

**WMI FACT BOOK: Loan Program Data**  
**August 2013**

# KENYA



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**WOMEN'S  
MICROFINANCE INITIATIVE**

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# WMI Background, Methodology, and Summary

## Background on WMI Loan Program

WMI is a U.S. based non-profit organization that provides micro-credit loans to women in rural East Africa to help them start and expand their small businesses. Loan programs are administered by village level organizations and issued to lending groups of 20 borrowers, all of whom guarantee each other's loans. *No collateral is required.* WMI also provides borrowers with training in financial literacy, business management, record keeping, and financial planning to ensure that borrowers have the knowledge and skills they need to be successful. After 24 months in the WMI loan program, borrowers graduate to financial independence and transition to a bank loan issued by a financial institution. Ultimately, women use their business profits to pay school fees, buy more food for their families, improve their homes, pay for health care, and expand their businesses.

## Methodology

WMI partners with local community based organizations (CBOs) to operate each village loan hub. The CBOs supervise local data collection utilizing borrower surveys that are completed every six months, starting with a baseline survey when borrowers enter the loan program. The data is compiled and analyzed annually by U.S. college students.

The data presented in this fact book was collected from July 2012 to April 2013 from 163 baseline borrowers.

## Summary

The data included in this fact book was collected from borrower surveys in Shikoho, Keveye, Ngarendare, and Ntumburi. Shikoho and Keveye are located in Western Kenya, whereas Ntumburi and Ngarendare are located in Central Kenya. Most borrowers in these hubs range in age from 31 to 50 years old and are married. 84% of husbands live in the household and are able to provide emotional and economic support, creating a more stable environment for business operations. 75% of borrowers care for at least 3 children in their households, and 44% care for at least one orphan. When entering the loan program, 73% of borrowers have annual incomes lower than \$250, which they spend mainly on school fees, food, and business expansion. Most of families live in semi-permanent homes and eat githeri and ugali, dishes made with maize that offer little nutritional value.

After 6 months in the loan program, the vast majority of borrowers improved their business skills and feel more resourceful, organized, and determined. As businesses expand and incomes increase, at least 80% of borrowers report having more shoes and school uniforms for their children. 100% of families are healthier as well, with 73% of borrowers purchasing more mosquito nets and 58% on more meals.

## I. Baseline Data (163 Surveys)

This is a snapshot of the borrowers' demographics and living standards when entering the loan program.

### A. Demographics

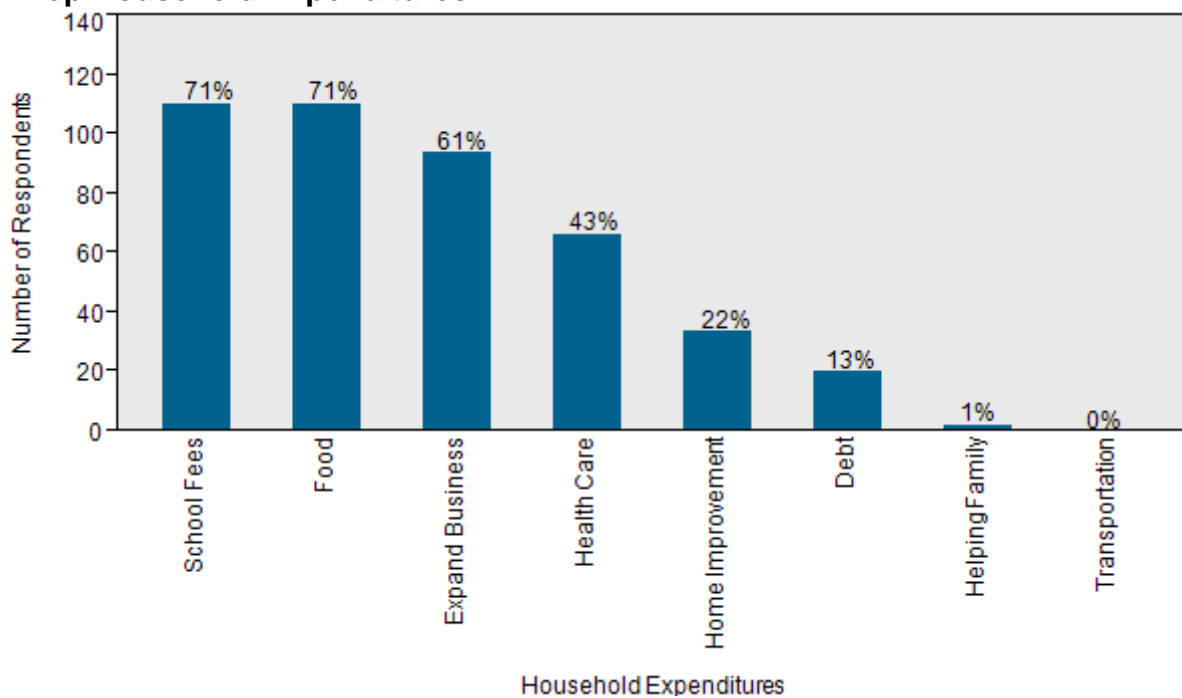
Demographics		
Ages	20 & Under	1%
	21-30	14%
	31-40	35%
	41-50	28%
	51-60	14%
	61 & Over	8%
Marital Status	Married	84%
	Single	7%
	Widowed	9%
# of People in Household	0-2	3%
	3-5	44%
	6-8	40%
	9-11	12%
	12 & over	1%
# of Children in Household	0-2	25%
	3-5	44%
	6-8	28%
	9 & up	3%
Annual Household Income (in US Dollars)	Under \$250	73%
	\$250 – \$500	13%
	\$501 - \$1000	12%
	\$1001 - \$2000	1%
	Over \$2000	1%
Household Savings	Yes	37%
	No	63%
# of Orphans Cared For	0	56%
	1	19%
	2	12%
	3	9%
	4 or more	4%

