



# Women's Microfinance Initiative

## Kenya



# Table of Contents

---

- I. Introduction.....3**
  - A. Methodology
  
- II. Borrower Profile.....5**
  - A. Household Demographics
  - B. Household Profile
  
- III. Results.....7**
  - A. Financial Impact
  - B. Business Operations
  - C. Personal Impact
  
- IV. Societal Change.....10**

“WMI has changed my life”



# I. Introduction

---

“I am now courageous.”

“WMI has lifted me.”

“I have a happy family.”

“My children are healthy.”

These are direct quotes from just a few of the hundreds of women who participate in the WMI loan program in Kenya. These firsthand accounts, as well as the data presented in this factbook, demonstrate that WMI has enabled village women to significantly better their own, their families', and their communities' lives.



## A. Methodology

The Women's Microfinance Initiative is a non-profit organization based in the United States that provides small loans (up to \$250) to women in rural East Africa so that they may start or expand small businesses. Loans are issued to small groups of 20 borrowers, all of whom guarantee each other's repayment. Over the course of the 24-month loan program, borrowers receive four, six-month term business loans, of increasing amounts. During

this period, WMI provides borrowers with training in financial literacy, business management, and record-keeping to ensure that borrowers have the knowledge and skills they need to be successful. After successfully completing the WMI loan program, borrowers graduate to financial independence. Women use their business profits to provide their families with better education, healthcare, and meals.

WMI partners with local, women-focused, community-based organizations (CBOs) to operate each Kenyan 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 in the U.S. The data presented in this factbook was collected from July 2015 through April 2016. Data was collected from 329 individual surveys from the loan hubs in Kenya. The fact book was prepared by this summer's WMI Bethesda interns, Sarah Barakso Martin, Marlee Grant, Devoe Arnold, and Madeleine Scanio.



# II. Borrower Profile

## A. Household Demographics

The majority of borrowers are between the ages of 31 and 50, although nearly 30% are over the age of 50. Senior women are eager to start businesses because they no longer have young children to care for, and their older children can help with the business. Over three-quarters of the women are married. The table below presents basic borrower information.

<p><b>Age</b></p>	<table border="1"> <caption>Age Range Data</caption> <thead> <tr> <th>Age Range</th> <th>% of Borrowers</th> </tr> </thead> <tbody> <tr> <td>≤ 20</td> <td>0</td> </tr> <tr> <td>21-30</td> <td>15</td> </tr> <tr> <td>31-40</td> <td>35</td> </tr> <tr> <td>41-50</td> <td>25</td> </tr> <tr> <td>51-60</td> <td>25</td> </tr> <tr> <td>61+</td> <td>5</td> </tr> </tbody> </table>	Age Range	% of Borrowers	≤ 20	0	21-30	15	31-40	35	41-50	25	51-60	25	61+	5
Age Range	% of Borrowers														
≤ 20	0														
21-30	15														
31-40	35														
41-50	25														
51-60	25														
61+	5														
<p><b>Marital Status</b></p>	<table border="1"> <caption>Marital Status Data</caption> <thead> <tr> <th>Marital Status</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Married</td> <td>84%</td> </tr> <tr> <td>Single</td> <td>8%</td> </tr> <tr> <td>Widowed</td> <td>8%</td> </tr> </tbody> </table>	Marital Status	Percentage	Married	84%	Single	8%	Widowed	8%						
Marital Status	Percentage														
Married	84%														
Single	8%														
Widowed	8%														
<p><b>Average Household Size</b></p>	<p>6 people; 17% of households have 8 or more</p>														
<p><b>Average Number of Orphans in Household</b> <i>With few institutions or resources available to provide for children who lose their parents to illness or conflict, it is common for women to open their homes to care for orphans.</i></p>	<p>1 orphan</p>														
<p><b>Ease of Medical Treatment</b> <i>Over 60% of women find paying for healthcare moderately to extremely difficult. After starting a business, women use their increased income to pay for medical treatment.</i></p>	<table border="1"> <caption>Ease of Medical Treatment Data</caption> <thead> <tr> <th>Ease of Medical Treatment</th> <th>% of Women</th> </tr> </thead> <tbody> <tr> <td>Easy/Manageable</td> <td>0</td> </tr> <tr> <td>Slightly Difficult</td> <td>40</td> </tr> <tr> <td>Moderately Difficult</td> <td>25</td> </tr> <tr> <td>Very Difficult</td> <td>15</td> </tr> <tr> <td>Extremely Difficult</td> <td>20</td> </tr> </tbody> </table>	Ease of Medical Treatment	% of Women	Easy/Manageable	0	Slightly Difficult	40	Moderately Difficult	25	Very Difficult	15	Extremely Difficult	20		
Ease of Medical Treatment	% of Women														
Easy/Manageable	0														
Slightly Difficult	40														
Moderately Difficult	25														
Very Difficult	15														
Extremely Difficult	20														
<p><b>Average Household Members with Malaria in Past Year</b></p>	<p>1 person</p>														
<p><b>At Least One Case of HIV/AIDS</b></p>	<p>20% of households</p>														

