

# Uthabiti Africa



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The Care Economy  
Knowledge Hub

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# 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.

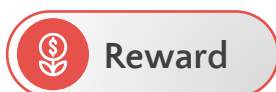


**Reward:** Products, services and initiatives that ensure that care and domestic workers are paid fairly and have professional growth potential. This provides them with financial reward and security.

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.

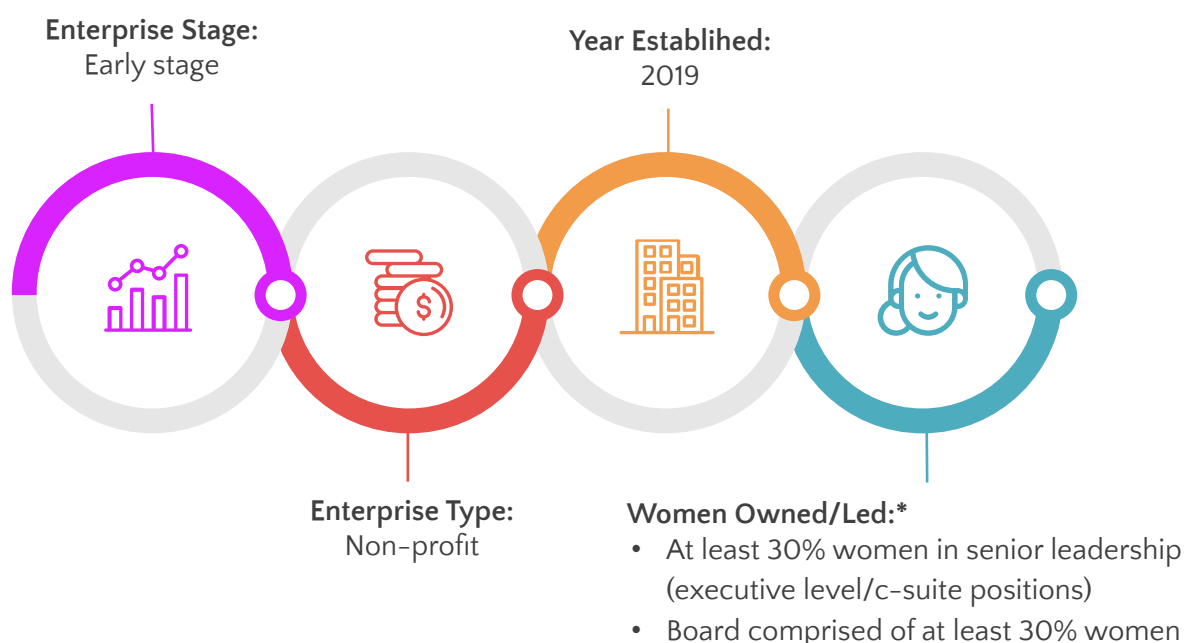
This project is supported by Canada's International Development Research Center, in partnership with the Soros Economic Development Fund at the Open Society Foundations. Building on their track record and commitment to transforming the care economy and mobilizing finance for gender equality, they have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

## Executive Summary



Uthabiti Africa is a Kenyan non-profit social enterprise that aims to improve access to quality and affordable childcare. It is a childcare ecosystem builder and market facilitator that works with a wide range of stakeholders, including: national and county governments, foundations, local organizations, enterprises, and childcare workers. The enterprise aims to create strategic partnerships and catalyze change in the childcare ecosystem. The enterprise's work focuses on identifying and organizing childcare workers by enhancing their access to training and certifications, while also linking them with job opportunities through apps. Furthermore, the enterprise provides acceleration support to women-led childcare enterprises via training and enhanced access to finance. Uthabiti Africa works towards influencing policy and regulations by generating data and highlighting the needs and challenges of the predominantly female workforce.

The enterprise aims to create an enabling policy environment that supports childcare enterprises and their workforce. In 2021, Uthabiti engaged with 150 policymakers from Kenya's national and county governments. It has a network of 7,000 caregivers that have provided care to 96,967 children. Uthabiti has 17 full-time employees. In 2021, it had a revenue of US\$ 334,663.



