth policies.

### ***Productive Sector Division***

Research in this Division focuses on the subsectors of agriculture, industry, trade, tourism and natural resources. The aim is to conduct policy research and analysis in order to identify factors that explain the performance and competitiveness of these sectors which form the backbone of economic development in Kenya.

### ***Social Sector Division***

The scope of the Division is to conduct research and training in areas of poverty, education, health, labour markets and social institutions. The Division aims to be a source of reliable information on social issues in Kenya. The Division also provides training in social policy analysis in government ministries, public universities, and to a smaller extent the non-governmental and commercial sectors. The Division also strives to participate in social policy discussions and practice in government ministries.

### ***Infrastructure and Economic Services Division***

The Division focuses on problems inhibiting the development and provision of infrastructure and economic services in the sub-sectors of energy, information and communications technology, petroleum transmission and distribution, solid waste management, transport, and water and sewerage.

### ***Private Sector Development Division***

The Division was established to undertake research and policy advice on issues that relate to policies and regulations affecting the business environment in Kenya. The aim is to improve the legal and regulatory environment for private sector business in general, and particularly in medium and small enterprises, and to create a business environment that is more conducive to the promotion of economic growth, employment opportunities and therefore the alleviation of poverty.

Below is a list of some of the programmes/projects being carried out in various divisions.

#### **Macroeconomics Division**

- KIPPRA-Treasury Macro Model (KTMM)
- Public Expenditure Review (PER)
- Taxation and Tax Reforms in Kenya
- Budget Negotiation Framework
- COMESA Regional Integration Study
- Leasing
- Monetary Policy and Economic Growth in Kenya
- Capital Markets and Financial Management

#### **Productive Sector Division**

- Agricultural Productivity
- Agricultural Productivity and Aggregate Production Response
- Land laws, Land use, and Agricultural Development
- Micro, Small and Medium Enterprises
- Structure and Performance of Manufacturing Industries
- Kenya's Competitiveness in Tourism
- Review of Policy Framework and Status of Natural Resources
- Kenya's Trade under WTO, EU, EAC and COMESA
- Developing a Revival Strategy for Kenyan Cotton-Textile Industry
- IFPRI 2020 Initiative Project

#### **Social Sector Division**

- Kenya Education Sector: Structure and Performance
- Poverty Analysis
- Urban Poverty and Infrastructure Delivery in Kenya
- Community-Based Organisations and Poverty Alleviation
- Coping with Poverty: Studies of Rural Peasant Households
- Non-farm Activities and Household Welfare in Kenya
- A Review of Kenya's Health Sector
- HIV/AIDS and the Kenyan Economy
- Economic Burden of Malaria in Kenya
- User Fees on Health Service Utilization
- Labour Markets
- Agricultural Module Data
- Econometric Analysis of Bank Portfolios and Earnings
- Micro-simulation of Labour Market Structures on Poverty
- Social Sector Data Project

#### **Infrastructure and Economic Services Division**

- Infrastructure Investment, Productivity, and Competitiveness
- Sustainable Infrastructure and Environmental Development
- Public Service Delivery Systems
- Water Resource Allocation Policy

#### **Private Sector Development Division**

- Simplifying the Regulatory Environment for Business (SREB)
- Private Sector Advocacy
- Capacity Building in Government Ministries

#### 1.5.4 KIPPRA Information and Documentation Centre

The role of the KIPPRA Information and Documentation Centre (KIPDOC) is to select, acquire and process information in order to support research and policy analysis at the Institute. KIPDOC caters for information needs of researchers by providing up-to-date research information in print and electronic formats. The main activities encompass library development and maintenance; editing, printing and distribution of KIPPRA publications; and maintaining the KIPPRA website. The Centre serves KIPPRA researchers and government departments, policy makers, visiting researchers, staff in collaborating institutions, scholars and students of local universities, and the private sector in general.

Below is a summary of KIPPRA publications as at June 2003.

<i>Publication Series</i>	<i>Number of Titles</i>
<i>Conference Proceedings</i>	2
<i>Discussion Papers</i>	27
<i>Occasional Papers</i>	4
<i>Policy Paper</i>	3
<i>Policy Briefs</i>	9
<i>Special Reports</i>	5
<i>Working Papers</i>	10

#### 1.6 Capacity Building

One of the core activities of the Institute is capacity building for public policy analysis and implementation. The Institute's capacity building efforts are targeted at officers in government and also at the Institute's staff. The Institute has used various strategies for implementing its capacity building activities. These include:

- ❑ Secondment of government officers to the Institute. This involves attachment of officers to the Institute for a period ranging from

three months to two years, during which officers undertake analysis of policy issues relevant to their line of work.

- ❑ Involvement of government officers in KIPPRA projects. This approach has proved to be an effective way of building capacity on specific areas.
- ❑ Providing formal training in areas where intense training for a specific period is necessary, and where effective training requires structured coursework. The Institute has previously offered some structured certificate courses on a regular basis in areas of macro modeling, policy implementation for small and medium enterprises, and tax policy analysis.
- ❑ Seeking to continuously upgrade the analytical skills of the Institute's staff in order to ensure that the Institute retains its competitive edge as an international centre of excellence. This is accomplished through linkages with various prominent universities and institutes where KIPPRA staff participate in training. In addition, the Institute has held regular internal workshops and seminars.
- ❑ Involvement of KIPPRA staff in government activities and organized structures such as the Macro Working Group, Tax Policy Unit, and the MTEF Secretariat.

The table on the next page is a summary of capacity building workshops and seminars held and the number of people trained.

## **1.7 Financial Resources**

The Institute started operations in mid 1998 with financial support from the European Union (US\$ 1.9 million to December 2001), the African Capacity Building Foundation (US\$ 1.6 million to August 2002), and the Government of Kenya (Ksh 40 million over 4-year period), for the establishment and initial operational phase.

In January 2001, the European Union established the KIPPRA Endowment Fund with a sum of 4.5 million Euros to be utilized over a period of 10

Year	Title of workshop/seminar/Training	No. of people trained
1999	□ Macro modeling	20
2000	□ Operationalization of the domestic debt sustainability analysis model	35 from 10 countries
	□ Macro model workshop (pilot version)	20
2001	□ Micro and small enterprise sector development in Kenya	28
	□ Training on policy analysis and planning for micro and small enterprises development	28
	□ KIPPRA-Treasury Macro Model training	20
2002	□ Tax policy analysis and revenue forecasting	19
	□ Tax analysis and revenue forecasting (computer applications)training	14 from Ministry of Finance and Planning, KRA and CBS
	□ Macro Econometric Modeling	20
	□ MEFMI Training Workshop on capacity building	
	□ Training on macroeconomic modeling using Kenya's macro modeling as an example	KIPPRA and MEFMI staff
	□ MEFMI training workshop on domestic debt sustainability	
	□ Proposal writing training workshop for IFRI 2020 Vision Network	30
2003	□ Macro model training using the KTMM	25
	□ Training on the Systems of National Accounts (SNA)	25 in collaboration with the central Bureau of Statistics (Kenya)

years to the year 2011. The ACBF has also extended the expiry period of the current grant agreement to March 2003.

Other partners supporting specific activities include the United States Agency for International Development (USAID) to support the Small and Micro Enterprises programme, and the Department for International Development (DfID) to support the programme on Strengthening the Business Environment in Kenya.

The Institute also conducts paid research projects for sustainability reasons. Notable among other sources of funding include the Global Development

Network (GDN), the COMESA, IDRC value chain study, and the ILO Child Labour Project, among others.

Below is summary of KIPPRA financing for the period 1999/2000-2002/2003 (in Kenya Shillings).

	<b>1999/2000</b>	<b>2000/2001</b>	<b>2001/2002</b>	<b>2002/2003</b>	<b>TOTAL</b>
	<b>Ksh 000</b>	<b>Ksh 000</b>	<b>Ksh 000</b>	<b>Ksh 000</b>	<b>Ksh 000</b>
<i>African Capacity Building Foundation (ACBF)</i>	19,112	31,637	54,686	19,195	124,630
<i>European Development Fund</i>	26,720	20,087	28,740	32,522	108,069
<i>Dept. for International Development (DfID)</i>	-	10,061	16,175	55,920	82,156
<i>United States Agency for International Development (USAID)</i>	3,555	3,750	-	-	7,305
<i>Government of Kenya</i>	-	7,604	1,000	52,100	60,704
<i>KIPPRA Projects</i>	6,095	14,931	19,179	22,170	62,375
<b>TOTAL FUNDING</b>	<b>55,482</b>	<b>88,070</b>	<b>119,780</b>	<b>181,907</b>	<b>445,239</b>

## 1.8 Networking

To achieve its mission, KIPPRA works and collaborates with various institutions, government agencies and development partners. The Institute has established links with local and international research organizations and has established and maintained a resourceful network of researchers. These networks have been very useful in facilitating joint projects, as sources of data and information, and in providing capacity building opportunities for KIPPRA researchers. The Institute has worked closely with Ministries of Finance and Planning; Trade and Industry; Agriculture; Tourism and Information; Education; Health; Transport and Communication; Roads and Public Works; and Labour and Human Resource Development.

KIPPRA has also worked closely with the private sector in providing analytical support in areas and issues that impact on the performance of the economy.

The Institute, for instance, has worked with the Private Sector Forum and other private sector associations including the Kenya National Farmers' Union, National Federation of Jua Kali Associations, the Federation of Kenya Employers, Kenya Association of Manufacturers, Kenya Business Council, and the Private Sector Foundation. In addition, the Institute collaborates with local public and private institutions in areas of policy formulation, implementation and evaluation. Some of these institutions include the Institute of Policy Analysis and Research (IPAR); Institute of Economic Affairs (IEA); University of Nairobi; and Tegemeo Institute of Agricultural Policy (Egerton University). Other collaborators include the Central Bank of Kenya; the Kenya Revenue Authority (KRA); Retirement Benefits Authority (RBA); the Communications Commission of Kenya (CCK); the Kenya Tourism Board (KTB); local universities; the Nairobi City Council (NCC); and various local authorities.

