Key Insight

BRIDGING THE FINANCE GAP: OPPORTUNITY EDUFINANCE TRAINING SPARKS LOAN READINESS AMONG WOMEN SCHOOL LEADERS IN KENYA

July 2025

Women-owned schools play a critical role in expanding access to quality education across Kenya. However, many women school owners face unique challenges in accessing loans to grow and sustain their schools. This is often due to limited collateral such as land or property, which is less commonly owned by women along with stricter scrutiny from financial institutions. In some cases, women lack financial records or training, which further limits their ability to meet lending criteria. Opportunity EduFinance works to strengthen these schools by partnering with school owners and financial institutions to improve financial management skills and access to capital. Through the School Leadership Academy (SLA) training workshops, school owners gain new tools to manage school finances and explore loan products designed to support school growth.

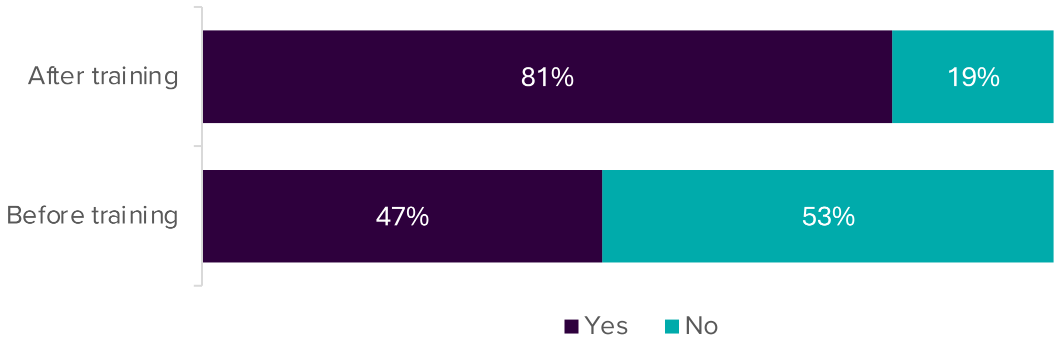
This report presents survey data from 608 school owners, including 289 women, across the Nyanza, Western, and Coast regions of Kenya. This survey captured responses from both male and female school owners. In many cases, data did not show significant differences in responses, suggesting that data from women participants in the SLA workshops is consistent with broader trends among school owners. However, many of Opportunity EduFinance's partner financial institutions highlight their long-term goals and some key challenges in reaching female borrowers. This brief therefore focuses on findings from women school owners, with the aim of highlighting key learnings relevant to this group. Ultimately, these insights will be shared with financial institutions interested in expanding their client base to target more women and improving their strategic approaches to gender and social inclusion.

(Above) A school leader at a non-state school in Kenya

Key Finding #1

Following participation in School Leadership Academy training, the percentage of **women school owners intending to apply for a loan nearly doubled,** rising from 47% before the training to 81% after.

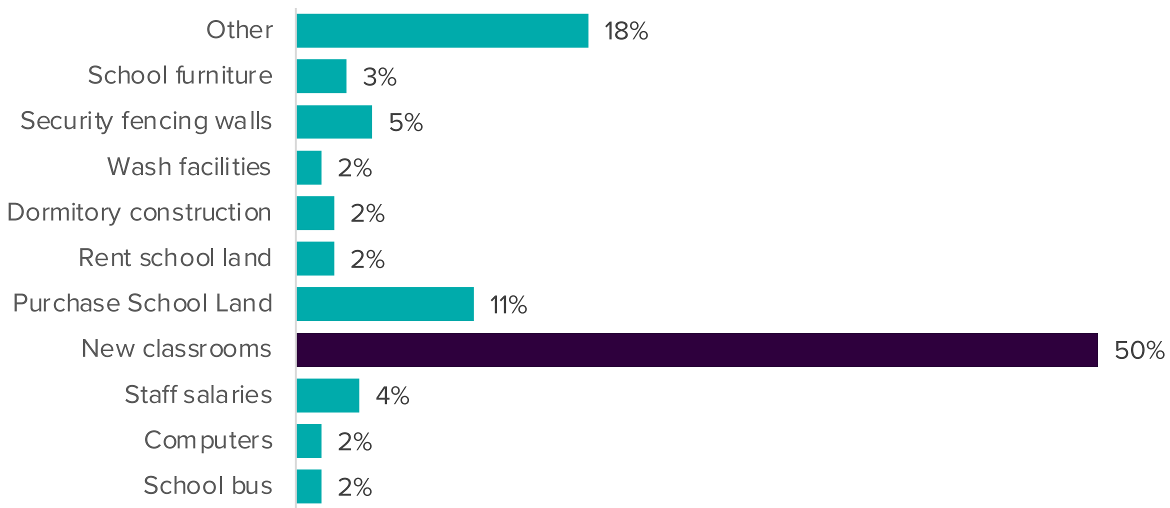
Are you planning to apply for a School Improvement Loan within the next 6 Months? (Women)