## **B. Standard of Living**

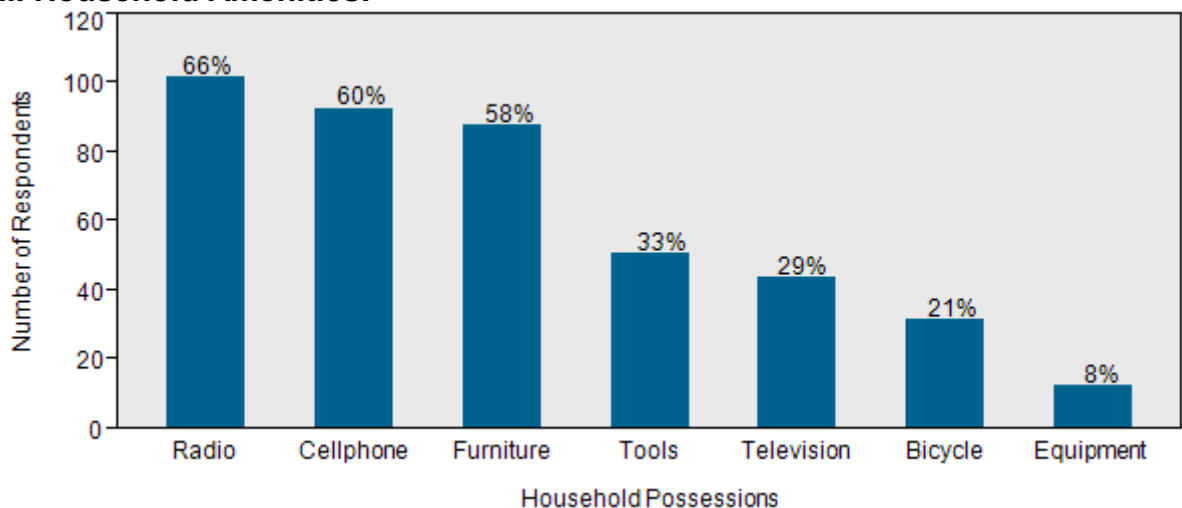
**i. Type of House:** Land is mostly owned by families, not individuals. The majority of women live in semi-permanent homes built on family land.

Type of House		
Own House?	Yes	97%
	No	3%
Own Land?	Yes	81%
	No	19%
Type of House	Semi-Permanent	74%
	Permanent	26%