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

**Enterprise Contact:**Asayya Imaya, Founder and CEO [LinkedIn Profile](#)

# 1. About The Enterprise

## 1.1 Problem

The lack of affordable care solutions for dependent family members drives women to seek informal work and perpetuates poverty across generations.<sup>1</sup> In Kenya, the absence of affordable, quality, and reliable childcare impedes women from effectively participating in the labor market. Currently, 51% of Kenya's urban population lives in informal settlements<sup>2</sup> and has limited access to affordable and quality childcare services. Findings from a household survey conducted in informal urban settlements in Kenya show that, on average, women spent 9.1 hours on childcare every day. This is compared to an average of 2.4 hours spent by men.<sup>3</sup>

According to a study by the African Population and Health Research Center conducted in 2017, Kenyan women in informal settlements with access to subsidized daycare services were 17% more likely to be employed than those without such access.<sup>4</sup> However, childcare services are typically sub-standard and unregulated in low-income settlements, as they are provided by women who have no formal training. It is estimated that there are 2,700 informal daycares in Nairobi, Kenya.<sup>5</sup> Furthermore, there are no government agencies or private sector associations mandated to help such informal daycares to improve their efficiency and service quality. This limited access to support further limits their income potential and sustainability.

Preschool children growing up in low-income settlements suffer from inadequate access to clean water, electricity, and health facilities, as well as poor nutrition, education, and sanitation services. Lack of affordable and quality childcare services further affects these children as they are subjected to detrimental care, stunting their mental and physical growth. It is estimated that there are 300,000 preschool children (aged 4 or below) residing in low-income settlements in Nairobi. These preschool children are at risk of poor mental and social development due to their childcare.<sup>6</sup>

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<sup>1</sup> International Labour Organization. Extension of Social Protection. Retrieved from: [https://www.ilo.org/wcmsp5/groups/public/---ed\\_emp/---emp\\_policy/documents/publication/wcms\\_210469.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_policy/documents/publication/wcms_210469.pdf)

<sup>2</sup> Population living in slums (% of urban population) – Kenya. Data. (n.d.). Retrieved from <https://data.worldbank.org/indicator/EN.POP.SLUM.UR.ZS?locations=KE>

<sup>3</sup> Gendered patterns of unpaid care and domestic work in the urban ... – oxfam. (n.d.). Retrieved from [https://cng-cdn.oxfam.org/kenya.oxfam.org/s3fs-public/file\\_attachments/Eng\\_Kenya\\_HCS\\_ES.pdf](https://cng-cdn.oxfam.org/kenya.oxfam.org/s3fs-public/file_attachments/Eng_Kenya_HCS_ES.pdf)

<sup>4</sup> Habib, J. (2022, August 2). How 'mamapreneurs' in Kenya are providing quality, affordable child care. Global Citizen. <https://www.globalcitizen.org/en/content/kidogo-child-care-kenya/>

<sup>5</sup> Nampijja M, Okelo K, Wekulo PK, et al. (2021). Improving the quality of child-care centres through supportive assessment and 'communities of practice' in informal settlements in Nairobi: protocol of a feasibility study. <https://bmjopen.bmj.com/content/bmjopen/11/3/e042544.full.pdf>.

<sup>6</sup> Kitsao-Wekulo, P., & Nampijja, M. (2019, August 6). *Providing Nairobi's mothers with subsidised day-care will benefit everyone*. The Conversation. <https://theconversation.com/providing-nairobis-mothers-with-subsidised-day-care-will-benefit-everyone-120994>

## 1.2 Solution

Uthabiti Africa is a childcare ecosystem builder and facilitator. The enterprise works with stakeholders like national and county governments, foundations, local organizations, enterprises, and childcare workers to accelerate access to quality and affordable childcare services. The enterprise piloted its services in Kenya and engaged with a range of stakeholders to understand key challenges and select priority areas to enhance access to quality childcare services in the country. Its key offerings are:

- **Workforce development:** The enterprise has built a network for nannies and childcare workers called the Uthabiti Women in Childcare Network. It provides access to training, financial services, and job opportunities. Over the last 2 years, Uthabiti has piloted this network alongside an online platform to connect trained nannies to employers. The pilot has demonstrated that the network can enable Uthabiti and other actors, such as childcare franchisee organizations, civil society organizations, government agencies, and financial institutions, to reach nannies and childcare workers more effectively. Uthabiti has also created a savings and credit co-operative society (SACCO)<sup>7</sup>, with the aim to provide access to financial services to workers. In the future, it aims to conduct certified training programs either in-house or through partner organizations. Uthabiti currently has 7,000 members in its network.
- **Acceleration of women-led enterprises:** During the pilot phase, Uthabiti Africa conducted extensive research by engaging with childcare providers (informal and formal daycare entrepreneurs, typically women-led) to understand their key challenges. Learnings were used to develop solutions to improve efficiency and service quality. Research indicated that the majority of childcare providers in the country are unregulated, operate in informal settlements, and have inadequate resources to provide quality care services. Based on these findings, Uthabiti has developed various services with the aim to assist these childcare providers. Services include access to financial services (through the SACCO), training, and networking opportunities.
- **Collaboration and learning:** Uthabiti set up learning networks to offer stakeholders in the childhood care sector an opportunity to share experiences and lessons learned. The enterprise established the Collaborative Action for Childcare (CAC) initiative. Through CAC, actors in the childcare ecosystem can build partnerships with national and county governments, foundations, local organizations, enterprises, and childcare workers. In Kenya, the CAC brings together over 30 organizations and government departments. It has 4 Technical Working Groups (TWGs) that address the various interests of these organizations. These include: the Legal, Policy and Regulatory Reforms TWG, the Women in Childcare TWG, the Disability and Inclusion TWG, and the Maternal and Child Health TWG.

