

## OPERATE AGRI-ENTERPRISE

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### **UNIT DESCRIPTION**

This unit specifies the competencies required to operate an agri-enterprise. It involves recruiting and supervising agri-enterprise workers, monitoring production and processing activities, managing agrienterprise finances, controlling agri enterprise risks, and, maintaining relationships with agri-enterprise stakeholders.

### **ELEMENTS AND PERFORMANCE CRITERIA**

<b>ELEMENT</b> These describe the <b>key outcomes</b> which make up workplace function (to be stated in active)	<b>PERFORMANCE CRITERIA</b> These are <b>assessable statements</b> which specify the required level of performance for each of the elements (to be stated in passive voice) <b><i>Bold and italicized terms are elaborated in the Range</i></b>
1 Recruit agri-enterprise workers	<p>1.1 Roles and activities to be carried out at the firm are identified in accordance with the <b><i>management plan</i></b></p> <p>1.2 Work allocations are drafted based on the workers roles identified</p> <p>1.3 Worker's qualifications and experience are determined and set in accordance with the <b><i>activities</i></b> to be carried out on the firm and provided roles.</p> <p>1.4 <b><i>Worker engagement</i></b> is identified based on periodic manpower requirements of the firm.</p> <p>1.5 Worker recruitment positions are advertised based on firm requirements</p> <p>1.6 Recruitment interviews are conducted based on established recruitment procedures.</p> <p>1.7 Worker job contracts/agreements are signed in accordance with existing labour laws and established firm requirements</p> <p>1.8 Worker placement and orientation is conducted in accordance with firm job requirements</p>
2 Supervise agri-enterprise workers	<p>2.1 Worker's supervision <b><i>methods and tools are</i></b> prepared in accordance with firm requirements</p> <p>2.2 Workers are sensitized on the reporting procedures and feedback processes in accordance with firm requirements.</p> <p>2.3 Performance targets are assigned to each worker based on the work allocation</p> <p>2.4 Worker performance is monitored and feedback given to the workers in line with the agreed upon performance appraisal procedures.</p>

	<p>2.5 Regular workers' meetings are organized in line with the work requirements</p> <p>2.6 Workers are rewarded or sanctioned based on work performance appraisal reports</p>
3 Monitor production and processing activities	<p>3.1 <b>Key Performance Indicators (KPIs)</b> for production and processing are identified and written down based on product/service requirement.</p> <p>3.2 <b>Regulatory authority measures</b> are identified and adhered to in firm operations as per the type of product or service in line with specific <b>regulatory authority</b>.</p> <p>3.3 Task procedures and flow charts are documented and displayed in accordance with Good Agricultural Practices (GAP) and Good Manufacturing Practices (GMP) guidelines.</p> <p>3.4 Raw materials are sourced in line with firms procurement procedures that should define minimum quality standards for raw materials</p> <p>3.5 Quality of raw materials is checked in line with SOPs and government policy.</p> <p>3.6 Stock levels are maintained at optimal levels in line with firm inventory management policy.</p> <p>3.7 Products/ services are produced/offered based on the standard operating procedures (SOPs) and government regulation</p> <p>3.8 Waste is controlled based on the type of products and government regulations</p>
4 Manage agri-enterprise finances	<p>4.1 Agri-enterprise expenditure and income is monitored and periodically documented in accordance with the business plans and Generally Accepted Accounting Principles (GAAP)</p> <p>4.2 <b>Agribusiness liabilities</b> are identified and complied with based on size of the business and terms of the contract.</p> <p>4.3 Business gross margins are analyzed as per GAAP</p> <p>4.4 <b>Business financial adjustment measures</b> are carried out based on gross margins and in line with agri-enterprise goals and objectives</p>
5 Control agri enterprise risks	<p>5.1 Potential risk areas in the enterprise are identified and mapped based on the prevailing internal and external business environment.</p> <p>5.2 Agri Enterprise risks are classified based on category of risk area as per established <b>risk classification criteria</b></p> <p>5.3 Agripreneurial <b>risk intervention measures</b> are determined and adopted based on risk classification.</p> <p>5.4 Early warning risk information systems are identified and monitored in accordance with industry standards</p>

	<p>5.5 Risk management plan is developed based on frequency and likelihood of occurrence of the risk and resources available.</p> <p>5.6 Resources are sourced to implement risk management plans as per firms' resource mobilization strategies.</p> <p>5.7 Risk intervention measures are assessed and reviewed based on the risk management reports.</p>
6 Maintain agri-enterprise stakeholder relationships	<p>6.1 <b>Business stakeholders</b> are identified and mapped out according to nature of the business.</p> <p>6.2 Stakeholder meetings are conducted in accordance with established firm stakeholder engagement procedures</p> <p>6.3 Stakeholder <b>communication channels</b> are identified and used as per the partnership agreements</p> <p>6.4 Partnership agreements are reviewed and maintained based on agreed upon terms and monitoring and evaluation protocol</p>

## RANGE

This section provides work environments and conditions to which the performance criteria apply. It allows for different work environments and situations that will affect performance.

