

Strong Start



strongstart.co.ke



The Care Economy
Knowledge Hub

the-care-economy-knowledge-hub.org

Profiling Businesses in the Care Economy

The care economy consists of paid and unpaid labor and services that support caregiving in all its forms. In Africa, Asia and Latin America, women spend between three to five times as many hours on unpaid care and domestic work as men. This represents 80 percent of a household's total hours devoted to unpaid care work.

Care economy businesses can help recognize, redistribute, reduce and reward – also known as the 4 Rs – unpaid and paid care and domestic work in the following ways:



Recognize: Initiatives that increase visibility and recognition of paid and unpaid care and domestic activity as "productive" work that creates real value and contributes to economies and societies.



Redistribute: Services and initiatives that redistribute care work from individuals to public and private sector entities, and redistribute care and domestic work within the household.



Reduce: Products and initiatives that reduce the time spent on and burden of unpaid care and domestic work.



Reward: Products, services and initiatives that ensure that care and domestic workers are paid fairly and have professional growth potential. This provides them with financial reward and security.

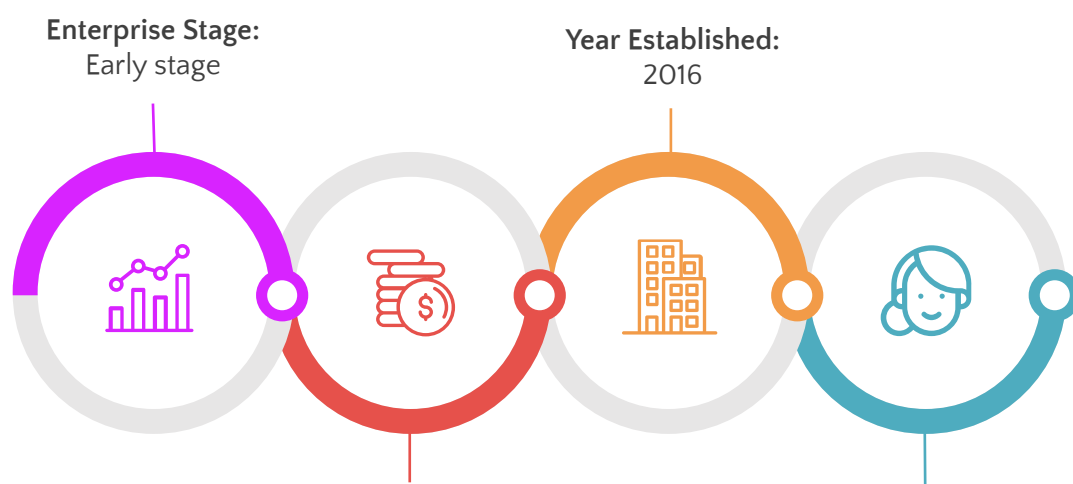
The Care Economy Knowledge Hub aims to address the knowledge gap around care businesses by showcasing various business models and creating a resource base for relevant stakeholders. It also aims to raise awareness and increase knowledge of the state of impact-driven care economy business models and attract a broad range of funders to invest in care economy solutions by showcasing opportunities. These business profiles are intended to showcase said potential investment opportunities. They have been created from information and data provided by the business itself.

This project is supported by Canada's International Development Research Center, in partnership with the Soros Economic Development Fund at the Open Society Foundations. Building on their track record and commitment to transforming the care economy and mobilizing finance for gender equality, they have jointly launched this action research program to help transform the care economy through impact business and investment.

Executive Summary



Strong Start is a for-profit organization that trains care workers in Kenya in early childhood development, household management, self-advocacy, and job hunting. The organization primarily connects with care workers in community playgroups and provides them with training in early childhood development. In doing so, Strong Start enables workers to enhance their skills, as well as develop a support network with other care workers. Strong Start also offers early childhood development services for parents with infants, toddlers, and preschoolers. With 9 full-time employees, the enterprise works with approximately 175 households each month and has trained approximately 3,000 caregivers to date. The enterprise works towards achieving two Rs of the care economy: it rewards care workers by providing up-skilling training and it recognizes them by creating a community for social support and self-advocacy. The enterprise had a revenue of approximately US\$ 150,000 in 2021.