Before attending the training, less than half of the women school owners surveyed expressed interest in applying for a loan. Following the SLA training, this figure rose sharply to 81%, demonstrating the significant impact of targeted financial training in **unlocking greater demand for credit**.

Overall, female-specific data is consistent with the larger group: Across all participants including men, 80% planned to apply for a loan following the SLA workshop, compared to only 42% before the workshop, illustrating the potential SLA workshops have for increasing access to finance for all school owners.

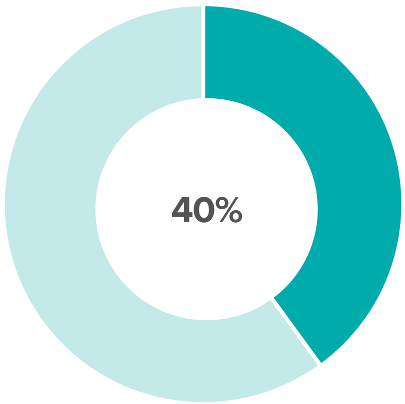
Priority Areas For Loan Investment Among Women School Owners



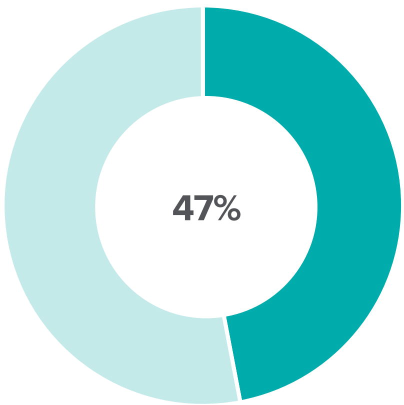
When asked how they intend to use school loans, 50% of women school owners indicated they would invest in building new classrooms, which is a clear signal that increased access to finance is directly linked to school expansion and increased enrolment capacity. An additional 18% cited other uses such as registering the school, working capital, renovations, and asset purchases. Meanwhile, 11% reported plans to purchase land, laying a foundation for longer-term school development. These findings underscore how unlocking credit for school owners is not only a financial inclusion goal but a direct lever for improving education infrastructure and access for more children.

Key Finding #2

40% of women school owners surveyed at the training had **never previously accessed any type of loan**.