KIPPRA has established a wide range of regional and international collaborating partners. These include the African Economic Research Consortium (AERC); International Development Research Centre (IDRC); Economic and Social Research Foundation (ESRF) – Tanzania; Economic and Policy Research Centre (EPRC) – Uganda; the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI); African Centre for Economic Growth (ACEG); COMESA Secretariat; EAC Secretariat; the Eastern and Central Africa Programme for Agricultural Policy Analysis (ECAPAPA); the Association of Strengthening Agricultural Research in East and Central Africa (ASARECA); Secretariat for Institutional Support for Economic Research in Africa (SISERA); the Global Development Network (GDN); Institute of Social Studies (ISS) in The Hague, Netherlands; International Tax and Investment Centre (UK); World Bank; International Labour Organization (ILO); International Centre for Research in Agroforestry (ICRAF); International Food Policy Research Institute (IFPRI); International Monetary Fund (IMF); and the Overseas Development Institute (ODI) of UK. Others include the Birmingham Business School (University of

Birmingham); Institute for Reform (University of Netherlands); Risoe National Laboratory (Denmark); Harvard University; Hamburg Institute of International Economics (HWWA) - Germany; Princeton University; Yale University; Weber State University; Purdue University; University of Maryland; and Gotenborg University (Sweden).

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## KEY ISSUES AND CHALLENGES: SWOT ANALYSIS

### 2.1 Overview of SWOT Analysis

KIPPRA started as a small institute with only a few members of staff. Within just four, the Institute has expanded significantly with the total number of staff increasing to over twenty-five currently. During these years, KIPPRA was able to implement a number of programmes and activities that have raised the profile of the Institute. The expansion of the Institute's activities and its achievements have, however, been accompanied by various internal and external challenges that need careful examination while charting out the Institute's path in the next five years.

In order to achieve its vision and mission, the Institute undertook a self-evaluation of its internal and external operating environment. A SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis was undertaken to highlight KIPPRA's internal strengths and weaknesses in relation to external opportunities and threats. This also involved performing a gap analysis, and identification of key actions to leverage strengths and opportunities and eliminate or cope with weaknesses or threats. SWOT analysis is basically a four-part approach to analyzing a company's overall strategy or the strategy of its business units. All the four aspects were considered in order for KIPPRA to implement a long-term plan of action.

In analysing internal factors (strengths and weaknesses), the analysis took account of the elements 'inside' KIPPRA that would determine the success of its programmes/projects, corporate future, and so on. Typically, these elements comprise the corporate structure of the Institute; its culture and resources; stakeholders; customers; and competitors. In broad terms, the analysis touched on the perceived image of KIPPRA; the support base; the impact of the Institute's products; and promotion of the Institute and its products and services. Other issues considered include financial sustainability; services offered; and physical resources. With respect to external factors (opportunities and threats), the analysis considered factors

'outside' KIPPRA (for example politics, technology, society and economics) that would determine the success of the Institute. Some of the issues examined include: the political and legal environment; economic developments; societal developments; technological developments; policy analysis demands, and competition.

### **2.1.1 Strengths**

Based on the SWOT analysis and external management reviews, various strengths were identified. A key strength of the Institute is that it has an efficient and effective management. In addition, the analysis showed that the Institute has high standards of corporate governance in terms of transparency and accountability. The other strengths of KIPPRA are its proven experience in objective policy research and analysis; adequate infrastructure; growing demand for policy research due to recent socio-economic trends; wide networks; and a high concentration of researchers with Master of Arts and Doctor of Philosophy degrees, particularly in economics. Other strengths are proven ability to meet government needs for policy advice and capacity building, and positive results of external reviews commissioned by development partners such as ACBF, European Union and DfID. Results show that the Institute is doing well in meeting its mandate.

### **2.1.2 Weaknesses**

Some Divisions are under-staffed due to low recruitment of staff. There is heavy reliance on short-term staff in some Divisions, lack of a capacity building policy, and limited recruitment of international (non-Kenya) staff. Other weaknesses are limited library resources; lack of own office premises; lack of social facilities/opportunities for staff interaction; limited participation in debates on topical issues; and absence of a public relations strategy. There are also concerns that there is lack of a clear sequence for disseminating research finding on sensitive issues to Government and other stakeholders, and this tends to affect working relationships. Other weak areas of the Institute touch on the organization structure; financial and operational sustainability; working relationship with other stakeholders; and approaches

and modalities for networking. Another major weakness is lack of representation in KIPPRA Board of some key economic sectors such as the Ministry of Agriculture and Rural Development. Agriculture is the mainstay of Kenya's economy and the Institute is already undertaking a substantial amount of work for this Ministry.

### **2.1.3 Opportunities**

KIPPRA could achieve more success through strategic local, regional and international networks. Activities could be internationalized by for example carrying out joint projects, organizing international seminars; recruitment of international staff; expanding its activities into consultancy and contract research; and expanding activities to other government ministries and agencies.

### **2.1.4 Threats**

Conflict of interest when dealing with government and clients; long-term sustainability; incomplete registration of the Institute; changing demands; proliferation of alternative providers of policy research and analysis; and exodus of experienced staff are identified as some of the threats facing the Institute.

Based on SWOT analysis, the following emerged as key issues of potential concern for KIPPRA:

- Low recruitment and retention levels of staff due to unattractive terms and conditions of employment.
- Lack of a public relations strategy leading to weak public perception and absence from debates on issues of national importance.
- Heavy dependence on short-term staff in some KIPPRA Divisions.
- Absence of a systematic approach to quality assurance, therefore constraining the development of management and administrative structures in regard to capacity building.
- Inadequate library facilities therefore limiting research development.

- ❑ Lack of social facilities/opportunities for KIPPRA staff and visitors leading to inadequate provision for an all round interaction and development of staff personality.

## **2.2 Vision and Mission of KIPPRA**

### **2.2.1 Vision**

The Government of Kenya established the Institute with the vision of an autonomous public institute that would support policy formulation in the country. Three years since its establishment, the Institute has been able to attract a strong team of highly-trained and experienced policy researchers to enable it undertake policy research and analysis to advise the Government of Kenya across various sectors of the economy. The Institute has also been able to put up a fairly good infrastructure to support the research work of its researchers. In addition, KIPPRA has been able to link with many similar research institutions in the region, in Africa and in the world as a whole.

The staff of KIPPRA are confident that the Institute can be a leader in Africa. The vision of the Institute, therefore, is:

**To be the leading public policy research institute in Africa, an international center of excellence**

### **2.2.2 Mission**

KIPPRA was established with a clear mandate of advising the Government of Kenya on various aspects and sectors of public policy. Underlying this mandate was the recognition that public policy research and analysis is a prerequisite to objective public policy advice to the Government. Capacity building, both in government and at KIPPRA is also important in this regard. Ultimately, it is expected that the Institute would be able to contribute to national development objectives. The mission (revised) of KIPPRA is therefore:

**To provide quality public policy advice to the Government of Kenya by conducting objective research and analysis and through capacity building in order to contribute to the achievement of national development goals**

### **2.3 Working Modalities with the Government**

KIPPRA enjoys a significant amount of autonomy from the government. However, there is still need to improve KIPPRA-Government working modalities in order to make the Institute's work regarding policy advice more informative, relevant and useful. The current nature and level of interaction between the Institute and the government needs to be understood because the success of the institute will ultimately be measured by how well policy advice is utilized by the Government of Kenya. In this case, the working modalities, relationship with government officials, and participation in joint work with government is necessary. The Institute has been very effective, for example in the Microeconomic Working Group and the Tax Policy Unit, where working modalities and procedures were clear and mutually agreed.

The existing working modalities between KIPPRA and the government have at times led to KIPPRA doing mainstream work for ministries and being ambushed on issues. This is a key challenge facing the Institute and it calls for clear working modalities between the Institute and the Kenya government. Also, there is no clear policy for sequencing the dissemination of KIPPRA findings. There is potential for conflict between KIPPRA and the Government on how and when certain information that the government considers sensitive should be released to the private sector.

Apart from the Government of Kenya, the Institute also works with other clients including the private sector, universities and other research institutions, and the civil society. There is need for a mechanism through which KIPPRA relates with these clients, for instance on how to handle outputs produced

with confidential government information, given the unique relationship between the Institute and the Government of Kenya. The Institute needs to develop mechanisms and strategies for working on key cross-cutting and sectoral issues of concern to the private sector, and on how to handle sensitive issues such as taxation, legislation and government administrative procedures. Also, the Institute needs to lay down mechanisms for working with donors.

#### **2.4 Organizational Structure, Procedures and Policies**

KIPPRA was established with a fairly modest organizational structure. With time, it is necessary to review this structure to ensure that it responds to the changes occasioned by the expansion of the Institute's research programme, and the increased demand for its products and services. The organizational structure also needs to be reviewed to ensure that adequate checks and balances are in place for integrity and transparency in the running of the activities of the Institute.

The work of the Institute was initially split into core sectoral topics that necessitated the establishment of four main technical divisions: Macroeconomics, Productive Sector, Social Sector and Infrastructure and Economic Services, in addition to two support units: Information and Documentation Centre, and Finance and Administration. More recently, the Private Sector Development Division was established in recognition of the important role of private sector in economic development. Although there is still flexibility of creating divisions to deal with new emerging research issues, there is need to be careful to avoid a bloated structure. In addition, KIPPRA needs to review its research activities *vis a vis* the number of staff in order to establish optimal numbers of staff in the various divisions.

Functionally, the Board is responsible for the management of the Institute. The Executive Director is appointed by the Board and reports to the Board. The duties of the Executive Director are comprehensively defined and appropriate. However, it seems that this office is overloaded with research and administrative responsibilities. Currently, division heads deal directly with the Executive Director. The Director coordinates all research activities.

This is likely to be unsustainable given the size and growth of the Institute. The office of the Executive Director also deals with various technical (research) responsibilities that were otherwise meant to be taken up by a Finance and Administrative Manager. However, a Finance and Administrative Manager, by virtue of training and background might not be suited to coordinating of research activities across the various divisions of the Institute. It might therefore be necessary to review the existing structure, probably to create an office of a projects coordinator, so that the Executive Director has more time to manage the Institute and to especially address the issues of sourcing of resources for the Institute, initiating contacts for networks, and dealing with government officials. A project coordinator would provide a much-needed link across divisions, and with the office of the Executive Director.

The Finance and Administration Division needs to have a clear delineation of functions. There is for example no clear separation of finance and administration sections; both report directly to the Director. Similarly, information and documentation needs to be properly integrated as part of the information management system of the Institute. Ideally, the KIPPRA Information and Documentation Centre should be adequately established for it to be able to support research divisions. Its functions need to be clearly defined in terms of library support, publications, information management support systems, etc.

