

Njuguna Ndung'u: Strategic human resource management and development in the MEFMI region

Remarks by Prof Njuguna Ndung'u, Governor of the Central Bank of Kenya, at the official opening of the MEFMI (The Macroeconomic and Financial Management Institute for Southern and Eastern Africa) Human Resources Workshop, Nairobi, 3 March 2014.

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The MEFMI Executive Director, Dr. Ellias Ngalande;

Resource Persons;

Distinguished Participants;

Ladies and Gentlemen;

It gives me great pleasure to officiate at the opening of this important workshop for human resource officials of the MEFMI region. May I take this opportunity at the outset to extend a warm welcome to you all to Nairobi and the Republic of Kenya. I extend a special welcome to our first time visitors to Kenya. Kenya is certainly an interesting country which you will discover despite being here for a short period.

I have to assure you that Kenya as a hosting country for this event feels greatly honored because of your presence having travelled long distances to come here. This only goes to confirm one aspect, that the membership of MEFMI is like one family and visits of this nature help to cement relationships among the peers. Indeed, I am told that this is the first time that MEFMI is holding a workshop for heads of human resources in Kenya. On a very important note, the timing of this workshop is also critical, as it comes in the third year of MEFMI Phase IV. As the Executive Director alluded to earlier in his remarks, MEFMI is implementing the Phase IV Strategic Plan that runs from 2012 to 2016. Please take time to understand and appreciate the progress that MEFMI has made in implementing Phase IV, during Dr. Ngalande's presentation later in this workshop. However, I wish to add from my perspective that since its foundation in the 1990s, MEFMI has grown into a network institution that plays an invaluable role in enhancing public sector capacity in Eastern and Southern Africa. Kenya was a founder member of MEFMI's forerunner ESAIDARM in 1993 and has continued to benefit in all aspects of capacity building. Many officials in the Central Bank, The National Treasury, Ministry of Devolution and Planning and other related institutions have had an opportunity to improve their technical skills through participation in various programmes delivered by MEFMI within the region. A number of technical missions have also been undertaken by MEFMI following our requests.

In this regard, the contribution that MEFMI makes in this region and the quality of training is an efficient responsiveness to demands for technical assistance rendered. One other aspect adding to the positive attributes of MEFMI is the essence of mobilizing technical expertise within the region for delivery of the activities. This workshop can bear that testimony. I am informed that the resource persons who will facilitate the discussions are two experts in the area of human resources drawn from Nairobi and Dar es Salaam. For the other capacity building programmes, a cadre of trained MEFMI Fellows is used as resource persons.

I have been informed that some of the participants in this room attended the previous workshop held in Kigali, Rwanda in 2012. This provides excellent continuation to learning and implementation of best practices shared from these workshops.

The Executive Director, Distinguished Participants, Ladies and Gentlemen:

Allow me now turn to the subject matter of this workshop. I note with satisfaction the approach of the MEFMI Secretariat in organizing this workshop. I am informed that the workshop will focus on the following objectives:

- **To share experiences on the key human resource management trends that are changing organizations;**
- **To expose participants to key strategic issues in human resource management;**
- **To discuss human resource management's role and alignment as a strategic business partner;**
- **To learn about issues of ethics in human resource management;**
- **To strengthen networking amongst peers on the emerging human resource issues confronting the member states.**

Looking at the above objectives, I can see the central theme being **strategic human resource management and development**. Our organizations have not provided enough support for the Human Resource Departments to carry out a strategic role. Human Resource is the driving force behind our organizations. Strategic human resource management and development requires the recognition of Heads of human resources as key partners in the management of the organization. There is therefore a need for HR to have a seat at the decision table in order to ensure alignment of HR strategy to the business strategy, this is key for business success and sustainability.

Judging from the volume of our capacity building activities, I am prompted to note that within the MEFMI region, we tend to put a lot of emphasis on strengthening technical capacities in areas such as macroeconomic policy, bank supervision, debt management, among others and not much investment has been put in building capacity of the HR function. The missing link is the aspect of human resources role as a strategic business partner in engaging the rest of the business functions to drive value across the organizations. It is the responsibility of the Human Resources Practitioners to ensure that the organization has the right number of human capital, with the right skills and placed in the right jobs in order to deliver on the organization's vision, mission and strategy.

I trust that the experts who have been engaged will provide the needed learning that all have been waiting for. I recognize that for our human resources experts, one of the biggest challenges that lies ahead relates to development of skills in strategic thinking. Such skills are needed in light of the changing environment. How does human resources staff strategize under the circumstances? What critical roles do they need to play?

I realize that compared to the private sector, the public sector is lagging behind in human capital practices. This impedes the efficiency and effectiveness of service delivery. The challenge therefore to HR business leaders is to design and implement innovative HR strategic plans that will lead to increased Employee engagement and productivity. I am informed that this workshop will examine some of the strategic human resources management techniques that will enable our organizations transform HR into a strategic partner delivering value for the business. It will therefore be an opportune moment to reflect on the HR practices requiring improvement at our own institutions.

Dear Participants, Ladies and Gentlemen: in conclusion I would like to encourage all of you to participate actively during the presentations and discussions. Take time to ask relevant questions and share experiences with other HR practitioners in this room.

I would like to once again thank MEFMI for organizing this workshop and also to thank the resource persons for accepting to facilitate and share their expertise in this region. As MEFMI we believe in synergies in our capacity building approach; as such we really stand to benefit from expertise drawn from various backgrounds.

Further, I wish to thank all your institutions for allowing you to come this far in order to attend and participate in this workshop. For a number of you, this is also an opportunity to get

acquainted with the activities of MEFMI and I would encourage you to continue facilitating the capacity building efforts of our own Institute.

I believe while you are here you will try to sample the usual Kenyan hospitality especially what Nairobi has to offer. I would like at this stage to wish you all a fruitful workshop.

With these remarks, I declare the MEFMI 2014 Human Resources Workshop officially open.

I THANK YOU FOR YOUR ATTENTION