VARIABLE	RANGE
1. <b>Management plan</b> may include but not limited to;	<ul style="list-style-type: none"> <li>● Positions to be filled</li> <li>● Organization structure</li> <li>● Duties and responsibilities to be performed</li> <li>● Relevant list of advisors</li> </ul>
2. <b>Workers engagement basis</b> may include but not limited to;	<ul style="list-style-type: none"> <li>● Full time</li> <li>● Part time</li> <li>● Contract</li> </ul>
3. <b>Displayed</b> may include but not limited to;	<ul style="list-style-type: none"> <li>● Printing on the wall</li> <li>● Shared folders online</li> <li>● Banners / billboards</li> </ul>
4. <b>Supervision methods and tools</b> includes but not limited to;	<ul style="list-style-type: none"> <li>● Workers daily log of activities Regular on farm walking</li> <li>● One-on-one meetings</li> <li>● Counter checking of the work</li> <li>● Perusing of reports</li> <li>● Use of technology</li> <li>● Appraisal tools and reports</li> </ul>

<p>5. <b><i>Production &amp; Processing KPIs</i></b> includes but not limited to;</p>	<ul style="list-style-type: none"> <li>● Count / quantity of product created.</li> <li>● Reject ratio</li> <li>● Rate – speed at which goods are produced</li> <li>● Target / output rate and quality.</li> <li>● Task Time – amount of time taken to complete a task</li> <li>● Overall Equipment Effectiveness (OEE)</li> <li>● Downtime</li> <li>● Processing time - Time spent transforming raw materials into finished goods.</li> <li>● Inspection time - Time spent inspecting materials and finished goods.</li> <li>● Move time - Time spent moving items into and out of the manufacturing area.</li> <li>● Queue time -Time spent waiting before the other timed activities</li> </ul>
<p>6. <b><i>Regulatory authority measures</i></b> include but not limited to;</p>	<ul style="list-style-type: none"> <li>● Permits</li> <li>● Licenses</li> <li>● Certification requirements</li> <li>● Food safety requirements</li> </ul>
<p>7. <b><i>Regulatory authorities</i></b> includes but not limited to;</p>	<ul style="list-style-type: none"> <li>● Kenya Bureau of Standards (KEBS)</li> <li>● Halaal regulators</li> <li>● Kenya Veterinary Board (KVB)</li> <li>● Kenya Plant Health Inspectorate Services (KEPHIS)</li> <li>● Kenya Dairy Board (KDB)</li> <li>● Public Health</li> <li>● Agriculture and Food Authority (AFA)</li> <li>● National Environment Management Authority (NEMA)</li> </ul>
<p>8. <b><i>DOWNTIMER model</i></b> includes but not limited to;</p>	<ul style="list-style-type: none"> <li>● Defects</li> <li>● Overproduction</li> <li>● Waiting time</li> <li>● Non utilized skills</li> <li>● Transportation costs (idle capacity or inefficient use of vehicles)</li> <li>● Inventory (excess)</li> <li>● Motion (unnecessary)</li> <li>● Extra processing like boiling milk to higher temperatures than necessary</li> <li>● Resources (water, electricity and machines)</li> </ul>