The Institute needs to develop an institutional framework that promotes corporate governance at all levels of the organization. Establishment of management support systems has been highlighted as a way of ensuring efficient running of the Institute's operations. Such systems include formalization of programme management committees to ensure quality control of products. KIPPRA has been able to achieve much success because of strict discipline in management of the Institute's resources. To guard against any possible misuse of KIPPRA resources, it is important to promote integrity and credibility.

## **2.5 Capacity Building**

### **2.5.1 Capacity Building in Government**

KIPPRA was established with the broad objective of building human and institutional capacity in economic policy analysis and research as a means of supporting the policy process in Kenya. The Institute's specific objectives include creation of sustainable capacity for conducting and coordinating public policy analysis and research, and development of the human and institutional capacity of line ministries in the government to utilize the Institute's research and policy analysis products.

KIPPRA is mandated to build capacity not only in government but also for other economic agencies, including the private sector. KIPPRA has undertaken substantial capacity building, both internally and externally, since its establishment. The activities through which the Institute discharges this mandate include training workshops and secondment of staff to KIPPRA. The objective is to strengthen the ability of these institutions to analyse important policy issues and utilize the products of research and policy analysis to formulate, implement, or lobby policy.

Despite this mandate, KIPPRA does not seem to have a clear strategy for dealing with the various stakeholders in its capacity building efforts. There is need for a strategy to identify capacity building needs, especially in Government, and methods of prioritizing these needs. A mechanism is needed to facilitate capacity building in all line ministries in an organized manner to avoid the perception that only a few ministries are involved. A criteria for selecting government staff for secondment and for expanding capacity building in government and private sector needs to be put in place. Also, there is need for a strategy for creating awareness, among government staff and other economic agencies, of training opportunities targeted at them.

### **2.5.2 Capacity Building within KIPPRA**

The Institute has a wide research programme but limited human and financial resources. Initially, it was envisaged that staff recruitment at the Institute would only aim to attract those with PhDs. The lowest research position

envisaged was that of an Analyst and the lowest academic requirement for the position was a PhD. This was not sustainable and the Institute found it imperative to engage researchers with lower qualifications than a doctorate. Although KIPPRA is not specifically mandated to provide academic training, there is need to explore ways of facilitating doctorate studies, especially for the majority of staff with Masters degrees. Also, the Institute could explore possibilities of short attachments of its staff to reputable research and policy analysis institutes in the region or overseas in order to expose them to the wider policy research world.

In order to address the various capacity building issues that face the Institute, there is need to develop a comprehensive capacity building policy. There are various reasons for this. First, the Institute would be able to focus on building its capacity to maximize its impact. Second, although KIPPRA has done well so far with respect to capacity building within the Institute and in government ministries, more could have been achieved (and revealed) if there had been a clear capacity building policy. The impact of capacity building efforts so far would probably have been higher if proper planning, prioritization and needs assessment had been done. Although the Institute has therefore achieved substantial success in capacity building, it is difficult to measure (and/or reveal) that performance partly because there are no deliberate, concrete plans for capacity building. Third, development of a policy facilitates a broader understanding and conceptualization of capacity building. There is a tendency among organizations to view capacity building as simply development of human resources and infrastructure when, in fact, the concept is much broader.

## **2.6 Sustainability**

### **2.6.1 Financial and Operational Sustainability**

KIPPRA's time is currently torn between fulfilling its mandate with the government, fulfilling its obligations with donors, and providing job satisfaction to its researchers in different categories while at the same time focusing on long term sustainability of the Institute. A research institution

like KIPPRA cannot wholly depend on the government for long-term sustainability. At the same time, KIPPRA cannot expect to perpetually be financed by donors. There is need to explore mechanisms for financial sustainability in the long-term.

So far, KIPPRA has been able to generate its own project funds to supplement funds from the Kenya government and its development partners. The bulk of KIPPRA funds come from donors with the government providing a small fraction of overall financial needs of the Institute. To be financially sustainable in the long-term, the Institute must strategize on how to expand its funding and support base that is quite limited currently. The Institute must also strategize on how to ensure Government counterpart funds are not only increased but also released on a regular and certain basis.

Legally, KIPPRA was registered under the provisions of the State Corporations Act, Laws of Kenya. However, the legislation that would give the Institute a legal status (a KIPPRA Act) is still pending. This is an issue of concern that needs to be followed up with the relevant authorities.

### **2.6.2 Staff retention**

Given that at the core of any organization is its staff compliment, KIPPRA would like to have its staff sufficiently motivated and its compensation and welfare remain attractive. KIPPRA recognises that competitive compensation does not only mean the wage paid for services but includes both pecuniary and non-pecuniary elements. Other important elements of a job that may make it more attractive include the work environment, facilities, opportunities for advancement and room to design own research projects. KIPPRA will only be able to retain its staff and attract others if its compensation package is competitive. Compensation mechanisms must not only be fair but must be seen to be fair and at least 'equitable' at various levels of qualification and experience.

### **2.6.3 Competition**

Within three years of its existence, KIPPRA has proved to be a leader in policy research and analysis. There are, however, concerns that the continued

proliferation of other providers of policy research and analysis may imply stiff competition for funding. More competitors will definitely imply more competition for vital resources, especially competition for policy researchers. KIPPRA must strategize on how to handle these threats and how to maintain a competitive edge over other emerging competitors.

#### **2.6.4 Relevance and Quality of Research**

Two major factors that have been identified as key to KIPPRA's survival are the relevance of KIPPRA's work and the quality of research. KIPPRA research must balance between being supply driven versus demand driven. The Institute should identify ways in which it can research on emerging issues, for example NEPAD, AGOA, trade–poverty nexus, and globalisation. Similarly, the Institute must design modalities to ensure its products are of high quality.

The level of demand for KIPPRA products/services would be an indicator of the quality and relevance of KIPPRA's research work. KIPPRA should examine whether it is operating in a new market, a growing market, a mature market or a declining market. This requires an examination of whether there is demand for KIPPRA products, the stability of demand and how the Institute's products/services can be competitively priced.

#### **2.7 Networking**

The objectives of KIPPRA cannot be effectively and successfully achieved without developing appropriate networks with institutions that have similar programmes and activities. Some of the stated objectives of KIPPRA directly touch on the issue of networking with other local and international institutions, agencies and organizations for it to effectively and successfully realize its mandate. Networking is generally seen as the process of creating communication between individuals from different institutions/organizations resulting in formal linkages between these institutions and organizations. It involves building and maintaining relationships with a wide range of individuals, groups, or institutions that share common interests, goals or expertise.

There are a number of reasons for networking. Networking establishes personal and institutional relationships needed to ensure that programmes are designed and implemented in ways that are consistent and useful to stakeholders. Networking can benefit research and capacity building activities by ensuring relevance, permission to get and share useful information; promoting credibility; and expanding research opportunities.

Despite these benefits, networking involves human interaction and therefore involves all the difficulties of building and maintaining relationships. Not all the contacts initiated turn out to be useful. Sometimes the networked individuals or institutions might be on opposing sides of a critical issue, while some contacts may have a political agenda in the outcomes of research activities.

As noted earlier, KIPPRA already works and collaborates with various institutions, government agencies and development partners. KIPPRA networks are not only local but also include a wide range of regional and international collaborating partners. KIPPRA networks have been very useful in facilitating joint projects, as sources of data and information, and in providing capacity building opportunities for KIPPRA researchers. The Institute has been able to attain quality assurance through established link arrangements with foreign research institutions leading to international recognition.

Though networks are very useful to KIPPRA, there are several issues that require strategic planning in the next few years. First, there is need for the Institute to evaluate the existing networks and explore ways of strengthening and sustaining them. There is also need to develop procedures for institutional networking and formalize existing networks, especially with local universities and with government agencies.

## MISSION, OBJECTIVES AND STRATEGIES

For nearly 40 years since independence, most Kenyans still live in poverty. This state of affairs is largely the result of the country's dismal economic performance during most of the post-independence period. Poor economic performance and the associated high levels of poverty are of concern to KIPPRA. Specifically, the Institute aspires to contribute to economic growth and poverty reduction in Kenya through research and capacity building activities.

### 3.1 Mission Statement

As a guiding principle to the activities of the Institute, the staff of KIPPRA, the Board, major stakeholders (primarily the Government of Kenya and the private sector) have adopted the following mission statement:

***TO PROVIDE QUALITY PUBLIC POLICY ADVICE TO THE GOVERNMENT OF KENYA BY CONDUCTING OBJECTIVE RESEARCH AND ANALYSIS AND THROUGH CAPACITY BUILDING IN ORDER TO CONTRIBUTE TO THE ACHIEVEMENT OF NATIONAL DEVELOPMENT GOALS***

The mission captures the core elements of the Institute's mandate and focus, which is to support the Government of Kenya in policy formulation through research and analysis. This can only be effective if there is sufficient capacity in government to absorb and evaluate policy suggestions.

### 3.2 Objectives

The core of KIPPRA's existence is its support to the Government of Kenya in public policy research and analysis. This contribution by the Institute should have tangible impact on the quality of the lives of Kenyans. For this reason, and in accordance with the mission of the Institute, the overall goal of the Institute is:

**TO IMPROVE PUBLIC POLICY MAKING FOR ECONOMIC GROWTH AND POVERTY REDUCTION**

From this overall goal, five overriding objectives have been identified. These are:

- (i) To conduct objective public policy research and analysis.
- (ii) To inform and advise the policy process.
- (iii) To build capacity of the Government of Kenya to absorb, undertake and analyse public policy.
- (iv) To strengthen working modalities with the Government of Kenya and other stakeholders.
- (v) To enhance KIPPRA's institutional capacity in order to effectively support the policy process.

From these objectives and from the issues identified from the situation analysis, six key priority issues have been identified. These are:

- (i) Improving the Institute's working relationship with the Government of Kenya.
- (ii) Establishing an effective organizational structure of the Institute.
- (iii) Improving the Institute's capacity building activities for its staff and also for the Government of Kenya.
- (iv) Implementing strategies for long-term sustainability of the Institute.
- (v) Expanding and strengthening the Institute's networks.
- (vi) Improving the working relationship between the Institute, the private sector and other stakeholders.

These priority issues highlight the areas that have been identified as critical to the achievement of the Institute's mission. It is acknowledged that a good working relationship with the government is at the heart of the Institute's

mandate. In addition, it is accepted that for the Institute to deliver on the mission, it is necessary that it establishes internal structures and processes that assure efficiency and accountability. Likewise, capacity building both for government and KIPPRA staff is critical for effective policy analysis and adoption. In addition, the Institute can only impact on policy if it has working relationships with various stakeholders and also has links with various networks. Finally, the Institute can only meet its mission if it has in place clear strategies to ensure its sustainability.