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<sup>7</sup> SACCO is a member-owned financial institution that provides its members with access to savings and facilitates credit.

- **Policy and regulatory reform:** The enterprise advocates for policy and regulatory reforms by generating data<sup>8</sup> and deepening knowledge of the actors in the childcare sector, to build an enabling ecosystem for childcare enterprises and the workforce. The enterprise has already engaged with 5 county governments in Kenya.
- **Advisory services:** In the coming months, the enterprise aims to provide advisory services to International NGOs, foundations, corporations, and governments to improve childcare outcomes in Africa.

### 1.3 Customer Segment

Uthabiti Africa started as a think tank. In 2022, it identified opportunities to become a social business and generate revenue. The enterprise will generate revenue from services to be launched in 2023.

Customer Segment	Product / Service Provided	Paid / Unpaid
Women led childcare businesses	<ul style="list-style-type: none"> <li>• <b>Access to a network</b> The enterprise aims to provide the customer segment with access to a network for training and financial services.</li> <li>• <b>Access to training</b> The training will be provided either directly or through partner organizations.</li> <li>• <b>Access to finance</b> Through the SACCO, the enterprise will provide customers with access to loans and other financial services.</li> </ul>	<p><b>Paid / Unpaid</b></p> <ul style="list-style-type: none"> <li>• Customers will pay a membership fee to join the network.</li> <li>• The members will pay a nominal fee to register for the training, which will be subsidized through grant revenue.</li> <li>• Customers can obtain loans at 12% from the SACCO. The enterprise receives revenue from the registration fee paid by members for joining the SACCO and interest income from investments made from the SACCO capital.</li> </ul> <p><i>This access to network services is expected to commence in February 2023.</i></p>

<sup>8</sup> Data on the number of childcare entrepreneurs and providers (nannies and childcare workers), status of services provided, and challenges experienced by them.

Customer Segment	Product / Service Provided	Paid / Unpaid
Nannies and childcare workers that are employed in households and childcare enterprises	<ul style="list-style-type: none"> <li>• <b>Access to a network</b> The enterprise aims to provide the customer segment with access to a network for training, financial services, and job opportunities.</li> <li>• <b>Access to training</b> The training will be provided either directly or through partner organizations.</li> <li>• <b>Access to finance</b> Through the SACCO, the enterprise will provide customers with access to loans and other financial services.</li> <li>• <b>Access to opportunities</b> The app will provide customers with job opportunities.</li> </ul>	<p><b>Paid / Unpaid</b></p> <ul style="list-style-type: none"> <li>• <b>Access to network</b> The childcare workers will pay a membership to join the network.</li> <li>• <b>Access to training</b> The training will be subsidized through grants and subscription fees that Uthabiti received. <i>This service is expected to commence later in the year.</i></li> <li>• <b>Access to finance</b> Customers will be able to obtain loans at an interest rate of 12%. The enterprise will receive revenue from the member registration fee for joining the SACCO and interest income from investments made from the SACCO capital. <i>This service is expected to commence in February 2023.</i></li> <li>• <b>Access to opportunities</b> This will be a free service. <i>This service is expected to commence later in the year.</i></li> </ul>
INGOs, foundations, corporations, governments	<ul style="list-style-type: none"> <li>• <b>Advisory services</b> The enterprise will provide advisory services for collaborative actions to improve childcare outcomes</li> <li>• <b>Access to information</b> The enterprise will provide this customer segment with access to information on resources for providing childcare and improving child outcomes, such as standard operating procedures (SOPs) for running childcare facilities and relevant training.</li> </ul>	<p><b>Paid</b></p> <ul style="list-style-type: none"> <li>• <b>Advisory services</b> Customers will pay for this service. <i>This service is expected to commence in February 2023.</i></li> <li>• <b>Access to information</b> Customers will pay a monthly subscription fee for this service. <i>This service is expected to commence in July 2023.</i></li> </ul>



## 1.4 Team And Governance Structure

Uthabiti has 17 full-time employees and 2 part-time employees. Currently, 71% of the full-time employees and 50% of the part-time employees are women. Key senior personnel consist of: the Chief Executive Officer (who is also the founder), the Head of Programs and Operations, the Senior Programs Manager, the Finance and Operations Manager, the Human Resources Manager, the Policy Officer and the Projects Lead. 57% of the key senior personnel are women. Other full-time staff members consist of 3 Program and Policy Support Officers, a Collaboration and Learning Officer, a Business Development Officer, an Office Assistant, a Finance Assistant, 2 Research Assistants and a Communications Assistant. Uthabiti's board has 7 members (3 men and 4 women). There are currently 2 vacant positions reserved for women members.