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[LinkedIn Profile](#)

- Founded by at least 1 woman
- At least 51% owned by women
- At least 30% women in senior leadership (executive level/c-suite positions)

*According to 2X "women entrepreneurship" and "women leadership" criteria; [2X Challenge Criteria](#)

1. About The Enterprise

1.1 Problem

In Kenya, cities are rapidly urbanizing and the demand for domestic workers has been increasing. Currently, over 2 million people are employed as domestic workers in the country.¹ Further, care and domestic workers are predominantly women,² who largely work in the informal sector and, therefore, face a range of challenges, including low wages,³ isolation, and limited training opportunities. These workers are often hired without formal employment contracts and are forced to work long hours, with little to no benefits. As domestic and care work is conducted in private homes, it often limits the workers from interacting with other workers in the industry to build support networks.

It has also been observed that care and domestic work is often not adequately valued, as it is traditionally considered to be the responsibility of women to perform these tasks within their own households. It is likewise perceived that care and domestic work do not require formal training. . Consequently, there is an almost complete lack of education and professional training for nannies and childcare workers. In a survey conducted with 1,524 domestic workers in Kenya, only 52% had completed primary education. Further, out of the 1,524 domestic workers surveyed, 86% would like some kind of educational or professional training. Of these, 59% were interested in receiving training in domestic work specifically.⁴ Due to financial difficulties, absence of schools, or for family reasons, many people do not complete schooling in the country.

Instead, they begin to work informally, especially in care and domestic work. The same survey found that 49% of domestic workers in Kenya are aged 18–25. Given a lack of skills and education, regulatory challenges, and employer apathy, care and domestic workers earn low wages and are often in sub-standard work conditions. In a survey of domestic workers, it was found that 83% are paid below minimum wage, 95% work more hours than is legal (8 hours a day), only 13% have access to health and social security benefits, and many have faced workplace sexual harassment.⁵

¹ Owidhi, G. (2017). *Analysis Of Working Conditions and Wages Of Domestic Workers In Kenya*.
<https://alrei.org/education/analysis-of-working-conditions-and-wages-of-domestic-workers-in-kenya-by-george-owidhi-economist>

² Okemwa, P. (2015). *Report of Survey: Domestic Workers in Kenya*. IDAY/PALM.
<http://invisibleworkers.eu/wp-content/uploads/2016/03/20160224-Kenya-report-final-2015.pdf>

³ Okemwa, P. (2015). *Report of Survey: Domestic Workers in Kenya*. IDAY/PALM.
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⁴ Okemwa, P. (2015). *Report of Survey: Domestic Workers in Kenya*. IDAY/PALM.
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⁵ Owidhi, G. (2017). *Analysis Of Working Conditions and Wages Of Domestic Workers In Kenya*.
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This lack of appropriate training for domestic and care workers results in a disconnect between the employer's demands and the worker's ability to meet these demands, leaving many vulnerable and susceptible to exploitation. Furthermore, there are a limited number of formal job boards for care and domestic workers. Consequently, workers largely rely on informal channels to pursue employment, such as word of mouth and platforms such as Facebook.

Households with young children also require more conducive support systems to provide quality childcare at home. In a survey conducted with 2,500 households in Kenya on challenges employers face with domestic workers, 14.5% reported that employees lack time management skills, 13% reported low standards of work, and another 13% reported that workers often leave their job without notice.⁶ Lastly, there are no set policies for households to follow. This can result in unfair employee conditions, employee exploitation, and high turnover rates for domestic and care workers.

1.2 Solution

Strong Start aims to address challenges faced by care workers and households in Kenya. The enterprise addresses these challenges by providing both offline and online training, a community for social support, and linkages for employment. It provides training to care workers on basic employment contracts, as well as educates them on the need for benefit and employment contracts. The enterprise also provides job placement opportunities.

For households, the enterprise provides access to training to up-skill current nannies. The enterprise likewise educates employers on the value of employment contracts and advocates for adherence to fair employment practices. As part of its program design, it sends households an email update on what was covered in the training session and how they can continue to support learning for care workers. Strong Start also provides information to households on fair employment practices (contract templates, fair wage lists, overtime calculation tables, and resources for paying statutory benefits). Lastly, it provides households with young children a range of solutions for care, such as in-person early childhood programs, provision of play boxes (curated play essentials), training, and nanny searches (the enterprise's nanny search feature allows parents to fill in their requirements and instantly contact potential qualified nannies).

The enterprise conducts a range of training programs to upskill care workers. While these services are mostly available to households looking to train their nannies and caregiving staff, Strong Start also offers training at a subsidized rate to caregivers who sign up for training programs directly.