### 3.3 Overall Strategies

For each of the key priority areas, the proposed strategies are listed:

#### 1. Improving the Institute's working relationship with the Government of Kenya

- Develop competence in understanding the policy process in Kenya
- Establish communication channels with appropriate technical units/ departmental heads and economists in Government
- Strengthen contacts with top government officials
- Develop and implement a strategy for staff exchange between the Government and KIPPRA
- Develop and implement a strategy for building capacity in Government for undertaking policy analysis, and demanding and absorbing research findings
- Develop a policy to spell out procedures for disseminating findings from KIPPRA research on sensitive policy issues
- Develop clear working modalities between KIPPRA and the Government

#### 2. Establishing an effective organizational structure of the Institute

- Develop a mechanism for co-ordinating research activities (programmes and dissemination) at the Institute

- Improve on the remuneration package to make it more competitive
- Establish clear recruitment and promotion criteria
- Sustain adequate facilities and working environment
- Update the information and communication technology
- Strengthen the system of accountability and integrity

**3. Improving the Institute's capacity building activities for its staff and also for the Government of Kenya**

For both KIPPRA and the Government:

- Develop a capacity building policy
- Carry out regular capacity needs assessment

For the Government:

- Increase formal training (KIPPRA's certificate courses)
- Sensitize all the line ministries about training opportunities offered by KIPPRA
- Introduce a visiting fellowship programme for senior government officials
- Introduce policy debate retreats
- Strengthen the secondment programme
- Increase joint research and analysis projects between KIPPRA staff and government officials

For KIPPRA:

- Facilitate PhD training for research staff
- Expose researchers to the policy making process
- Explore opportunities for exchange programmes with other leading research institutions
- Encourage participation of research staff in workshops, conferences, seminars and collaborative research projects

- Encourage participation of junior researchers in all major KIPPRA projects as a training ground

#### **4. Implementing strategies for long-term sustainability of the Institute**

- Develop and implement strategies for ensuring financial viability and sustainability
- Develop strategies for retaining skilled staff
- Establish and maintain adequate physical infrastructure
- Effectively deliver public policy advice to sustain demand

#### **5. Expanding and strengthening the Institute's networks**

- Maintain and expand existing networks within the Government, private sector, and civil society
- Increase collaborative activities with national and regional research institutes
- Formalize the Institute's relationship with local universities

#### **6. Improving the working relationship between the Institute, the private sector and other stakeholders**

- Develop mechanisms and strategies for working on key cross-cutting and sectoral issues of concern to the private sector
- Develop a strategy for handling sensitive policy issues such as taxation, legislation and government administrative procedures
- Develop mechanisms for working with and disseminating research findings to donors
- Develop a dissemination mechanism for research output to the civil society



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## PRIORITIES AND STRATEGIES

### 4.1 KIPPRA-Government Working Modalities

The key mandate of KIPPRA is to conduct public policy research and analysis, build capacity for policy making in the Government of Kenya, and therefore provide intellectual support to the policy making process in the government. In the last three years, the Institute has been truly independent in conducting policy-oriented research in order to develop appropriate policy proposals. This has been possible because the Institute has significant operational autonomy from the government.

Most KIPPRA activities involve the government. It is important to reiterate that KIPPRA has a unique role and opportunity to provide policy advice to the government; therefore the success of the Institute is measured by how well policy advice is utilized by the Government of Kenya. However, the issue of concern is how the working relationship between KIPPRA and the government can be improved and maintained or structured in order to make policy research output informative, relevant and useful in the decision-making process.

Currently, KIPPRA's participation in policy issues takes various approaches. One, the Government makes demand on the Institute to address specific policy questions. Permanent Secretaries from various ministries also approach the Executive Director of KIPPRA requesting for empirically-based suggestions on a particular policy issue. This approach has so far been successful especially because the Director is able to prioritize policy concerns as they arise and allocate research resources efficiently. The requests by Permanent Secretaries also make it easier for the Institute to request for secondments to KIPPRA, where necessary, of government officials in order to address the policy issue. The requests from the government may however result in a significant proportion of the Institute's resources being utilized on research activities that focus on finding short-term policy solutions at the expense of research activities for the development of more long-term solutions to economic growth constraints.

Two, the Institute identifies researchable areas from presentations at the JICCC; policy concerns from both the government and the private sector are discussed at the JICCC. The Executive Director of KIPPRA attends these presentations and picks policy concerns that require urgent attention by the Institute for government action.

Three, the Institute partners with the government in designing policies through the Institute's representation in government working groups such as the Macroeconomic Working Group (MWG), Tax Policy Unit (TPU), High-Level Task Force on Trade, and Review Panels for major government policy documents such as the National Development Plan, Poverty Reduction Strategy Paper, and Sessional Papers. Through these groups, the Institute's researchers are able to pick views and policy concerns of the government. This has remained a strong mode of interaction as it creates an avenue through which research findings from the Institute's activities can be used directly in the policy formulation process, especially where the mandate of the working groups is policy formulation.

Four, government officials are seconded to KIPPRA to collaboratively undertake research with the Institute's researchers. Through such interaction, the Institute's research staff are able to pick the views of the government as presented by the seconded government staff.

Five, KIPPRA conducts short-term courses for government and also on-the-job training, as with the KIPPRA-Treasury Macro Model (KTMM), the Budget Negotiation Framework (BNF), and on the project on revival of the cotton-textile industry. In addition, the Institute uses seminars, conferences, and workshops as an avenue to pick views from the government on key policy concerns. Further, government publications serve indirectly as a source of the Institute's views of the government. In particular, government policy documents and strategy plans are a rich source of government thinking on key policy issues.

### **4.1.1 Challenges**

Currently the Institute faces the following challenges in carrying out its mandate:

#### **(i) KIPPRA and policy process in Kenya**

The key challenge is how to deal with the threats of the current unique association between KIPPRA and the Government of Kenya. As indicated, the government usually makes demand on the Institute to address specific policy questions. This is an opportunity that KIPPRA has to exploit for it to achieve its objective in research and policy analysis.

#### **(ii) Staff exchange between government and KIPPRA**

There is a challenge for KIPPRA to improve on its policy of secondment of government staff to the Institute. The secondments vary in length and may involve attachment to KIPPRA to collaboratively address policy issues through research by partnering with KIPPRA researchers. On the other hand, KIPPRA staff has not been integrated fully in government policy planning committees, for example the Macroeconomic Working Group (MWG), or the Tax Policy Unit (TPU), among others. Opportunities for joint projects between KIPPRA and the government have not been fully exploited.

#### **(iii) Building capacity in government**

KIPPRA has a critical role to play in building capacity for policy analysis in government. This would involve training staff from ministries that the Institute closely works with. Opportunities for formal training, such as the macro model training course, have not been fully taken up and exploited in other ministries except by the Ministry of Finance and Planning.

#### **(iv) Lack of an internal (KIPPRA) policy for sequencing the dissemination of findings on sensitive issues**

Currently there is no clear policy for sequencing the dissemination of KIPPRA findings. This could lead to conflict between KIPPRA and the government on release to the private sector of certain information, such as information on taxation policies, which the government considers sensitive.

**(v) KIPPRA and government working relationship**

Lastly, the existing working modalities between KIPPRA and the government have at times resulted to KIPPRA doing mainstream ministry work and being ambushed on issues. This is a key challenge facing the Institute and one that calls for clear working modalities between KIPPRA and the Kenya government.

**4.1.2 Strategy, Objectives, and Activities**

**4.1.2.1 Strategic Objective**

◆ **Strengthen KIPPRA-Government Working Relationship**

**4.1.2.2 Specific Objectives and Activities**

**(i) To enhance KIPPRA staff s understanding of the policy process in Kenya**

*Activities:*

- Put modalities in place for all researchers to be exposed to high-level advisory meetings
- Organize workshops and training sessions on policy process in Kenya
- Encourage participation of senior government officials in KIPPRA seminars

**(ii) To establish appropriate communication channels within the government structure**

*Activities:*

- Understand the government structure to establish appropriate communication channels
- Identify appropriate technical units and government officials to pass on information to
- Distribute the already completed KIPPRA publications to relevant government officials

**(iii) To strengthen capacity in government to enable utilization of KIPPRA research outputs**

*Activities:*

- Undertake joint research projects between KIPPRA staff and government officials
- Develop formal training programmes for government officials
- Establish a visiting fellowship programme for senior government officials
- Organize an annual economic conference drawing participants from KIPPRA, government, policy-makers and other stakeholders
- Expand the existing KIPPRA's secondment and attachment programme for government officials

**(iv) To improve the procedures for disseminating findings from KIPPRA research on sensitive issues**

*Activity:*

- Develop an internal KIPPRA policy document on dissemination procedures for KIPPRA research on sensitive issues

**(v) To ensure that working modalities between KIPPRA and government are clearly defined and maintained**

*Activities:*

- Sensitize KIPPRA researchers and government officials on the established working modalities
- Sensitize researchers on the dissemination channels for KIPPRA research on sensitive issues

## **4.2 KIPPRA s Organizational Structure, Procedures and Policies**

The current organizational structure of KIPPRA (as outlined in Chapter 1) has been fairly adequate in implementing the Institute's mandate. Nevertheless, the current structure may not be adequate considering the rapid expansion both in staff complement and programmes, and also considering the expected future expansion. In particular, the concentration of management activities in the office of the Director, and also the absence of clear procedures and processes for ensuring accountability, could jeopardize the efficiency and integrity of the Institute.

For the past three years, the Institute's research activities have been organized under four main technical divisions: Macroeconomics, Productive Sector, Social Sector and Infrastructure and Economic Services. While these Divisions have been able to carry out most of the activities for which the Institute was established, it was later realized that there were major policy concerns on issues affecting the private sector that could not be adequately dealt with in the existing divisions. A new division, the Private Sector Development Division, was established in 2002 to enhance the effectiveness of the Institute's work by streamlining the various issues that focus specifically on the private sector.

Each of the Institute's research divisions is supervised by a Head of Division who is responsible for the day-to-day management of the activities carried out by the respective division. Division Heads report to the Director.

In addition to the research divisions, there is the Finance and Administration Division headed by the Finance and Administration Manager who reports to the Director. There is also a Documentation Center staffed with a Librarian and an Editor, both of who report to the Director.