<p><b>9. Agribusiness liabilities</b> includes but not limited to;</p>	<ul style="list-style-type: none"> <li>● Tax obligations           <ul style="list-style-type: none"> <li>• Pay As You Earn (PAYE)</li> <li>• Value Added Tax (VAT)</li> </ul> </li> <li>● Business debts           <ul style="list-style-type: none"> <li>• Creditors/accounts payable</li> <li>• Loans</li> <li>• Mortgages</li> </ul> </li> </ul>
<p><b>10. Business financial adjustment measures</b> includes but not limited to;</p>	<ul style="list-style-type: none"> <li>● Cutting costs</li> <li>● Increasing revenue</li> <li>● Meeting deadlines</li> <li>● Monitoring spending</li> <li>● Following up on receivable accounts</li> <li>● Separating business from personal funds</li> <li>● Timely purchases and sales</li> <li>● Strict adherence to budget</li> <li>● Managing inventories</li> <li>● Maintaining cash reserves</li> </ul>
<p><b>11. Risk classification criteria</b> includes but not limited to categorizing risks on the basis of;</p>	<ul style="list-style-type: none"> <li>● Likelihood of occurrence</li> <li>● Level of impact upon occurrence</li> <li>● Frequency of occurrence</li> </ul>
<p><b>12. Risk intervention measures</b> includes but not limited to;</p>	<ul style="list-style-type: none"> <li>● Control measures (substitution, elimination, isolation, use of PPEs)</li> <li>● Avoidance measures (don't venture in the activity)</li> <li>● Transfer measures (insurance, contract farming)</li> </ul>
<p><b>13. Business stakeholders</b> includes but not limited to;</p>	<ul style="list-style-type: none"> <li>● Have a vested interest in the business</li> <li>● Are affected by the product/services outcomes</li> <li>● Directly involved in the business</li> <li>● Who have influence over decisions</li> <li>● Who need to stay informed about the process and decisions</li> </ul>
<p><b>14. Communication channels</b> includes but not limited to;</p>	<ul style="list-style-type: none"> <li>● Emails</li> <li>● letters</li> <li>● phone calls</li> <li>● SMS</li> <li>● In-person meetings</li> </ul>

## **REQUIRED SKILLS AND KNOWLEDGE**

This section describes the skills and knowledge required for this unit of competency.

### **Required Skills**

The individual needs to demonstrate the following skills;

- Analytical skills
- Communication skills
- Computer skills
- Conflict resolution skills
- Decision making skills
- Entrepreneurial skills
- Interpersonal skills
- Leadership skills
- Active Listening skills
- Management skills
- Negotiation skills
- Organizational skills
- Planning skills
- Problem solving skills
- Reading and comprehension skills
- Record keeping skills
- Time keeping skills
- Writing skills
- Creativity and Innovative skills

### **Required Knowledge**

The individual needs to demonstrate knowledge of:

- Basics business management
- Basic entrepreneurship
- Basic accounting
- Licensing and taxation
- Key highlights of the Labour laws (employment Act 2007,Occupational Health and Safety Act 2007, Work injury benefit act 2007)
- Components of basic business plans and budgets
- Management styles
- Types of agribusiness records and reports
- Types of agribusiness risks
- Agribusiness industry regulations

- Leadership styles
- Communication methods and channels
- Basic functions of management
- Agri-enterprise risk mitigation strategies
- Bookkeeping
- Inventory management methods
- Working capital management (accounts payable, accounts receivable, inventory and cash)
- ICT in business management
- Business ethics
- Personnel management (recruitment, supervision and motivation and training)
- Stakeholder engagement strategies
- Management of distribution channels for agri-enterprise products and services
- Business life cycles

## EVIDENCE GUIDE

This provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge and range.

1 Critical Aspects of Competency	<p>Assessment requires evidence that the candidate:</p> <ul style="list-style-type: none"> <li>1.1 Selected and deployed qualified workers required by the firm</li> <li>1.2 Assigned employee tasks, monitored performance and provided feedback on performance.</li> <li>1.3 Maintained optimum production and processing levels and controlled production wastes</li> <li>1.4 Identified and controlled risks facing the enterprise.</li> <li>1.5 Engaged relevant stakeholders and managed the partnerships for mutual benefit</li> </ul>
2 Resource Implications	<p>The following resources should be provided:</p> <ul style="list-style-type: none"> <li>2.1 Access to relevant workplace or appropriately simulated environment where assessment can take place</li> <li>2.2 Materials relevant to the proposed activity or tasks</li> <li>2.3 Stationery</li> <li>2.4 Computers</li> <li>2.5 Data analysis tools</li> <li>2.6 PPEs</li> </ul>
3 Methods of Assessment	<p>Competency in this unit may be assessed through:</p> <ul style="list-style-type: none"> <li>3.1 Oral</li> <li>3.2 Written</li> <li>3.3 Observation</li> <li>3.4 Third party</li> <li>3.5 Practical test</li> </ul>

	<b>3.6 Case study</b>
<b>4 Context of Assessment</b>	Competency may be assessed on the job, off the job or a combination of these. Off the job assessment must be undertaken in a closely simulated workplace environment.
<b>5 Guidance information for assessment</b>	Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.