⁶ Okemwa, P. (2015). *Report of Survey: Domestic Workers in Kenya*. IDAY/PALM.
<http://invisibleworkers.eu/wp-content/uploads/2016/03/20160224-Kenya-report-final-2015.pdf>

Key programs offered are:

- The Caregiver Employment Program: it prepares caregivers for job interviews and enables them to enroll into the job placement program. The job placement program offers workers access to dignified and fulfilling employment and builds a support system wherein caregivers may freely interact with others in the industry.
- Foundations Training: it offers caregiving staff tools, tips, and exercises to strengthen professional engagement, open lines of communication, and develop healthy caregiving practices.
- Specific training modules on topics including early childhood development, infant milestone tracking, caregiving for infants and toddlers, first aid, CPR, cooking, and nutrition.

Care workers accompany employer's children to in-person childcare programs such as micro-pods,⁷ playgroups, and pre-Kindergarten programs. This provides care workers with a forum and enables regular interactions with other care workers. A key feature of these in-person childcare programs is the provision of short training courses to support care workers in advancing their technical and self-advocacy skills within their workplaces. A large emphasis is likewise placed on effective communication with employers, in order to raise issues such as payment of overtime. Caregivers also receive theoretical and practical knowledge in early childhood development, like milestone tracking, the 5-Domains of Child Development, play-based learning, etc.

⁷ Micro-pods are small groups of children who come together to play and learn. During Covid-19, micro-pod families agree to limit their exposure to people outside of their pod. Pods normally consist of 3-6 children and are becoming a popular solution to learning through the coronavirus pandemic. In 2022, micro-pods have continued to be a solution for families that would like their children to play and learn within the neighborhood. These pods no longer have restrictions on interactions with people outside their pod.

1.3 Customer Segment

Customer Segment	Product / Service Provided	Paid / Unpaid
Care and domestic workers	<ul style="list-style-type: none"> • Training Programs that provide education and skills development, to increase quality of care. • Caregiver Employment Program that provides training, access to dignified and fulfilling employment, and support within the caregiver community. • Nanny Search that connects qualified nannies or housekeepers to potential employers. • Access to Community of employed care workers through regular interactions within the early childhood care programs. 	<p>Paid/Unpaid</p> <ul style="list-style-type: none"> • Households pay to have their care and domestic workers trained. In cases where domestic and care workers intend to be trained directly, these training courses are offered at a subsidized rate. • The Caregiver Employment Program is a free service for domestic and care workers. All costs related to this program were initially funded through the MasterCard Foundation grant and the program costs are now borne by the enterprise. • Nanny Search is a free service that is available to workers. • Access to the community is a free service.
High-income households with infants and young children	<p>Strong Start's services cater to households that have a monthly income greater than US\$ 1,680.⁸ Services offered are:</p> <ul style="list-style-type: none"> • Early Childhood Care Systems consisting of micro-pods, playgroups and pre-Kindergarten programs. The household pays the service fee. • Playboxes that contain instructions and materials for activities that can be conducted with children. The service fee is paid by the household. • Specific training for care and domestic workers. • Nanny Search, which allows parents to fill in their requirements and get in touch with potential qualified nannies or housekeepers they can hire. This is a free service that is provided by the enterprise to the households. 	<p>Paid/Unpaid</p> <ul style="list-style-type: none"> • Households pay for early childhood care systems, play boxes, and training for care workers. • Nanny Search is a free service that is provided to households.

⁸ Indicative income range of households that obtain services from Strong Start as per Strong Start internal research.

1.4 Team And Governance Structure

The enterprise has 9 full-time employees, 6 part-time employees, and 6 interns. The full-time staff members include: 2 members in the senior leadership team, 1 administrator, 1 head teacher, 4 teachers and a driver. All part-time staff members are teachers, who are contracted when needed. Currently, 89% of the full-time employees are women. Further, all the part-time employees and interns are women. Strong Start has a board consisting of 3 members, 2 of whom are women.

1.5 Enterprise Policies

Policy	Yes / No
Overall HR Policy	Yes
Equal pay for equivalent work policy	No
Non-discrimination / Equal employment opportunity / Diversity and inclusion policy (gender, LGBTQ, PWD, etc.)	No
Anti bullying and sexual harassment policy / Respectful workplaces	No
Whistleblower policy / Employee grievance mechanism	No
Maternity / Paternity leave policy	Yes
Safeguarding policies for vulnerable groups (children, elderly, PWDs)	No
Safeguarding policies for the environment or to reduce detrimental impact on the environment (covers reducing carbon footprint, reduced water consumption etc.)	No

2. Impact

2.1 Mission Statement

The vision of Strong Start is to provide care workers in Kenya with access to dignified and fulfilling employment, higher wages, financial services, and opportunities for job skills training. This will allow for their advancement in the caregiving industry, as well as to be able to interact with the caregiver community.