The duties of the Executive Director are comprehensively and appropriately defined. However, it seems that this office is overloaded with a lot of responsibilities, considering that the structure does not provide for a Deputy Director or a Programme Coordinator. Furthermore, most duties assigned to the Finance and Administration Manager are more technical (research)

and are not effectively taken care of by the office of the Finance and Administration Manager.

#### **4.2.1 Challenges**

The current management structure presents a number of challenges:

##### **(i) Determining appropriate staffing levels**

The initial KIPPRA staffing level was targeted at 12 Analysts: 3 for each of the four initial research divisions. During the last three years, the Institute has expanded substantially and is already beyond the establishment size envisioned initially. At that time, there was no provision for Assistant Analysts. The need for researchers in this category necessitated the change in the structure. Currently, the Institute engages Assistant Analysts on long-term contracts. To a large extent, the expansion has been *ad hoc*, recruiting additional staff to meet demand if and when resources permit. While this has worked well, it could pose problems in future and it is therefore necessary to determine appropriate staffing levels during the plan period.

##### **(ii) Clear roles of the Finance and Administration Division**

The Finance and Administration Division needs to have a clear delineation of functions. There is no clear separation of finance and administration sections. In addition, some of the functions the Finance and Administration Manager is expected to undertake are a bit too technical.

##### **(iii) Information management**

Information management systems at the Institute are not adequately established.

##### **(iv) Research coordination**

There is a missing link in coordination of research activities at the divisional level before reaching the Director. Currently, Heads of Divisions have direct contact with the Director, who has been coordinating most research activities. This system is likely to be unsustainable given the size and growth of the Institute. There is need therefore to establish better mechanisms for coordinating research activities.

**(v) Recruitment, promotion and remuneration**

The KIPPRA Personnel Policies and Procedures Manual provides broad guidelines for recruitment, promotion and remuneration. By and large, KIPPRA has followed a competitive recruitment approach and has established a remuneration package based on market surveys. Therefore, to a large extent, the Institute has been a competitive employer.

The Institute however faces the challenge of retaining its employees. This requires that clear procedures for evaluating the remuneration packages be put in place to ensure that the Institute remains a competitive employer. In addition, while the KIPPRA Personnel Policies and Procedures Manual provides broad guidelines on promotion, there is need to put in place clear policies and procedures for promotion.

**(vi) Strengthening support systems**

To ensure efficient running of operations, there is need to strengthen the Institute's support systems. This includes putting in place various internal committees responsible for specific issues. Already there are committees responsible for recruitment, publications, and seminars. These committees need to be formalized so that they can be effective in carrying out their duties. There is also need to consider establishing committees responsible for other issues such as promotion and discipline.

**(vii) Strengthening accountability and integrity**

The success of the Institute in meeting its mission will largely depend on its governance. This is a critical area that touches on the role of the Board, Director, Heads of Divisions, and all members of staff. The challenge for the Board is to ensure that it provides effective leadership on the operations of the Institute, and particularly in monitoring and guiding the activities of the Director, and also on the use of the Institute's resources. A weak and detached Board does necessarily increase the probability of abuse of office.

The primary challenge, however, lies in establishing clear internal operational procedures that reduce the possibility of abuse of the discretionary powers of the Director and Heads of Divisions. Such procedures should ensure

that the Institute's resources are used for the purpose that they are meant for, and that all staff members are treated fairly and equitably.

#### **4.2.2 Strategy, Objectives, and Activities**

##### *4.2.2.1 Strategic Objective*

- ◆ **Establish an organizational structure, procedures and policies that ensure operational efficiency and accountability**

##### *4.2.2.2 Specific Objectives and Activities*

- (i) To ensure effective coordination of research and dissemination activities**

*Activities:*

- Determine the appropriate staffing profile/establishment
- Develop a mechanism for coordinating research activities (programmes and dissemination)
- Formalize the established support committees
- Mainstream Information and Management Systems (IMS) with the rest of the Institute's structure
- Provide short-term management training for Heads of Divisions to enhance their management skills
- Review the institutional structure and process to consolidate research activities in one position

- (ii) To ensure the remuneration package is competitive and employment policy well harmonized**

*Activities:*

- Determine a competitive remuneration package and promotion criteria
- Put in place an internal promotion policy and develop/streamline the promotion criteria

- Establish procedures for evaluating the remuneration package and promotion criteria
- Carry out regular review of the remuneration package and promotion criteria

**(iii) To provide adequate facilities and a conducive work environment for KIPPRA staff**

*Activities:*

- Sustain adequate supply of facilities
- Establish procedures for evaluating adequacy of the Institute's facilities
- Regularly update the information and communication technology of the Institute
- Regular review of the Institute's facilities

**(iv) To strengthen the governance systems of the Institute**

*Activities:*

- Establish and/or review systems of accountability and integrity
- Strengthen internal control systems

**4.3 Capacity Building Policy**

KIPPRA was established with the broad objective of building human and institutional capacity for economic policy research and analysis and to support the public policy process. The Institute was expected to create sustainable capacity for conducting and coordinating research and public policy analysis and also for developing human and institutional capacity of line ministries and other economic agencies. Since its establishment, KIPPRA has undertaken substantial capacity building, both internally and externally. Some of the approaches used include collaborative projects with government officials, short term internal and external training for its staff and those of line ministries, and secondment of staff from line ministries.

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### **Capacity Building in Government and the Private Sector**

The objective of KIPPRA's capacity building for government (and other economic agencies) is to strengthen the ability to analyze important policy issues and absorb the products of the Institute's research and policy analysis. The Institute uses various broad approaches to capacity building for the stakeholders, namely: improving stakeholders awareness through dissemination of findings of KIPPRA research and policy analysis through regular workshops, seminars, conferences and publications; collaborative activities with the government and private sector stakeholders through secondment of government officials to KIPPRA for on-the-job training; hiring public and private sector personnel on short-term contracts to work with KIPPRA staff; providing technical support to government officials during important missions and discussions; an internship programme; formal training in form of certificate courses organized by KIPPRA; and also through sponsorship to regional and international courses.

### **Capacity Building within KIPPRA**

The original establishment of KIPPRA did not anticipate recruitment of individuals with less than a doctorate degree for long-term contract positions. The lowest research position was that of an Analyst and the lowest academic requirement for this position was a PhD. However, this became a constraint in accomplishing KIPPRA's goals because of shortage of good researchers with such qualifications.

The objective of capacity building within the Institute is to create analytical capacity. This is achieved through competitive recruitment of professional staff, recruitment of junior researchers who receive on-the-job training by working under the senior professionals, participation in seminars, workshops and conferences, engaging in collaborative research projects involving national, regional and overseas partners; and through utilization of the documentation centre that serves as an important source of information for the researchers.

### **4.3.1 Challenges**

Despite the achievements made so far, it is felt that capacity building has taken place on a rather *ad hoc* manner and without a well-defined internal policy. As a result, the Institute lacks a viable strategy for dealing with the various stakeholders as far as capacity building is concerned. It is also felt that the capacity of the government may be affected by the tendency of some of its officials passing their work to KIPPRA. The Institute therefore needs to develop a capacity building policy to facilitate its capacity building activities.

### **4.3.2 Strategy, Objectives, and Activities**

#### *4.3.2.1 Strategic Objective*

- ◆ **Build adequate institutional and human capacity for both KIPPRA and the government to facilitate policy research and analysis**

#### *4.3.2.2 Specific Objectives and Activities*

- (i) **To provide adequate capacity building facilities and opportunities at KIPPRA**

*Activities:*

- Develop a capacity building policy
- Facilitate PhD training for research staff
- Expose researchers to public policy process
- Explore opportunities for exchange programs with other leading research institutions
- Encourage participation of researchers in workshops, conferences, seminars and collaborative research projects
- Involve junior researchers in major research projects to develop their skills

**(ii) To enhance government capacity at all stages of public policy process including analysis, formulation, implementation, monitoring and evaluation**

*Activities:*

- Encourage more participation of government officials in formal training programmes organized by KIPPRA
- Sensitize all the line ministries about training opportunities
- Expand and strengthen the secondment programme
- Introduce a visiting fellowship program for senior government officials
- Introduce policy debate retreats
- Increase joint research and analysis projects

**(iii) To ensure adequate capacity is sustained at KIPPRA for policy research and analysis**

*Activities:*

- Encourage participation of researchers in workshops, conferences, seminars and collaborative research projects
- Involve junior researchers in major research projects of the Institute

**4.4 Sustainability**

KIPPRA is an autonomous public institution whose primary mission is to support the government in public policy research and analysis. The Institute was established under the provisions of the State Corporations Act, but with some degree of autonomy. However, its registration is still incomplete due to the pending KIPPRA Act.

Currently, the Institute gets most of its funding from three main sources: development partners, Government of Kenya, and through KIPPRA projects. The bulk of funding comes from development partners, namely the European

Union (EU), African Capacity Building Foundation (ACBF), UK's Department for International Development (DfID) and US Agency for International Development (USAID). Initially, only the European Union financed KIPPRA but with time the Institute has been able to attract other key partners.

There has been a significant increase in staff levels in the Institute over the years. From an initial staffing level of only four researchers, the number has increased to the current level of over twenty members of staff. Within just three years of its operation, KIPPRA has been able to attract highly qualified staff. Staff retention has been quite stable over time and the Institute has continued to attract highly qualified researchers.

The Institute has also been able to effectively contribute to public policy advice to government and in strengthening of capacity for policy research and analysis. KIPPRA is well equipped with appropriate human and physical resources to contribute to public policy making.

#### **4.4.1 Challenges**

KIPPRA faces the following challenges with respect to its long-term sustainability:

##### **(i) The new constitutional dispensation**

Legal sustainability of KIPPRA is not just a concern about the pending KIPPRA legislation but also encompasses strategies to identify and deal with the challenges that may arise from the proposed constitutional dispensation. In particular, the proposed Constitution of Kenya may have a bearing on many issues that impact on, for instance, KIPPRA-government relationship, demand for policy advice, supply of policy researchers and so forth.