Respondents have **never applied for loans (women)**



Respondents have **never applied for loans (all)**

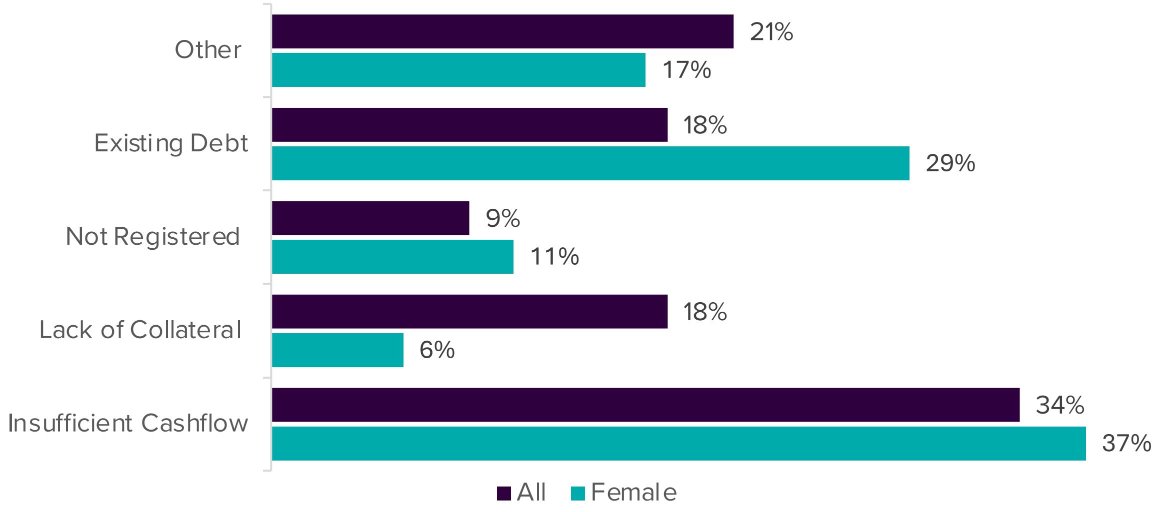
A key objective of the SLA workshops is to grow demand for finance among previously unbanked schools and increase access for first-time borrowers. **Among women school owners, 40% of those surveyed had *never* applied for a loan in the past,** including loans from cooperatives, family and friends, or shylocks. This highlights a significant opportunity to expand financial inclusion initiatives and raise awareness among women school owners about the opportunities for tailored education loan products to improve and expand their schools.

While this finding is consistent with the full sample of SLA participants – among all participants including men, 47% had never applied for a loan. There remains a strong growth potential for financial institutions seeking to focus their outreach on women, as demonstrated by the high percentage of women who are not currently accessing loans from any source. As Opportunity EduFinance's partner financial institutions strive to improve their gender and social inclusion efforts, this data highlights the possibility to increase women-focused lending.

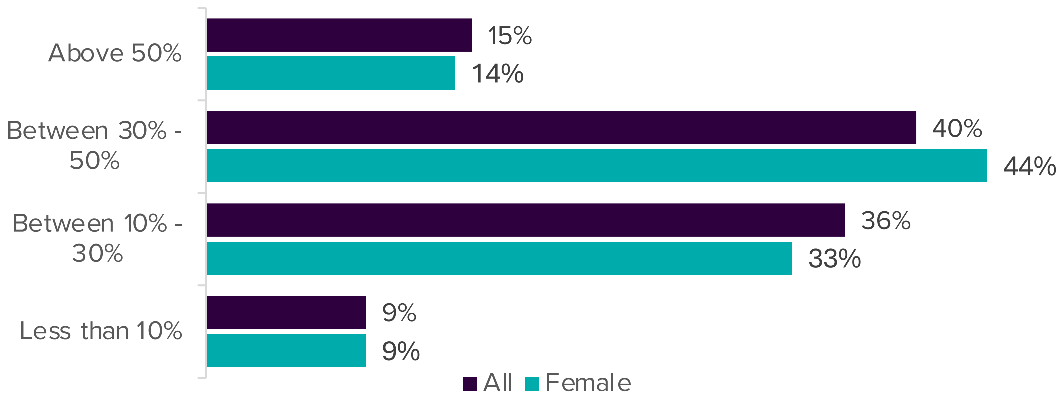
Key Finding #3

Cash flow constraints and existing debt were the most commonly cited reasons for loan rejection among women school owners.

Reported Reasons For Unsuccessful Loan Applications



% Of School Fees That Remain Uncollected, As Reported By Schools



Uncollected school fees may be contributing to both cash flow challenges and debt accumulation, with 44% of women school owners reporting that between 30% and 50% of student fees remain unpaid annually.

Schools with high rates of uncollected school fees may struggle to access loans, as financial institutions hesitate to lend to schools with unreliable cashflow. Opportunity EduFinance works to address this challenge on all sides. Financial institutions receive tailored technical assistance on how to design school loan products that align with schools' fee collection schedules, for example, by creating repayment plans that align with the academic calendar. Alongside this, school owners receive financial management training to design termly budgets and actively plan for periods of low cashflow. Lastly, Opportunity EduFinance works with financial institutions to promote school fee loans for parents, helping parents make on-time fee payments and ultimately giving schools more reliable, sustainable revenue streams.