2.2 Intended Impact

Strong Start's model has clear benefits for households and care workers, while also impacting the following Rs:

- It **rewards** care workers by providing them with job training, employment linkages, and social support.
- It **recognizes** care workers by providing a forum for the building of community support and access to information. This includes the need for formal contracts and self-advocacy in the workplace. Furthermore, it educates households on the need for formal contracts.

2.3 Monitoring And Measurement

Strong Start keeps track of the reach of its services through the following indicators:

- Number of care workers trained (monthly)
- Number of households served (monthly)
- Visits to the online training platform (monthly)
- Number of self-advocacy trainings (weekly)
- Number of ECD trainings conducted during micro-pods (weekly)
- Number of care workers placed

Quality of services and training is also monitored through periodic surveys with care workers and the collection of testimonials from parents. Surveys are completed at the beginning and end of courses. Care workers are also required to take final exams after courses completion. Results from the survey and final exams help the enterprise to measure its effectiveness. Parents of young children that attend Strong Start's early childhood care programs are also requested to provide testimonials at the end of the childcare program.

2.4 Results To Date

- Number of care workers trained: 3,000
- Number of households served (monthly): 175
- Number of individuals trained via the online training platform (monthly average): 110
- Number of care workers placed: 48
- Number of self-advocacy trainings provided (monthly): 4
- Number of ECD trainings conducted during micro-pods (monthly): 68

Strong Start's work is aligned with the following Sustainable Development Goals (SDGs):



3. Financials

3.1 Financial Status

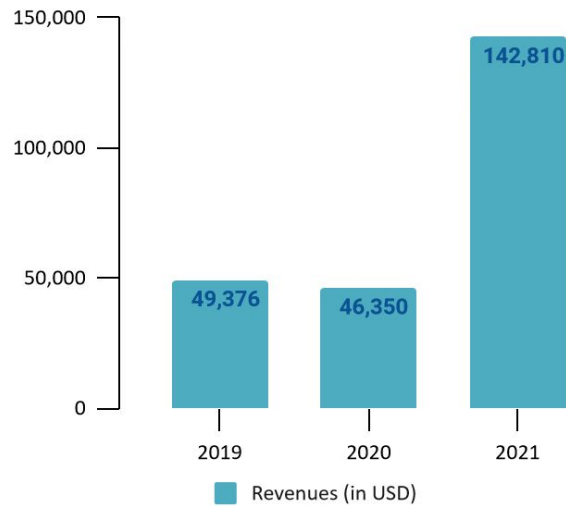
The enterprise is financially profitable.

(Amounts in US\$)	FY2019	FY2020	FY2021
Total Revenue ⁹	49,375.79	46,349.66	142,809.89
Total Expenses	39,518.22	58,044.38	116,032.29
EBITDA OR Profit/Loss	(5,671.31)	(20,705.01)	13,109.18
EBITDA Margin	-11.49%	-44.67%	9.18%

⁹ Revenues listed include revenue from both sale of services and grant revenue.

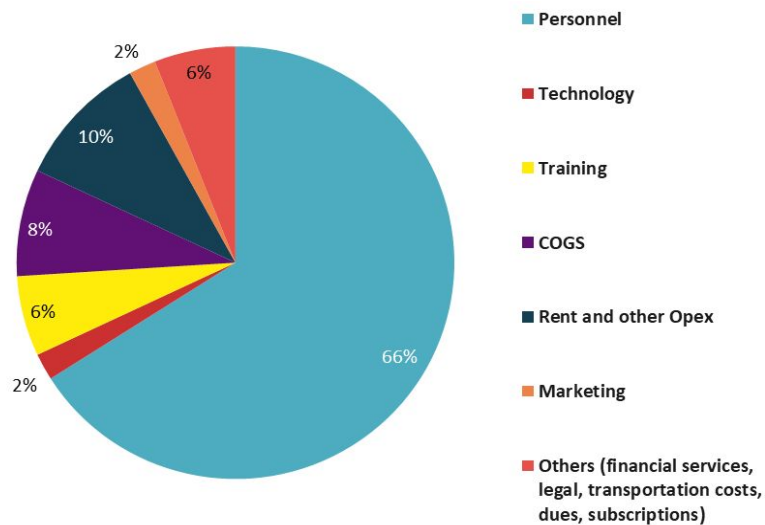
3.1.1 Revenue Streams

Strong Start's main source of revenue is from sales of services and products. On average, an estimated 75% of earned revenue is from the provision of early childhood care systems, with the remaining 25% coming from care worker training programs. Strong Start received a grant from the MasterCard Foundation in 2021, which accounted for 35% of its revenue for that year.