## B. Household Profile

75% of the women in the loan program live in semi-permanent homes constructed with mud walls that must be regularly smeared with a manure-based compound. Roofs are typically tin or grass. This style of home presents numerous health risks, including potential illness from insects attracted to the manure walls and grass roofs. The other 25% of women live in permanent homes with brick walls, which are healthier, sturdier, and safer. Power sources are rudimentary and indoor plumbing practically nonexistent.

<p style="text-align: center;"><b>Lighting Source</b></p> <p><i>The majority of women no longer use open flame lighting sources, although nearly 30% still do.</i></p>	<p>Electricity Pole: 30% of households</p> <p>Kerosine/Paraffin Lamp: 27%</p> <p>Solar: 16%</p> <p>Battery: 8%      Other: 19%</p>
<p style="text-align: center;"><b>Toilet Facility</b></p> <p><i>Latrines and pits, whether shared or owned, are the most commonly used toilets.</i></p>	<p>Own Latrine: 52% of households</p> <p>Shared Pit: 25%</p> <p>Shared Latrine: 13%</p> <p>Flush Toilet: 0%      Other: 10%</p>
<p style="text-align: center;"><b>Cooking Fuel</b></p> <p><i>98% of borrowers cook by burning fossil fuels.</i></p>	<p>Collected Wood: 60% of households</p> <p>Bought Wood: 19%</p> <p>Charcoal: 19%      Other: 2%</p>
<p style="text-align: center;"><b>Water Source</b></p> <p><i>Access to clean water is one of the most pressing issues in rural communities.</i></p>	<p>80% untreated</p>



# III. Results

## A. Financial Impact

Prior to WMI operations in Kenya, only 33% of borrowers had a bank account. Extensive training in saving, record-keeping, and other business skills significantly increases the women’s financial acumen. Three-quarters of borrowers save money either weekly or monthly, and the same proportion keeps records either daily or weekly.