##### **(ii) Narrow and unstable financial base**

Delivery of high quality KIPPRA products and services has been possible due to continued financial support from the Kenya government and development agencies. In addition, KIPPRA has supplemented this financial support with funds generated from its own projects. Given that no institution can survive without a viable financial base, it is strategic for the Institute to

think of its long-term sustainability in a broader perspective that encompasses legal sustainability, financial sustainability and operational sustainability. Strategies are needed to ensure a strong financial base in the long-term. Although the Institute has been able to generate its own project funds to supplement funds from the Kenya government and its development partners, appropriate strategies are needed on how to generate more project funds and how to get more funds from both the government and donors. More specifically, KIPPRA needs to strategize on how to expand its funding and support base, which is quite limited currently. Also, the Institute must strategize to ensure that government counterpart funds are not only increased but are also released on a regular and certain basis.

There are concerns that too much dependence on funding by development partners may not be healthy for the long-term financial sustainability of the Institute. There is need therefore to develop strategies on how to sustain existing development partners, attract new partners, generate more project funds, invest current financial resources more prudently, and ensure reliability of counterpart government funding. Similarly, strategies for operational sustainability are required. In this regard, the broad issue of concern is competition. First, proliferation of other providers of policy research and analysis implies stiff competition for funding. More competitors definitely imply more competition for policy researchers. KIPPRA must therefore strategize on how to handle these potential threats and maintain a competitive edge. Secondly, KIPPRA must continue to ensure relevance and quality of its research. There is need for a balance between supply-driven versus demand-driven research. The Institute must keep abreast of emerging public policy issues and mobilize resources for research in these areas. The Institute must also be able to create a demand for its products and services through appropriate marketing and promotion. This requires a clear understanding of the market for research and policy analysis.

### **(iii) Research infrastructure**

KIPPRA recognizes that having an excellent research infrastructure is crucial to its long-term sustainability. Without adequate infrastructure, the Institute

cannot effectively deliver its products/services. For the Institute to successfully achieve its mandate and maintain leadership in policy research and analysis, it requires highly trained staff and adequate physical resources such information and communication technologies. This requires strategies to guide the Institute on not only staff recruitment but also adoption of modern technologies. The Institute may also need to think of acquiring its own premises to save it from the huge bill for rental of premises.

**(iv) Delivery of policy advice**

The primary objective of KIPPRA is to provide quality policy advice and strengthen capacity for research and analysis in government. Therefore, the long-term sustainability of KIPPRA depends on how well this objective is achieved. How effectively the Institute informs and advises the policy making process will significantly impact on its sustainability. Strategies are therefore required on how to establish and strengthen government capacity to absorb and undertake policy research and analysis. In addition, the Institute must develop strategies on how to establish and enhance a close working relationship with the government, and strengthen its own institutional capacity to ensure effective delivery of public policy advice. Finally, the Institute must develop strategies on how to promote and enhance corporate governance and strengthen the Institute's ability to deliver effective public policy advice. This requires strategies on, among others areas, ability to adopt modern technology, recruitment of high caliber researchers, retention of staff, and ways of strengthening other competencies of the Institute.

**(v) Building capacity within KIPPRA and in Government**

Unless the main client—the government—easily understands the Institute's products, the outputs will have an insignificant impact in influencing public policies. Similarly, unless KIPPRA researchers develop the capacity to comprehend how their work impacts on and relates to public policy, then very little success can be achieved. Capacity building in government is crucial because government officials provide a channel through which KIPPRA outputs get into public policy. The challenge therefore is to develop strategies that strengthen capacity building within the Institute and also in government.

## 4.4.2 Strategy, Objectives, and Activities

### 4.4.2.1 Strategic Objective

- ◆ **Improve operational and financial sustainability for effective policy delivery**

### 4.4.2.2 Specific Objectives and Activities

#### (i) **To diversify/expand the financial base of the Institute**

*Activities:*

- Marketing campaign to maintain existing funding partners
- Lobby government for additional funding
- Identify and secure additional funding from donors
- Identify alternative sources of funding—Funds, Trusts, KIPPRA Networks, UN agencies.
- Strengthen internal financial control systems and enhance corporate governance

#### (ii) **To ensure achievement of adequate infrastructure**

*Activities:*

- Develop a KIPPRA policy on infrastructure development
- Acquire appropriate assets, tools and equipment
- Explore possibilities of benefiting from KIPPRA networks and other partners

#### (iii) **To recruit and retain highly qualified staff**

*Activities:*

- Review and update the recruitment, promotion, remuneration and training policy

#### (iv) **To deliver effective policy advice**

*Activities:*

- Develop a strategy for delivery of effective policy advice

- ❑ Develop a strategy to inform and advise the policy making process
- ❑ Carry out high quality public policy research and analysis
- ❑ Deliver and communicate public policy advice more effectively
- ❑ Develop modalities for effective interaction with technical groups in the Government of Kenya
- ❑ Design a strategy to build the capacity of the Kenya government to absorb, synthesize and undertake public policy analysis

#### **4.5 Institutional Networking**

The mandate of KIPPRA cannot be effectively and successfully achieved in isolation, and therefore the need for networking. KIPPRA needs to establish networks with other institutions (local and international), agencies and organizations for it to effectively and successfully realize its mandate.

KIPPRA already works and collaborates with various institutions, government agencies and development partners. KIPPRA networks are not only local but also include a wide range of regional and international collaborating partners. These networks have been very useful in facilitating joint projects, as sources of data and information, and in providing capacity building opportunities for KIPPRA researchers. Through networking, the Institute has been able to attain quality assurance through established link arrangements with foreign research institutions and universities, leading to international recognition. In some cases, the Institute has been able to obtain funds that have been used for sustainability purposes. Network with institutions such as the African Economic Research Consortium (AERC) and universities has helped to enhance the quality of KIPPRA's public policy recommendations for sustainable economic growth and poverty reduction.

### **4.5.1 Challenges**

Though networks are very useful, the Institute needs to develop procedures for institutional networking, especially with local public universities. There is also need to develop mechanisms for maintaining and expanding existing networks. In order to establish close working relationships with other research institutes, KIPPRA needs to increase its collaboration with national and regional institutes. It is critical that the Institute develops strategies to sustain networks with regional and international policy institutions.

The activities of KIPPRA and those of local universities are similar and complementary. For instance, staff from KIPPRA mainly consists of graduates and staff from local universities. In this case, the Institute is a stakeholder in ensuring that universities produce quality graduates because its survival depends, to a large extent, on the quality of staff and graduates from the universities. Likewise, universities should encourage its staff not only to teach but also to carry out quality research. However, facilities and incentives for carrying out research at the university are not always up to standard.

There are various ways in which KIPPRA and local universities can complement their activities. For one, KIPPRA staff are willing to participate in teaching at the university if their remuneration reflects this added activities, and if the university would pay a small token as a way of monitoring. Too much involvement in teaching at the university may however have a negative impact on KIPPRA's research activities and therefore the need to strike a workable balance. Universities may lose most of their staff to KIPPRA if there is no formal relationship between the Institute and the universities. This would not be in the interest of either the Institute or the universities. There is need therefore to develop formal working relationships, especially with staff from the various departments of economics in the local public universities.

## **4.5.2 Strategy, Objectives, and Activities**

### **4.5.2.1 Strategic Objective**

- ◆ **Establish procedures and policies for institutional networking that advance the mission of the Institute**

### **4.5.2.2 Specific Objectives and Activities**

#### **(i) To maintain and expand existing networks**

*Activities:*

- Explore possibilities of expanding networks within the Government of Kenya, private sector and civil society
- Establish contacts with potential partners
- Identify and establish modalities for networking

#### **(ii) To increase collaboration with national, regional and international research institutes**

*Activity:*

- Identify key professionals and institutions with potential for initiating networks

#### **(iii) To formalize the Institute's relationship with local universities**

*Activities:*

- Develop and present proposals for working modalities
- Increase collaboration with national, regional and international institutes
- Formalize relationships with universities

## **4.6 Working with the Private Sector**

The primary client of KIPPRA is the Government of Kenya. The government established the Institute, and therefore the relationship between the Government of Kenya and the Institute must necessarily remain primarily

focused. The Institute will only be able to fulfill its mandate when there is a good working relationship with the Government of Kenya. The Institute's work with other stakeholders must not jeopardize the trust and confidence that the government has on the Institute. Secondly, the Institute's involvement with other stakeholders should actually be geared towards complementing the achievement of the Institute's mandate.

While the main client of the Institute is undoubtedly the Government of Kenya, the Institute's mandate goes beyond working with the government. The Institute is expected to be a centre where the private sector, other research institutions and universities can access information on important policy issues. It is also well accepted that in as far as economic growth and poverty are concerned, the role of the private sector is critical as it creates wealth. The private sector is an important stakeholder in policy formulation and economic development. The Institute must therefore develop clear mechanisms of working with the private sector, through representatives of various private sector associations.

To date, the Institute has established strong ties with private sector organizations. The Institute was for example responsible for coordinating the private sector's input into the Poverty Reduction Strategy Paper (PRSP). This activity was undertaken to complement the government's desire to have a broad cross section of stakeholders contribute into the PRSP. The Institute has also been working closely with the Private Sector Forum (PSF) particularly in areas impacting on the performance of the private sector in development. The Institute also makes it a practice to invite representatives of the private sector in its discussion forums.

#### **4.6.1 Challenges**

Because KIPPRA works closely with the government, its policy prescriptions are well regarded by the government. If the Institute conducts work for the private sector, there is likelihood that the private sector can then use the results to lobby government. Whereas this is acceptable, there are areas that could create conflict between KIPPRA and the government, leading to lack of trust.

Also, there are many private sector organizations in Kenya and the Institute cannot possibly work with all of them. Ideally, an umbrella body with representation from all sector interests would be the best to work with. The Institute will need to identify representative private sector associations to work with. The danger is that the demands of the private sector may go beyond the Institute's capacity.