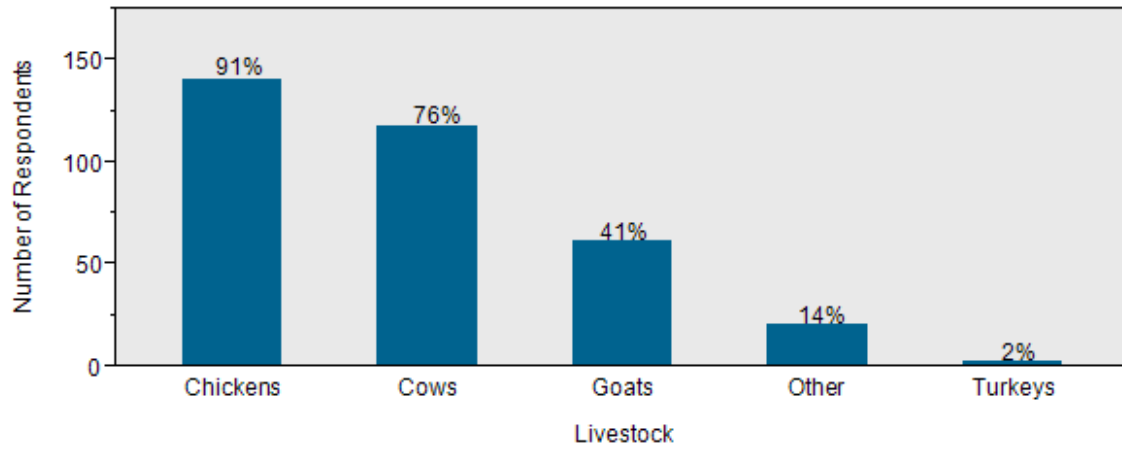
### **ii. Top Household Expenditures:**



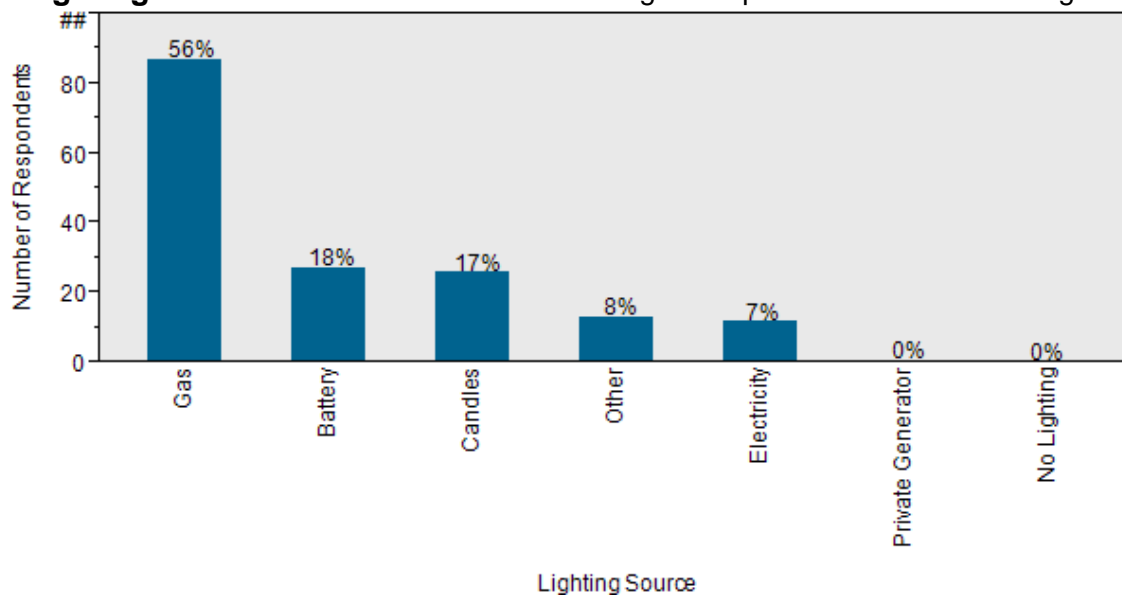
### **iii. Household Amenities:**



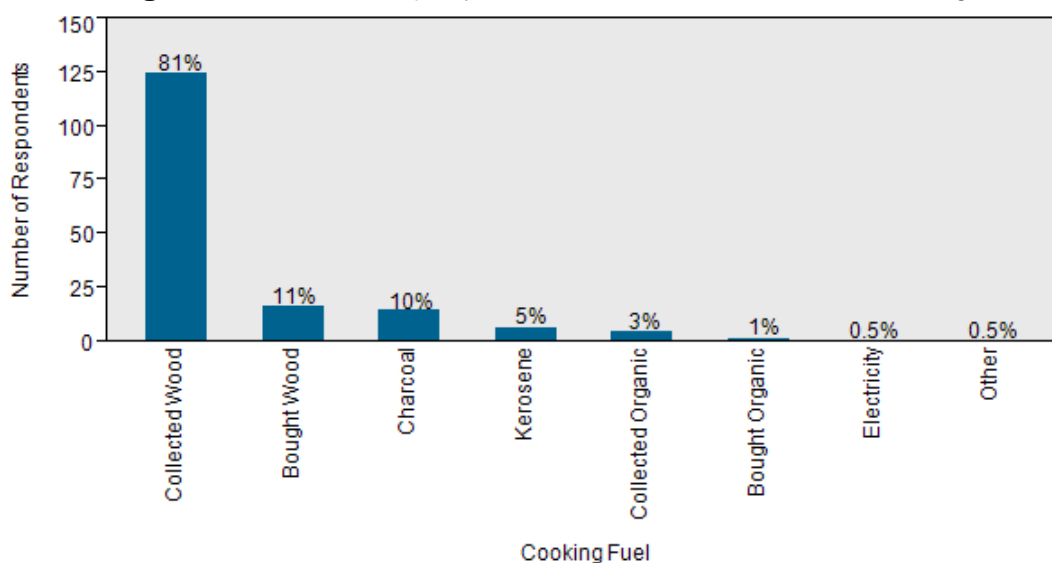
#### iv. Livestock:



#### v. Lighting Source: Over half of borrowers use gas lamps as the basic form of lighting.

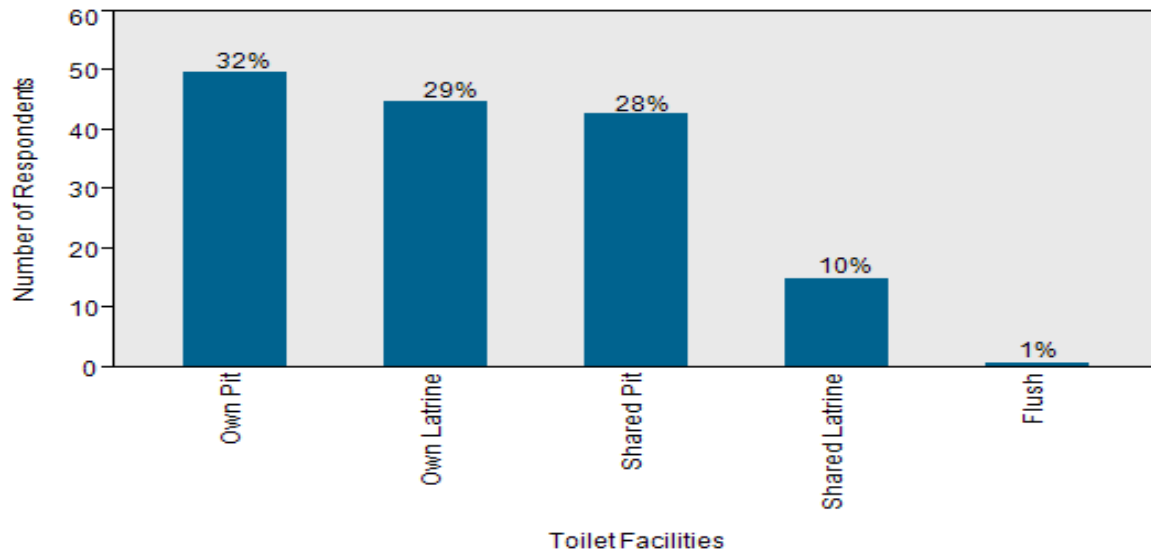


#### vi. Cooking Fuel: The vast majority of borrowers collect wood for cooking fuel.



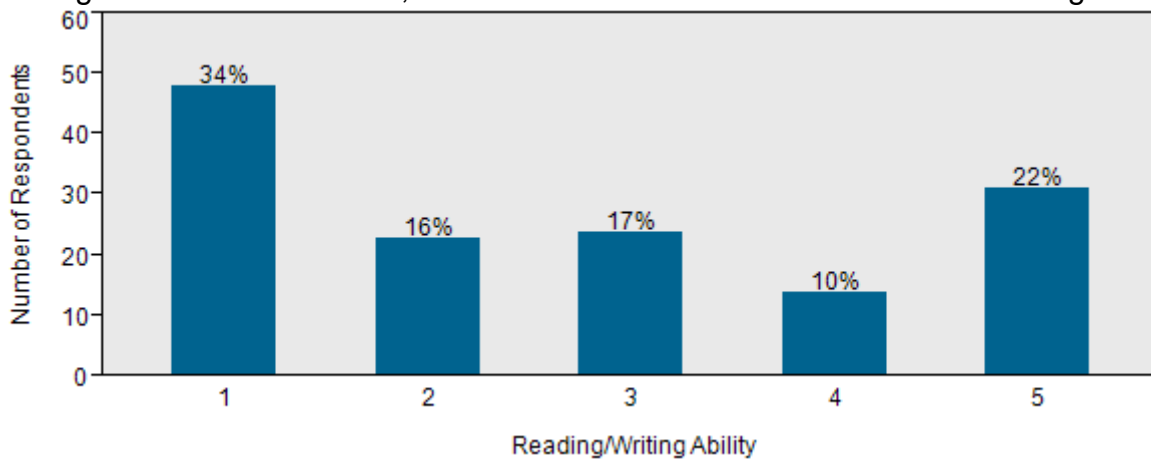


**vii. Toilet Facilities:** Private pits, private latrines, and shared pits are most common.

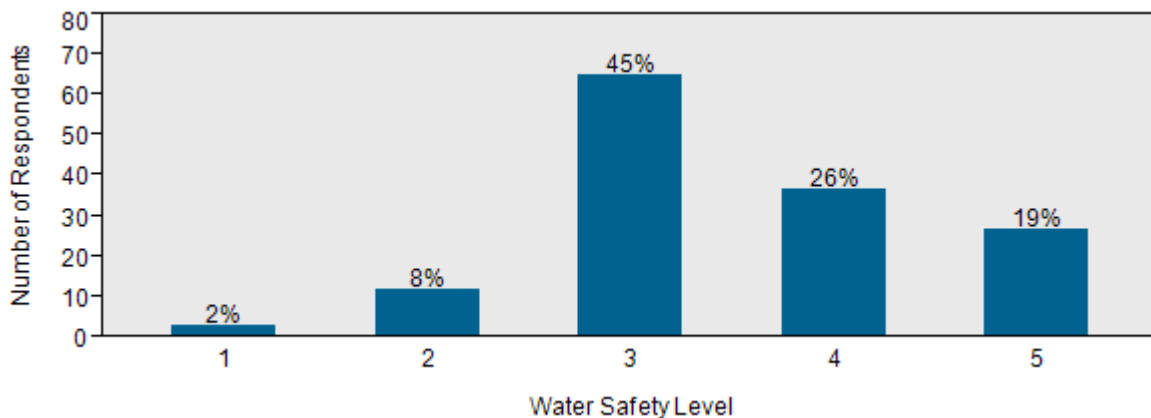


## **C. Family Health and Welfare**

**i. Reading/Writing Ability:** On