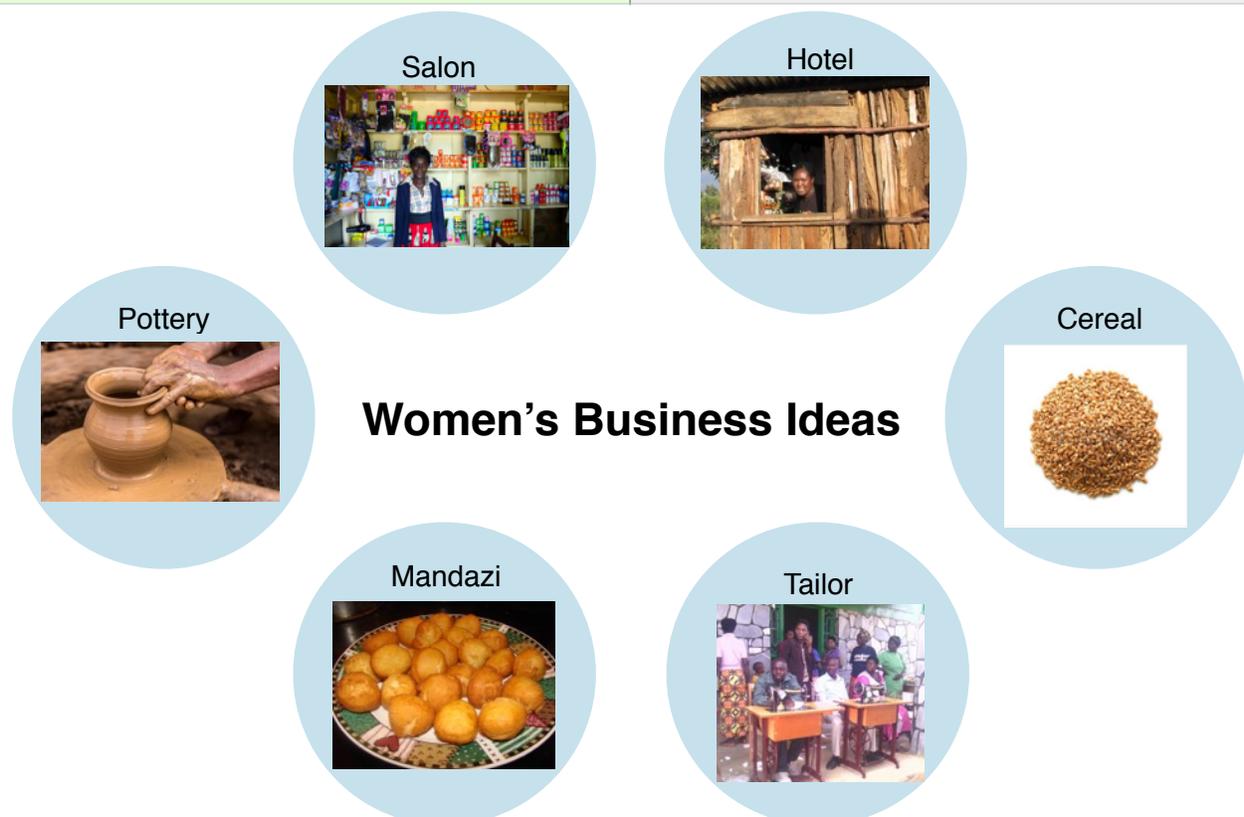
WMI’s loans—beginning at \$100—as well as the training, enables the women to successfully start new businesses or expand existing ones. 84% of borrowers reported that their business had expanded since their last loan, and 74% plan to take more loans. Additionally, 71% of borrowers kept their same business idea throughout loan cycles. The following table demonstrates how WMI’s loans helped the women achieve financial growth.

<p>Before Loan - <b>79%</b> of borrowers were living on <b>less than \$2 per day</b>.</p>	<table border="1"> <caption>Income Bracket - Before Loan</caption> <thead> <tr> <th>Income Bracket</th> <th>% of Borrowers</th> </tr> </thead> <tbody> <tr> <td>≤\$30</td> <td>79</td> </tr> <tr> <td>\$31-\$60</td> <td>17.5</td> </tr> <tr> <td>\$61-\$100</td> <td>17.5</td> </tr> <tr> <td>\$100+</td> <td>7.5</td> </tr> </tbody> </table>	Income Bracket	% of Borrowers	≤\$30	79	\$31-\$60	17.5	\$61-\$100	17.5	\$100+	7.5		
Income Bracket	% of Borrowers												
≤\$30	79												
\$31-\$60	17.5												
\$61-\$100	17.5												
\$100+	7.5												
<p><b>Monthly Income</b></p> <p>After Loan - <b>Only 39%</b> of borrowers were living on <b>less than \$2 per day</b>; this is nearly a 50% reduction in the poverty level. 46% were earning <b>more than \$3 per day</b>.</p>	<table border="1"> <caption>Income Bracket - After Loan</caption> <thead> <tr> <th>Income Bracket</th> <th>% of Borrowers</th> </tr> </thead> <tbody> <tr> <td>≤\$30</td> <td>39</td> </tr> <tr> <td>\$31-\$60</td> <td>38</td> </tr> <tr> <td>\$61-\$100</td> <td>40</td> </tr> <tr> <td>\$100+</td> <td>22</td> </tr> </tbody> </table>	Income Bracket	% of Borrowers	≤\$30	39	\$31-\$60	38	\$61-\$100	40	\$100+	22		
Income Bracket	% of Borrowers												
≤\$30	39												
\$31-\$60	38												
\$61-\$100	40												
\$100+	22												
<p><b>Total Savings Amount</b></p> <p>Savings improved 1,650%.</p>	<p>Before Loan: \$18</p> <p>After Loan: \$298</p>												
<p><b>Ease of Loan Repayment</b></p> <p>Robust businesses mean that only 15% of women find it difficult to repay their loans.</p>	<table border="1"> <caption>Ease of Loan Repayment</caption> <thead> <tr> <th>Ease of Loan Repayment</th> <th>% of Women</th> </tr> </thead> <tbody> <tr> <td>Very Easy</td> <td>0</td> </tr> <tr> <td>Easy</td> <td>50</td> </tr> <tr> <td>Average</td> <td>35</td> </tr> <tr> <td>Difficult</td> <td>15</td> </tr> <tr> <td>Very Difficult</td> <td>0</td> </tr> </tbody> </table>	Ease of Loan Repayment	% of Women	Very Easy	0	Easy	50	Average	35	Difficult	15	Very Difficult	0
Ease of Loan Repayment	% of Women												
Very Easy	0												
Easy	50												
Average	35												
Difficult	15												
Very Difficult	0												