Key Finding #4

While income levels are broadly similar across male and female school owners, women school owners in the **Coast and Western regions report lower median earnings** than their counterparts in the region.

Monthly Income of Schools

Although income levels across school owners are generally comparable, women school owners **in the Coast and Western regions of Kenya report notably lower median earnings than the overall sample in their respective regions.** In the Coast region, for instance, women report a median income of KES 100,000 (approx. USD 770) compared to KES 125,000 (approx. USD 960) across all school owners surveyed from the Coast region.

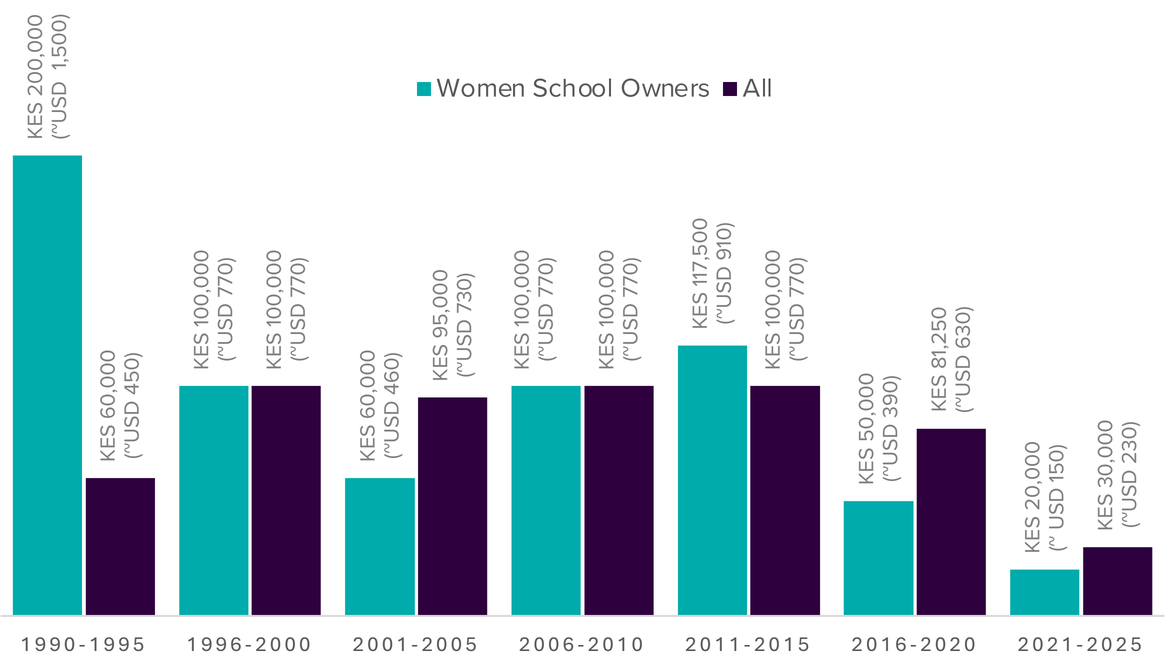
Despite this gap, women-owned schools in the Coast region **have the highest monthly revenue compared other regions,** possibly due to factors including high demand in large urban centres such as Mombasa, and higher average school fees. The high average revenue in the Coast region presents a strong opportunity for these schools to receive targeted financial support to accelerate growth and close the gender gap, as financial institutions may be more willing to lend to schools with higher revenue and cash flow.