a scale of 1 to 5, with 1 being the least comfortable and 5 being the most comfortable, borrowers rated their comfort level with reading/writing.



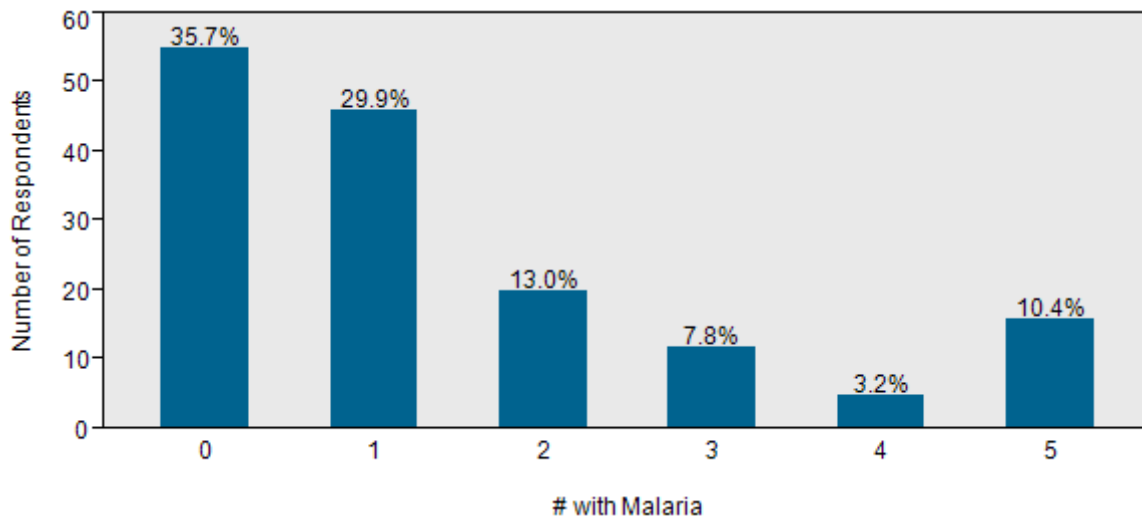
**ii. Water Safety:** On a scale of 1 to 5, with 1 being the least safe, borrowers rated the quality of their drinking water.



**iii. Illness:** 31% of borrowers reported that at any given time, at least one member of their household is sick, with malaria being the dominant illness.