3.1.2 Expenses

The following pie-chart provides details of the key areas of past expenditure for the enterprise in 2021.



3.2 External Funding Sources (Past and Current)

Strong Start received an innovation grant from the MasterCard Foundation in 2020 and 2021. This grant totaled US\$ 100,000 across 2 years and was used for financial inclusion research for caregivers. It was also used for the incorporation of training and the creation of networks of support for caregivers in micro-pods.

3.3 Challenges Faced In Accessing Capital

Awareness: There is a lack of awareness regarding care enterprises, which impedes investing and access to financial capital. Care work is largely invisible and, therefore, any impact noted in the space is focused on supporting children, as opposed to women delivering paid care services.

4. Path To Scalability

4.1 Potential Avenues For Growth

- **Expansion to new customer segments:** The enterprise aims to expand its paid services to middle-income households in Nairobi. This will allow Strong Start to access more care workers who are employed, as well as to deliver trainings to the community. It is estimated that there are 385,461 middle-income households in Nairobi, Kenya.¹⁰
- **Expansion of blended training courses:** Strong Start plans to scale-up substantially in the next 3 years, by increasing the number of training programs delivered and launching another Caregiver Employment Program. It plans to utilize online and in-person sessions to expand reach.
- **Development of a financial inclusion program:** The enterprise aims to start a financial inclusion program in the next 18 months. Through this program, the enterprise will train care workers on financial literacy, statutory payments, employment contracts, and micro-insurance. It is expected that this paid service will equip care workers to better handle adverse circumstances such as economic shocks.

¹⁰ According to a census undertaken by the government in 2019, there were about 1.5 million households in Nairobi. Based on the [KNBS Economic Survey in 2022](#), the estimated % of middle income households is 25.58%. Therefore, the number of middle-income households in Nairobi is 385,461.

4.2 Risks And Challenges

- **Operational challenges:** Currently, all available data on customers and service provision is manually entered into Strong Start's system. Automating this system is necessary for the enterprise to increase efficiency and productivity. Working capital is also needed to create a pipeline of trained personnel to meet this demand as it arises.
- **Social norms (households):** The enterprise has observed that some households are concerned that once the training is provided to care workers employed by them, they are more likely to leave their current place of employment and seek employment elsewhere.
- **Social norms:** The enterprise has observed that there is a lack of understanding amongst households of the need to formally train care workers to care for babies and young children. Furthermore, work done by women is undervalued and, therefore, is not well paid.

4.3 COVID-19 Impact On The Enterprise

Kenya faced strict COVID-19 measures in 2020, which resulted in low enrollment and participation in Strong Start's programs. There was a decline in hiring, placements, and training participation of care workers. Households were also unwilling to risk their children's health by allowing them to come into contact with other children in childcare programs.

To recover from these impacts, the enterprise changed its childcare programs and implemented protocols to reduce the spread of the disease. Teachers followed strict hygiene protocols, including wearing facemasks, following structured hand washing times, implementing social-distancing protocols, and conducting temperature checks on all playgroup participants. Participating care workers and/or parents were also required to wear face masks and follow social distancing protocols.

Strong Start also started offering the micro-pod play program to households. To participate in the program, households with young children agreed to create a pod of 3-6 children and to limit their exposure to people outside their pod. Employees from Strong Start engaged with care workers/parents and children within each pod to provide quality curriculum and supplies.

4.4 Support Received To Date

The enterprise has not received any support to date.



4.5 Inputs Required For Growth

Financial

- **First seed round:** The enterprise is seeking early-stage funding of US\$ 500,000 to expand its services to middle-income households in Nairobi. Ideally, the enterprise seeks a mix of equity and grant funding. The funding will be used to enhance the enterprise's capacity to serve an additional 500 families per month. The money will also be used to: automate the enterprise's systems (IT system/backend), hire and train teachers, and hire more senior management.
- **Second seed round:** The enterprise seeks further funding to expand its customer base to 2,000 households. Ideally, the enterprise seeks a mix of equity and grant funding. The enterprise will use this funding to establish a program to train new and unemployed care workers. Details of the trained care workers will be posted on job boards for placements. The enterprise also intends to use this funding to launch a financial inclusion program for care workers.

Non-Financial

- **Mentorship:** The enterprise seeks training and support for raising capital.
- **Technology development:** The enterprise seeks support to automate its back-end systems.