#### **4.6.2 Strategy, Objectives, and Activities**

##### **4.6.2.1 Strategic Objective**

- ◆ **Establish a working relationship with the private sector without jeopardizing the Institute's work with the Government of Kenya**

##### **4.6.2.2 Specific Objectives and Activities**

- (i) To develop mechanisms and strategies for working with the private sector on cross cutting and sectoral issues**

*Activities:*

- Identify private sector agents to work with
- Interact with private sector representatives through meetings and discussions
- Involve private sector representatives in KIPPRA seminars
- KIPPRA's continued participation in civil society meetings

- (ii) To strengthen mechanisms for identifying, handling and clearing potential sensitive issues that might create conflict of interest for KIPPRA given its mandate as a policy adviser to the Government of Kenya**

*Activity:*

- Set up research committees that will identify sensitive issues

- (iii) To develop an information dissemination mechanism to the civil society**

- Disseminate KIPPRA outputs to the private sector, development partners and civil society

**LOGICAL FRAMEWORK**

5.1 KIPPRA-GOVERNMENT WORKING MODALITIES  
 5.1.1 Strategic objective 1: Strengthen KIPPRA-Government Working Relationship  
 5.1.2 Specific objectives

<b>(i) To enhance KIPPRA staffs understanding of the policy process in Kenya</b>					
<b>Activities:</b>	<input type="checkbox"/> Put modalities in place for all researchers to be exposed to high-level advisory meetings	Competence developed and policy process in Kenya understood in KIPPRA	Number of government committees to which KIPPRA staff are invited or co-opted	At least one seminar on policy process in Kenya	Common understanding between the Government and the Institute
	<input type="checkbox"/> Organize workshops and training sessions on policy process in Kenya				
<input type="checkbox"/> Encourage participation of senior government officials in KIPPRA seminars					
<b>(ii) To establish appropriate communication channels within the government structure</b>					
<b>Activities:</b>	<input type="checkbox"/> Understand the government structure to establish appropriate communication channels	Specific arrangements on access to information and working relationships	Number of agreements in place and operational	Within 1 year of Plan	Common understanding between the Government and the Institute
<input type="checkbox"/> Identify appropriate technical units and government officials to pass on information to					
<input type="checkbox"/> Distribute the already completed KIPPRA publications to relevant government officials					

<b>(iii) To strengthen capacity in government to enable utilization of KIPPPRA research outputs</b>				
<b>Activities:</b>	<b>Outputs</b>	<b>Indicators</b>	<b>Means of verification</b>	<b>Assumptions</b>
<ul style="list-style-type: none"> <li><input type="checkbox"/> Undertake joint research projects between KIPPPRA staff and government officials</li> <li><input type="checkbox"/> Develop formal training programmes for government officials</li> <li><input type="checkbox"/> Establish a visiting fellowship programme for senior government officials</li> <li><input type="checkbox"/> Organize an annual economic conference drawing participants from KIPPPRA, government, policy makers and other stakeholders</li> <li><input type="checkbox"/> Expand the existing KIPPPRA's secondment and attachment programme for government officials</li> </ul>	<ul style="list-style-type: none"> <li>Fellowship programme for government officers</li> <li>Number of officers trained in identified areas</li> </ul>	<ul style="list-style-type: none"> <li>Number of fellowships</li> <li>Number of training programmes completed</li> </ul>	<ul style="list-style-type: none"> <li>Within 1 year of Plan</li> <li>Annually</li> </ul>	<ul style="list-style-type: none"> <li>Common understanding between the Government and the Institute</li> </ul>
<b>(iv) To improve the procedures for disseminating findings from KIPPPRA research on sensitive issues</b>				
<b>Activity:</b>				
<ul style="list-style-type: none"> <li><input type="checkbox"/> Develop an internal KIPPPRA policy document on dissemination procedures for KIPPPRA research on sensitive issues</li> </ul>	Internal policy document prepared	Improved working relationship	Within 6 months of Plan	Common understanding between the Government and the Institute
<b>(v) To ensure that working modalities between KIPPPRA and government are clearly defined and maintained</b>				
<ul style="list-style-type: none"> <li><input type="checkbox"/> Sensitize KIPPPRA researchers and government officials on the established working modalities</li> <li><input type="checkbox"/> Sensitize researchers on the dissemination channels for KIPPPRA research on sensitive issues</li> </ul>	Procedure in place	Improved working relationship	Within 1 year of Plan	Common understanding between the Government and the Institute

**5.2: KIPPPRA'S ORGANIZATIONAL STRUCTURE, PROCEDURES AND POLICIES**  
**5.2.1 Strategic objective 2: Establish an organizational structure, procedures and policies that ensure operational efficiency and accountability**  
**5.2.2 Specific objectives**

<b>(i) To ensure effective coordination of research and dissemination activities</b>				
	<b>Outputs</b>	<b>Indicators</b>	<b>Means of verification</b>	<b>Assumptions</b>
<p><b>Activities:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Determine the appropriate staffing profile/ establishment</li> <li><input type="checkbox"/> Develop a mechanism for coordinating research activities (programmes and dissemination)</li> <li><input type="checkbox"/> Formalize the established support committees</li> <li><input type="checkbox"/> Mainstream Information and Management Systems (IMS) with the rest of the Institute's structure</li> <li><input type="checkbox"/> Provide short-term management training for Heads of Divisions to enhance their management skills</li> <li><input type="checkbox"/> Review the institutional structure and process to consolidate research activities in one position</li> </ul>	<p>Meeting research completion targets in the stipulated time</p> <p>Increase in the number of research projects undertaken</p> <p>An increase in dissemination activities</p> <p>Diversity of KIPPPRA policy products</p>	<p>Achieve over 90% delivery of research products on time</p> <p>Research publications</p> <p>Achieve a 15% increase in the number of research projects by year 2 of the Plan</p> <p>Participation of government officials in conferences, workshops, and seminars</p>	<p>By December 2004</p>	<p>(i) Sustainability of KIPPPRA</p> <p>(ii) Current staffing level maintained</p> <p>(iii) KIPPPRA-Government and other stakeholders working modalities are enabling</p>

<b>(ii) To ensure the remuneration package is competitive and employment policy well harmonized</b>					
	<b>Outputs</b>	<b>Indicators</b>	<b>Means of verification</b>	<b>Assumptions</b>	
<b>Activities:</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Determine a competitive remuneration package and promotion criteria</li> <li><input type="checkbox"/> Put in place an internal promotion policy and develop/streamline the promotion criteria</li> <li><input type="checkbox"/> Establish procedures for evaluating the remuneration package and promotion criteria</li> <li><input type="checkbox"/> Carry out regular review of the remuneration package and promotion criteria</li> </ul>	25% of staff turnover  Staff satisfaction	Employment register  Staff satisfaction survey  External salary surveys  Staff productivity	July 2003	Financial sustainability of KIPPRA	
<b>(iii) To provide adequate facilities and a conducive work environment for KIPPRA staff</b>					
<b>Activities:</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Sustain adequate supply of facilities</li> <li><input type="checkbox"/> Establish procedures for evaluating adequacy of the Institute's facilities</li> <li><input type="checkbox"/> Regularly update the information and communication technology of the Institute</li> <li><input type="checkbox"/> Regular review of the Institute's facilities</li> </ul>	Staff satisfaction  Staff productivity	Staff satisfaction survey  Inventory of facilities  Publications list  Annual staff evaluation	On-going	Financial sustainability of KIPPRA  Equitable and competitive remuneration package in place	

(iv) To strengthen the governance systems of the Institute				
Activities:	Outputs	Indicators	Means of verification	Assumptions
<ul style="list-style-type: none"> <li><input type="checkbox"/> Establish and/or review systems of accountability and integrity</li> <li><input type="checkbox"/> Strengthen internal control systems</li> </ul>	<p>Number of complaints/abuses reported</p> <p>Number of disciplinary cases</p>	<p>Audit reports</p> <p>Staff surveys</p>	<p>On-going</p>	
<b>5.3 CAPACITY BUILDING POLICY</b>				
<b>5.3.1 Strategic objective 3: Build adequate institutional and human capacity for both KIPPPRA and the government to facilitate policy research and analysis</b>				
<b>5.3.2 Specific objectives</b>				
<b>(i) To provide adequate capacity building facilities and opportunities at KIPPPRA</b>				
<p><b>Activities:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Develop a capacity building policy</li> <li><input type="checkbox"/> Facilitate PhD training for research staff</li> <li><input type="checkbox"/> Expose researchers to public policy process</li> <li><input type="checkbox"/> Explore opportunities for exchange programs with other leading research institutions</li> <li><input type="checkbox"/> Encourage researchers participation in workshops, conferences, seminars and collaborative research projects</li> <li><input type="checkbox"/> Involve junior researchers in major research projects to develop their skills</li> </ul>	<p>Competence of staff</p> <p>Staff productivity</p> <p>Staff satisfaction</p> <p>Client satisfaction</p>	<p>Annual staff evaluation</p> <p>Client surveys</p> <p>Staff surveys</p>	<p>On-going</p>	<p>Financial sustainability of KIPPPRA</p> <p>Availability of appropriate training opportunities</p> <p>There is demand for KIPPPRA products</p>

(ii) To enhance government capacity at all stages of public policy process including analysis, formulation, implementation, monitoring and evaluation				
Activities:	Outputs	Indicators	Means of verification	Assumptions
<ul style="list-style-type: none"> <li><input type="checkbox"/> Encourage more participation of government officials in formal training programmes organized by KIPPRA</li> <li><input type="checkbox"/> Sensitize all the line ministries about training opportunities</li> <li><input type="checkbox"/> Expand and strengthen the secondment programme</li> <li><input type="checkbox"/> Introduce a visiting fellowship program for senior government officials</li> <li><input type="checkbox"/> Introduce policy debate retreats</li> <li><input type="checkbox"/> Increase joint research and analysis projects</li> </ul>	<ul style="list-style-type: none"> <li>Client (Government of Kenya) satisfaction</li> <li>Number of government officials participating in KIPPRA's capacity building activities</li> <li>Extent of use of KIPPRA policy advice</li> <li>Involvement of KIPPRA staff in key policy decision making forums</li> <li>Number of policy debate retreats</li> </ul>	<ul style="list-style-type: none"> <li>Government policy documents</li> <li>KIPPRA annual reports</li> <li>Participants' lists</li> <li>Participants' surveys</li> </ul>	<ul style="list-style-type: none"> <li>On-going</li> </ul>	<ul style="list-style-type: none"> <li>There is goodwill from the Government of Kenya</li> <li>Availability of adequate financial and human resources</li> </ul>