Illnesses in Household		
# of Family Members Regularly Sick	0	69%
	1	19%
	2	10%
	3	1%
	4 or more	1%
Major Household Illnesses	Malaria	47%
	Other	22%
	None	22%
	Asthma	5%
	Eye Problem	5%
	Cough	4%
	Cold	4%

**iv. Malaria in Household:** About 64% of Borrowers reported cases of malaria in their households in the last six months.



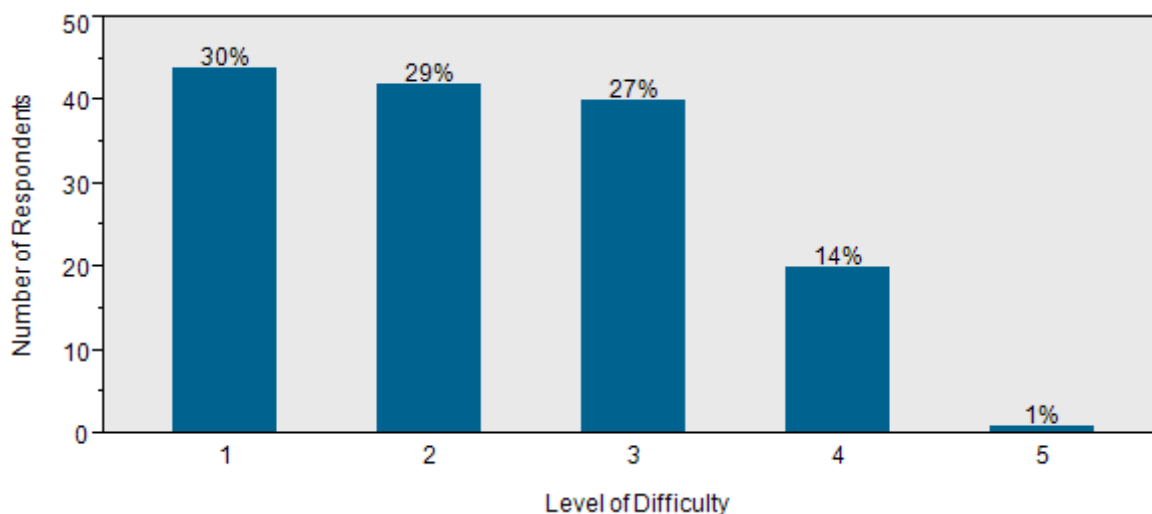
**v. Mosquito Nets:** Only 68% of borrowers have mosquito nets for every member of their family.

**vi. HIV/AIDS:**

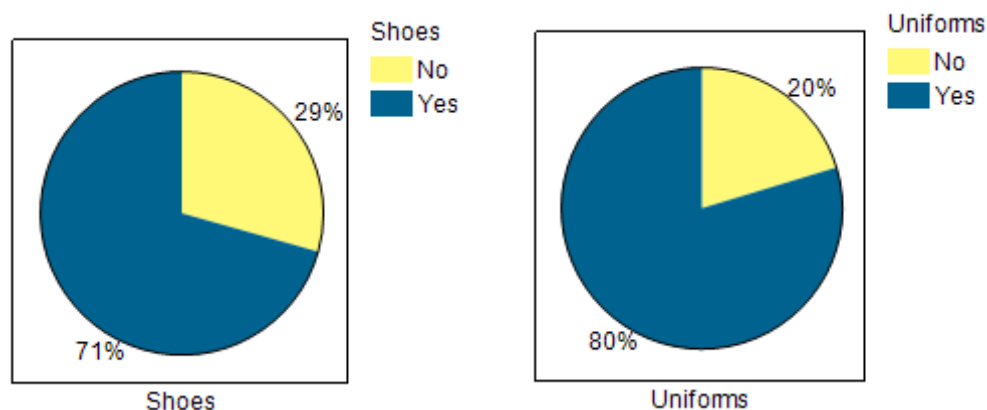
HIV/AIDS		
Borrowers Tested for HIV/AIDS?	Yes	82%
	No	18%
Family Members Tested for HIV/AIDS?	Yes	71%
	No	19%
Borrowers who have Family Members with HIV/AIDS?	Yes	14%
	No	86%
If yes, do they receive regular treatment?	Yes	88%
	No	12%



**vii. Medical Payment Difficulty:** On a scale of 1 to 5, with 1 being not difficult and 5 being extremely difficult, borrowers rated the level of difficulty of paying medical fees. 70% of borrowers find it at least somewhat difficult to pay medical fees.



