

## OPERATE AGRI-ENTERPRISE

**UNIT CODE:** 0811 351 02 A

**TVET CDACC UNIT CODE:** AG/OS/PN/CR/02/3/MA

### **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>	<b>PERFORMANCE CRITERIA</b>
These describe the <b>key outcomes</b> which make up workplace function (to be stated in active)	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	1.1 Roles and activities to be carried out at the firm are identified in accordance with the <b><i>management plan</i></b> 1.2 Work allocations are drafted based on the workers roles identified 1.3 Worker's qualifications and experience are determined and set in accordance with the activities to be carried out on the firm and provided roles. 1.4 <b><i>Worker engagement</i></b> is identified based on periodic manpower requirements of the firm. 1.5 Worker recruitment positions are advertised based on firm requirements 1.6 Recruitment interviews are conducted based on established recruitment procedures. 1.7 Worker job contracts/agreements are signed in accordance with existing labour laws and established firm requirements 1.8 Worker placement and orientation is conducted in accordance with firm job requirements
2 Supervise agri-enterprise workers	2.1 Workers <b><i>supervision methods and tools are</i></b> prepared in accordance with firm requirements 2.2 Workers are sensitized on the reporting procedures and feedback processes in accordance with firm requirements.

	<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 <del>should</del> 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	<p>5.1 Potential risk areas in the enterprise are identified and mapped</p>

enterprise risks	<p>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. Management plan 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. Workers engagement basis 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. Displayed may include	<ul style="list-style-type: none"> <li>● Printing on the wall</li> </ul>

but not limited to;	<ul style="list-style-type: none"> <li>● Shared folders online</li> <li>● Banners / billboards</li> </ul>
4. Supervision methods and tools 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>
5. Production & Processing KPIs includes but not limited to;	<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>
6. Regulatory authority measures includes but not limited to;	<ul style="list-style-type: none"> <li>● Permits</li> <li>● Licenses</li> <li>● Certification requirements</li> <li>● Food safety requirements</li> </ul>
7. Regulatory authorities includes but not limited to;	<ul style="list-style-type: none"> <li>● Kenya Bureau of Standards (KEBS)</li> <li>● Halal 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>
8. DOWNTIMER model	<ul style="list-style-type: none"> <li>● Defects</li> </ul>

includes but not limited to;	<ul style="list-style-type: none"> <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>
9. Agribusiness liabilities includes but not limited to;	<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>
10. Business financial adjustment measures includes but not limited to;	<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>
11. Risk classification criteria includes but not limited to categorizing risks on the basis of;	<ul style="list-style-type: none"> <li>● Likelihood of occurrence</li> <li>● Level of impact upon occurrence</li> <li>● Frequency of occurrence</li> </ul>
12. Risk intervention measures includes but not limited to;	<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>
13. Business stakeholders includes but not limited	<ul style="list-style-type: none"> <li>● Have a vested interest in the business</li> <li>● Are affected by the product/services outcomes</li> </ul>

to;	<ul style="list-style-type: none"> <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>
14. Communication channels includes but not limited to;	<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	Assessment requires evidence that the candidate: 1.1 Selected and deployed qualified workers required by the firm 1.2 Assigned employee tasks, monitored performance and provided feedback on performance. 1.3 Maintained optimum production and processing levels and controlled production wastes
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	<p>1.4 Identified and controlled risks facing the enterprise.</p> <p>1.5 Engaged relevant stakeholders and managed the partnerships for mutual benefit</p>
2 Resource Implications	<p>The following resources should be provided:</p> <p>2.1 Access to relevant workplace or appropriately simulated environment where assessment can take place</p> <p>2.2 Materials relevant to the proposed activity or tasks</p> <p>2.3 Stationery</p> <p>2.4 Computers</p> <p>2.5 Data analysis tools</p> <p>2.6 PPEs</p>
3 Methods of Assessment	<p>Competency in this unit may be assessed through:</p> <p>3.1 Oral</p> <p>3.2 Written</p> <p>3.3 Observation</p> <p>3.4 Third party</p> <p>3.5 Practical test</p> <p>3.6 Case study</p>
4 Context of Assessment	<p>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.</p>
5 Guidance information for assessment	<p>Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.</p>