<b>(iii) To ensure adequate capacity is sustained at KIPPPRA for policy research and analysis</b>				
<b>Activities:</b> <input type="checkbox"/> Encourage researchers' participation in workshops, conferences, seminars and collaborative research projects <input type="checkbox"/> Involve junior researchers in major research projects of the Institute.	<b>Outputs</b>	<b>Indicators</b>	<b>Means of verification</b>	<b>Assumptions</b>
	Competence of staff Staff productivity Staff satisfaction	Annual staff evaluation Client surveys Staff surveys	On-going	Financial sustainability of KIPPPRA  Availability of appropriate training opportunities  There is demand for KIPPPRA products
<b>5.4 SUSTAINABILITY</b>				
<b>5.4.1 Strategic objective 4: Improve operational and financial sustainability for effective policy delivery</b>				
<b>5.4.2 Specific objectives</b>				
<b>(i) To diversify/expand the financial base of the Institute</b>				
<b>Activities:</b> <input type="checkbox"/> Marketing campaign to maintain existing funding partners <input type="checkbox"/> Lobby government for additional funding <input type="checkbox"/> Identify and secure additional funding from donors <input type="checkbox"/> Identify alternative sources of funding—Funds, Trusts, KIPPPRA Networks, UN agencies <input type="checkbox"/> Strengthen internal financial control systems and enhance corporate governance	Sufficient reserves generated (at least three years) in addition to the KIPPPRA Endowment Fund  Financial proposals developed and presented to existing and potential financing partners	Financial instruments  Financing proposals presented and accepted	By year 3 of Plan period  By year 1 of Plan period	KIPPPRA Act enacted  KIPPPRA retains support of Government of Kenya and its current partners  KIPPPRA maintains its integrity and credibility  Support from Government is retained Continued demand from Government for KIPPPRA products

<b>(ii) To ensure achievement of adequate infrastructure</b>				
<b>Activities:</b>	<b>Outputs</b>	<b>Indicators</b>	<b>Means of verification</b>	<b>Assumptions</b>
<ul style="list-style-type: none"> <li><input type="checkbox"/> Develop a KIPPPRA policy on infrastructure development</li> <li><input type="checkbox"/> Acquire appropriate assets, tools and equipment</li> <li><input type="checkbox"/> Explore possibilities of benefiting from KIPPPRA networks and other partners</li> </ul>	<ul style="list-style-type: none"> <li>Improved facilities acquired</li> <li>Physical assets available</li> </ul>	<ul style="list-style-type: none"> <li>Improved facilities available</li> <li>Title deeds, assets register, library subscriptions, etc</li> </ul>	<ul style="list-style-type: none"> <li>By year 1 of Plan period</li> <li>By year 1 of Plan period</li> </ul>	<ul style="list-style-type: none"> <li>Availability of financial resources</li> </ul>
<b>(iii) To recruit and retain highly qualified staff</b>				
<ul style="list-style-type: none"> <li><input type="checkbox"/> Review and update the recruitment, promotion, remuneration and training policy</li> </ul>	<ul style="list-style-type: none"> <li>Number of staff</li> <li>Policy adopted and operational</li> </ul>	<ul style="list-style-type: none"> <li>Minimum staff turnover and high staff morale</li> </ul>	<ul style="list-style-type: none"> <li>By year 1 of Plan period</li> </ul>	
<b>(iv) To deliver effective policy advice</b>				
<ul style="list-style-type: none"> <li><b>Activities:</b></li> <li><input type="checkbox"/> Develop a strategy for delivery of effective policy advice</li> <li><input type="checkbox"/> Develop a strategy to inform and advise the policy making process</li> <li><input type="checkbox"/> Carry out high quality public policy research and analysis</li> <li><input type="checkbox"/> Deliver and communicate public policy advice more effectively</li> <li><input type="checkbox"/> Develop modalities for effective interaction with technical groups in the Government of Kenya</li> <li><input type="checkbox"/> Design a strategy to build the capacity of the Kenya government to absorb, synthesize and undertake public policy analysis</li> </ul>	<ul style="list-style-type: none"> <li>Government of Kenya increasingly adopts KIPPPRA's advice;</li> <li>Publications, confidential policy briefs, usable summaries, etc;</li> <li>Presentations of publications and policy briefs to Government of Kenya, seminars and workshops for other stakeholders;</li> <li>Working sessions and meetings with Government of Kenya officers</li> </ul>	<ul style="list-style-type: none"> <li>KIPPPRA advice evident in Government of Kenya policy documents</li> <li>Existence of publications</li> <li>Participation of senior Government in KIPPPRA activities</li> <li>Minutes</li> </ul>	<ul style="list-style-type: none"> <li>Continuous</li> <li>On-going</li> <li>Within 6 months of Plan period</li> <li>On-going</li> </ul>	<ul style="list-style-type: none"> <li>Effective working modalities between KIPPPRA and Government of Kenya</li> <li>Good and improved working modalities with Government of Kenya</li> <li>Conducive political environment</li> <li>A better understanding of policy making process by KIPPPRA</li> </ul>

<b>5.5 INSTITUTIONAL NETWORKING</b>				
<b>5.5.1 Strategic objective 5: Establish procedures and policies for institutional networking that advance the mission of the Institute</b>				
<b>5.5.2 Specific objectives</b>				
<b>(i) To maintain and expand existing networks</b>				
<b>Activities:</b>	<b>Outputs</b>	<b>Indicators</b>	<b>Means of verification</b>	<b>Assumptions</b>
<input type="checkbox"/> Explore possibilities of expanding networks within the Government of Kenya, private sector and civil society <input type="checkbox"/> Establish contacts with potential partners <input type="checkbox"/> Identify and establish modalities for networking	Number of networks increased with: (a) Government of Kenya: PSS, DSS, CPU's, additional technical teams, etc (b) Private sector and civil society	Increased collaboration Number of potential partners contacted Policy document specifying modality of networking	Continuous Year 1 of Plan period First 6 months of Plan period	KIPPRA maintains its credibility Willingness and commitment to work together Capacity of private sector and civil society exists
<b>(ii) To increase collaboration with national, regional and international research institutes</b>				
<b>Activity:</b>	Joint activities	Joint outputs	Continuous	Availability of resources
<input type="checkbox"/> Identify key professionals and institutions with potential for initiating networks	Number of contacts made	Cross visits	Continuous	
<b>(iii) To formalize the Institute's relationship with local universities</b>				
<b>Activities:</b>	Proposals	MoU and agreement with local universities	Year 1 of Plan period	
<input type="checkbox"/> Develop and present proposals for working modalities <input type="checkbox"/> Increase collaboration with national, regional and international institutes <input type="checkbox"/> Formalize relationships with universities		Proposals	Within 6 months of Plan period	

<b>5.6 WORKING WITH THE PRIVATE SECTOR</b>				
5.6.1 Strategic objective 6: Establish a working relationship with the private sector without jeopardizing the Institute's work with the Government of Kenya				
5.6.2 Specific objectives				
<b>(i) To develop mechanisms and strategies for working with the private sector on cross cutting and sectoral issues</b>				
<b>Activities:</b>	<b>Outputs</b>	<b>Indicators</b>	<b>Means of verification</b>	<b>Assumptions</b>
<input type="checkbox"/> Identify private sector agents to work with <input type="checkbox"/> Interact with private sector representatives through meetings and discussions <input type="checkbox"/> Involve private sector representatives in KIPPPRA seminars <input type="checkbox"/> KIPPPRA continued participation in civil society meetings	Published internal policy document on modalities of working with private sector	Common understanding	Continuous	Document exists KIPPPRA will always work with the private sector and civil society
<b>(ii) To strengthen mechanisms for identifying, handling and clearing potential sensitive issues that might create conflict of interest for KIPPPRA given its mandate as a policy adviser to the Government of Kenya</b>				
<b>Activity:</b>				
<input type="checkbox"/> Set up research committees that will identify the sensitive issues	Systems in place	Good working relationship verified through surveys	Within year 1 of Plan	KIPPPRA will always work with the private sector
<b>(iii) To develop an information dissemination mechanism to the civil society</b>				
<b>Activity:</b>				
<input type="checkbox"/> Disseminate KIPPPRA outputs to the private sector, donors and civil society				

# APPENDIX 1

## KIPPRA STRATEGIC PLAN 2003-2008: RECURRENT AND CAPITAL BUDGET

### Budget

	% of Total Budget	2003/4 (US\$ 000)	2004/5 (US\$ 000)	2005/6 (US\$ 000)	2006/7 (US\$ 000)	2007/8 (US\$ 000)	TOTAL (US\$ 000)
<i>Institutional support</i>	26	595	372	402	465	506	2,340
<i>Research</i>	30	697	436	470	545	593	2,741
<i>Capacity building</i>	26	599	374	404	468	510	2,356
<i>Policy seminars and workshops</i>	10	220	138	149	172	187	866
<i>Information dissemination &amp; networking</i>	8	175	109	118	137	149	687
<b>TOTAL</b>	<b>100</b>	<b>2,287</b>	<b>1,429</b>	<b>1,543</b>	<b>1,786</b>	<b>1,945</b>	<b>8,990</b>

### Financing

	2003/4 (US\$ 000)	2004/5 (US\$ 000)	2005/6 (US\$ 000)	2006/7 (US\$ 000)	2007/8 (US\$ 000)	TOTAL (US\$ 000)
<i>African Capacity Building Foundation</i>	500	180	340	340	340	1,700
<i>European Union</i>	507	394	394	394	394	2,083
<i>Government of Kenya</i>	191	210	231	254	380	1,266
<i>Dept. for International Development</i>	677	385				1,062
<i>US Agency for International Development</i>	212	259	61			532
<i>Projects</i>	191		210	231	254	886
<i>Others</i>	9		306	566	577	1,458
<b>TOTAL</b>	<b>2,287</b>	<b>1,428</b>	<b>1,542</b>	<b>1,785</b>	<b>1,945</b>	<b>8,987</b>

## Budget Allocation by Development Partner

	%	TOTAL US\$ 000	ACBF US\$ 000	%	EU US\$ 000	%	Gok US\$ 000	%	DFID US\$ 000	%	USAID US\$ 000	%	Projects US\$ 000	%	Others US\$ 000	%	TOTAL US\$ 000
Institutional support	26	2,340	289	17	417	20	350	30	319	30	72	13	177	20	716	47	2,340
Research	30	2,741	510	30	729	35	233	20	319	30	214	39	355	40	381	25	2,741
Capacity building	26	2,357	442	26	521	25	584	50	319	30	180	33	133	15	178	12	2,357
Policy seminars and workshops	10	865	357	21	208	10	-	-	53	5	55	10	177	20	15	1	865
Information dissemination and networking	8	686	102	6	208	10	-	-	53	5	36	7	44	5	243	16	686
<b>TOTAL</b>	<b>100</b>	<b>8,989</b>	<b>1,700</b>	<b>100</b>	<b>2,083</b>	<b>100</b>	<b>1,167</b>	<b>100</b>	<b>1,063</b>	<b>100</b>	<b>557</b>	<b>100</b>	<b>886</b>	<b>100</b>	<b>1,533</b>	<b>100</b>	<b>8,989</b>