**viii. Do all children in the household have shoes and school uniforms?**



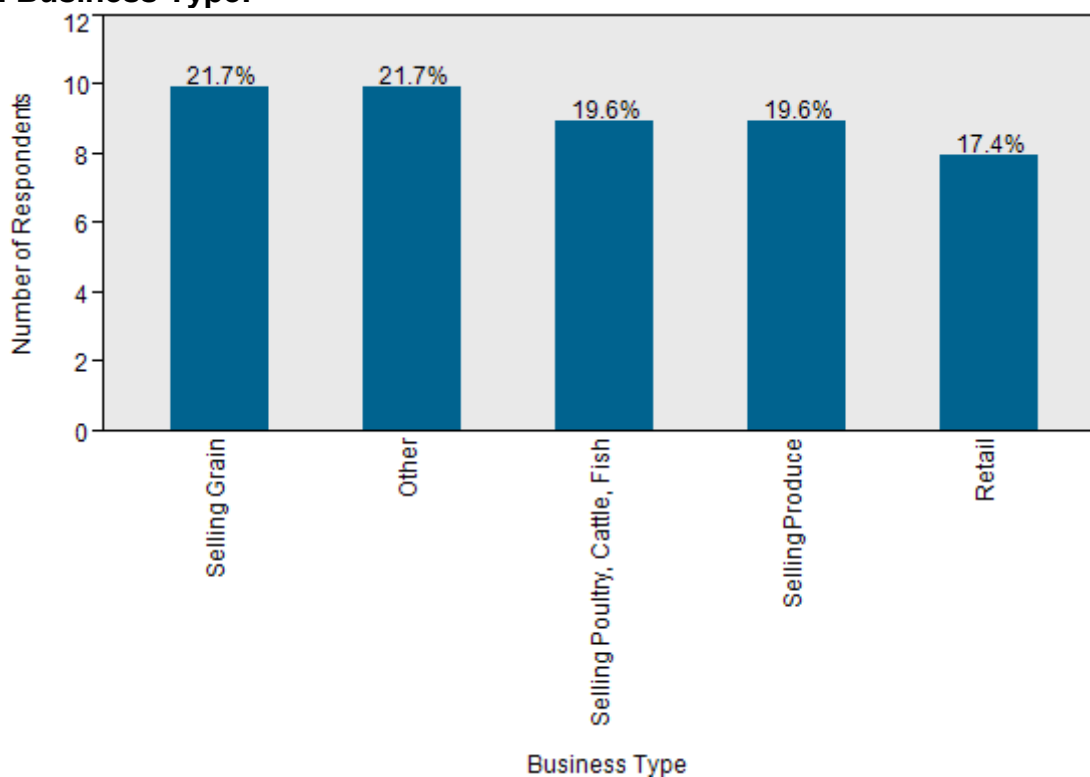
**ix. Food Consumption:**

Food Consumption		
# of Meals Eaten Per Day	1	0%
	2	19%
	3	81%
	4 or more	0%
Food Eaten Most Often	Maize	95%
	Ugali (maize & water)	34%
	Githeri (maize & beans)	31%
	Other	15%
	Vegetables	11%

## II. 6-Month Loan Impact Data: (47 Surveys)

### A. Business Operations

#### i. Business Type:



#### ii. **Annual Income:** After 6 months, borrowers' income increased substantially.

Ranges of Annual Incomes (in US Dollars)	Baseline 163 Surveys	6 Month 47 Surveys
Under \$250	73%	28%
\$250 – \$500	13%	15%
\$501 - \$1000	12%	41%
\$1001 - \$2000	1%	8%
Over \$2000	1%	8%

#### iii. **Savings: a. Baseline:** Upon entering the loan program, the majority of borrowers had less than \$10 in savings.

Total Savings Amount (in US Dollars)	Baseline 163 Surveys
\$0	51%
\$1 - \$10	5%
\$11 - \$20	13%
\$21 - \$30	9%
\$31 - \$40	3%
Over \$40	17%

**b. Monthly Savings: 6 Months:** Borrowers are now saving on a monthly basis as they receive a regular income from their businesses. Three-fourths of borrowers save \$1 to \$10 a month.

Ranges of Monthly Savings (in US Dollars)	6 Month 47 Surveys
\$0	0%
\$1 - \$10	75%
\$11 - \$20	9%
\$21 - \$30	9%
\$31 - \$40	7%

**iii. Family Assistance:** The vast majority of borrowers receive assistance from their families in operating their businesses.