(Above) A school leader at a non-state school in Kenya

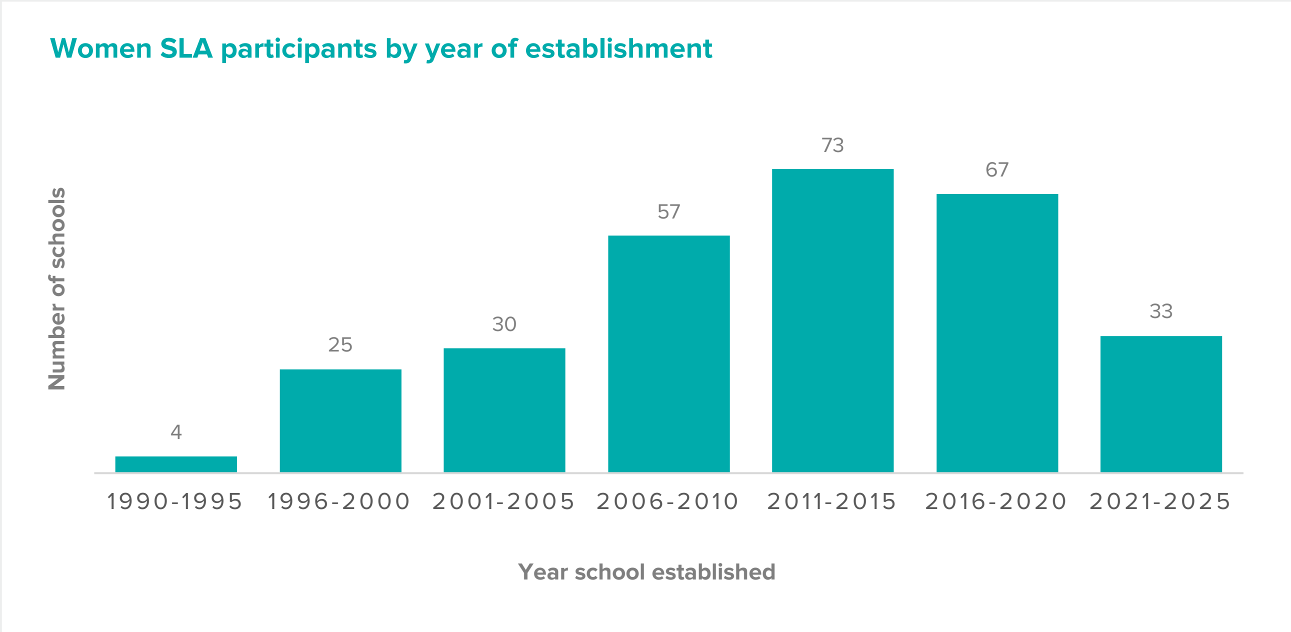
Key Finding #5

Among more **nascent schools**, women owners are likely to report a **lower monthly school revenue** than the overall sample, suggesting gaps in financial management.

Median monthly revenue based on year of establishment



Among newer schools with **under 10 years of operation**, women school owners **report lower incomes** than older schools. This suggests that more nascent schools might face challenges with financial management, securing loans, budgeting, and finding alternative income sources, all of which are topics featured in SLA workshops. Since many participants are from more nascent schools (<10 years), the SLA is well-positioned to close this gap. However, it should be noted that only 33 female SLA participants had established schools after 2021. While it is important for SLAs to target inexperienced schools, outreach for SLA participants usually happens through referrals and word of mouth. This requires schools to have at least some existing connections and networks, which new schools are unlikely to have, and therefore may signal a need for Opportunity EduFinance to consider new outreach strategies. Further, it is likely that fewer schools were established in Kenya during and immediately after the COVID-19 shutdown, due to widespread school closures and the economic recession following the pandemic.



Methodology

Purpose: This survey aimed to assess the impact of School Leadership Academy (SLA) training on school owners' financial management and loan-seeking behaviour. Data was collected for broader impact measurement and not solely focused on women school owners.

Sampling: This survey was conducted between 2023 to 2025 at 9 SLA training workshops with 608 school owners, including 289 women. Sampling was not designed to be nationally representative, but reflects the target population of school owners seeking financial access support. Participants were based in the Nyanza, Western, and Coast regions.

Data Limitations: Surveys captured responses from SLA participants where workshops were conducted, and do not represent all school owners across Kenya. Findings should be viewed as indicative of impact among targeted participants rather than the general population.

SCHOOL OWNER DEMOGRAPHCS	%	No.
Male	44%	267
Female	48%	289
Other (e.g. joint male/female ownership)	9%	52

SCHOOL LOCATIONS (KENYA)	%	No.
Nyanza	22%	135
Western	42%	256
Coast	36%	217

OPPORTUNITY EduFinance