## B. Business Operations

Women think about their businesses, analyze their problems, and craft solutions. Additionally, the program significantly improves their business skills. Nearly one quarter of the women assess the market prices for their products and will store their products when prices are low so they can increase their profit by selling when prices are high.

<b>Business Challenges</b>	Competition: 35% of women Season Change: 24% Transportation: 18%      Other: 23%
<b>Plans to Solve Business Challenges</b>	Change Business: 24% of women Use Friendly Language: 24% Change Location: 13%      Other: 39%
<b>Improved Business Skills</b>	Record-Keeping: 50% of women Budgeting: 46% Marketing: 35%
<b>Keep Products off Market until Prices Rise</b>	25% of women
<b>Who Helps Women with Their Businesses</b>	Children: 47% Husband: 32%      Other: 21%
<b>How Family Helps with Business</b>	Selling: 45% Household Chores: 31% Labor: 24%



### C. Personal Impact

In addition to providing greater access to financial services and business opportunities, the loan program improved the women’s personal skills and household living conditions. When asked, 100% of borrowers surveyed stated that the program bettered their lives as women. Additionally, all women reported that the lives of their family members had also significantly improved. The following table describes how women used their increased income to purchase essentials for living a happier, healthier life.



<p style="text-align: center;"><b>Top Expenditures</b> <i>Business profits fund daily essentials.</i></p>	<p>Food: 64% of women Healthcare: 54% Education: 51%</p>
<p style="text-align: center;"><b>Top Purchases</b></p>	<p>School Uniforms/Shoes: 44% of women Livestock*: 40% Tools/Equipment: 15% Mobile Phone: 13% Radio: 6%</p>
<p style="text-align: center;"><b>Improved Personal Skills</b></p>	<p>Resourcefulness: 35% of women Self-Confidence: 34% More Organized: 26%</p>
<p style="text-align: center;"><b>Improved Reading, Writing, and Arithmetic</b></p>	72% of women
<p style="text-align: center;"><b>Improved Healthcare Affordability</b></p>	74% of women
<p style="text-align: center;"><b>More Meals</b></p>	57% of women
<p style="text-align: center;"><b>Improved Home</b></p>	45% of women
<p style="text-align: center;"><b>Changed Lighting Source</b></p>	57% of women
<p style="text-align: center;"><b>Changed Cooking Fuel</b></p>	36% of women
<p style="text-align: center;"><b>Bought More Mosquito Nets</b></p>	77% of women

\* Buying livestock is a common way to save money. Because livestock do not lose value due to inflation, this method can secure against the uncertainty of unpredictable markets.

## IV. Societal Change

100% of Kenyan women participating in WMI stated that there had been improvements to their village since the start of the program. These changes included increased accessibility to vital products and services (e.g. food, healthcare) and improved ability to provide for their community by assisting those in need.

Additionally, participants overwhelmingly agreed that the role of women in these villages had shifted dramatically; many stated that women were now more respected members of society, and others insisted that women were now noticeably more confident and driven. From the women's narratives, it is clear that the loan program has positively influenced not just individual women but entire communities, and will continue to have a lasting impact.

"Women are now courageous"

"Life is now good"

"No lazy woman in the village"

"Women are reliable"

"Women are self-confident"