Business Operations		
Who in the family helps?	Husband	80%
	Children	76%
Type of Help Received from Husband	Encouragement	55%
	Labor	52%
	Selling	52%
	Record-Keeping	33%
	Transport	30%
	Money	24%
	Household Chores	12%
	Minding Children	6%

**iv. Improved Personal/Business Skills:** Borrowers report improvements in many personal and business skills.

Improved Skills	Percentage
Literacy and Numeracy	64%
More Resourceful	60%
More Organized	50%
More Determined	38%
More Self-Confident	31%
More Reliable	31%
Improved Record-Keeping	80%
Improved Marketing	46%
Improved Budgeting	44%
Improved Problem Solving	15%
Improved Negotiating	12%

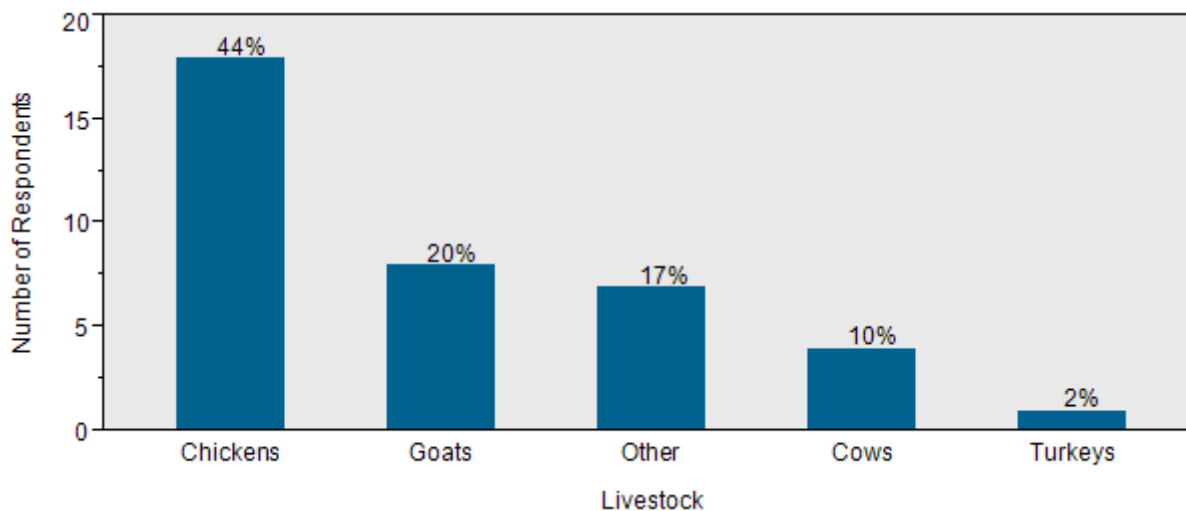
## B. Standard of Living Improvements

### i. Household Improvements:

#### Major Changes in Household at 6 Months

Home Improvements	Improved Floor	9%
	Improved Roof	11%
	Added Furniture	4%
	Added Rooms	18%
Land Acquisition?	Yes	0%
	No	100%
More Shoes for Children?	Yes	84%
	No	16%
More Uniforms for Children?	Yes	84%
	No	16%
Healthier Family?	Yes	100%
	No	0%
More Mosquito Nets?	Yes	73%
	No	27%
Less Malaria in Household?	Yes	84%
	No	16%
Easier to Pay for Medical Expenses?	Yes	98%
	No	2%
More visits to the clinic when a borrower or family member gets sick?	Yes	66%
	No	34%
More Meals?	Yes	58%
	No	42%

### ii. Livestock: At six months, most borrowers increased livestock purchases.



**iii. Household Purchases:** At six months, over one-third of borrowers purchased tools/equipment.

Household Purchases	% of Borrowers
Tools/Equipment	38%
Radio	12%
Bicycle	5%
Cell Phone	5%
Television	0%
Motorbike	0%

#### **IV. Borrower Narratives:**

The following quotes have been taken from the borrower surveys.

**1. Has your loan made your life better?**

- “I can earn my daily bread.”
- “By helping my business grow.”
- “I have money which I have saved and helps in paying medical bills.”

**2. How has your business had a positive effect on your family?**

- “My family has improved financially.”
- “It has created a source of income and profits.”
- “I save money and buy food and clothes for the family.”

**3. Are you happier since getting your loan?**

- “I have been able to expand my business.”
- “I have work to keep me busy.”
- “I have efficiency with extra capital.”

**4. Have you seen any changes in your village because of the loan program?**

- “So many women are busy with their business and the keeping of their families is well.”
- “Loans have been able to upgrade their families.”
- “Ladies are ever busy working their businesses.”