## 1.5 Enterprise Policies

Policy	Yes / No
Overall HR Policy	Yes
Equal pay for equivalent work policy	Yes
Non-discrimination / Equal employment opportunity / Diversity and inclusion policy (gender, LGBTQ, PWD, etc.)	Yes
Anti bullying and sexual harassment policy / Respectful workplaces	Yes
Whistleblower policy / Employee grievance mechanism	Yes
Maternity / Paternity leave policy	Yes
Safeguarding policies for vulnerable groups (children, elderly, PWDs)	Yes
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

Uthabiti's mission is to ensure that all children under 5 years of age across Africa have an opportunity to survive and thrive.

### 2.2 Intended Impact

Uthabiti Africa's model is aligned with the following Rs:

- The enterprise **recognizes** the challenges faced by childcare workers and providers through its advocacy efforts. Uthabiti collaborates with other stakeholders and government agencies to expedite the development and implementation of policies for regulating childcare and safeguarding the rights of childcare workers in Kenya.
- The enterprise's services **reward** childcare workers through access to training, networks, and finance.

### 2.3 Monitoring And Measurement

Uthabiti monitors and measures its initiatives for better outcomes, leading to quality and affordable childcare. It tracks the following indicators:

- Number organizations in the Collaborative Action for Childcare
- Number of reports developed to understand key gaps in the childcare ecosystem (that need to be addressed to accelerate quality, affordable childcare)
- Number of counties of operation
- Number of county governments engaged in policy reforms
- Number of technical working groups (TWGs) developed for advocacy
- Number of childcare enterprises identified and connected to Uthabiti's network
- Number children served through the childcare enterprises
- Number of household childcare providers mapped and trained

### 2.4 Results To Date

Uthabiti has achieved the following results:

- Number of organizations in the Collaborative Action for Childcare: 40
- Number of reports developed:
  - Developed a research project for funding

- Developed a concept note on improving maternal psychosocial health
- Developed a concept note on improving parental attitudes toward obtaining childcare services
- Number of counties of operation: 7
- Number of county governments engaged in policy reforms: 3
- Number of technical working groups (TWGs) developed for advocacy: 4 (Legal, Policy and Regulatory Reforms, Women in Childcare, Disability and Inclusion, and Maternal and Child Health)
- Number of childcare enterprises identified and connected to Uthabiti's network: 1,036 childcare facilities in Nairobi and Kisumu County (684 in Nairobi, 352 in Kisumu County)
- Number of children served through the childcare enterprises: 34,720
- Number of household childcare providers mapped and trained: 122

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



## 3. Financials

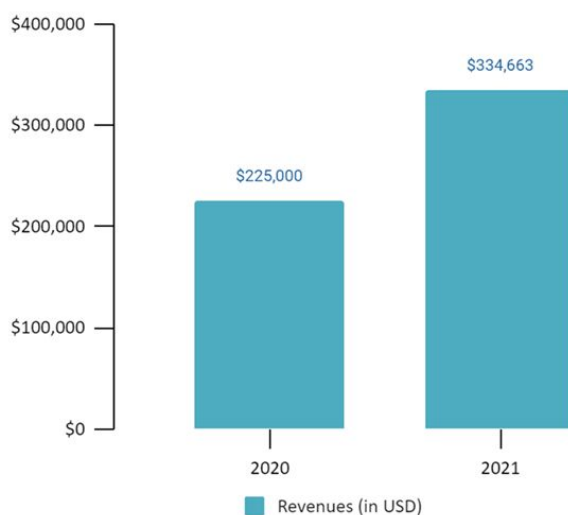
### 3.1 Financial Status

The enterprise is not yet profitable but is planning to become financially sustainable in the next 5 years. In 2021, the enterprise generated a share of their revenue from events and subscription fees, hence the enterprise shows a profit.

<i>Particular (Amounts in USD)</i>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>
Total Revenue	NA	225,000	334,663
Total Expenses	NA	225,000	330,353
EBITDA OR Profit/Loss	NA	-	4,310
EBITDA Margin	NA	0.00%	1.29%

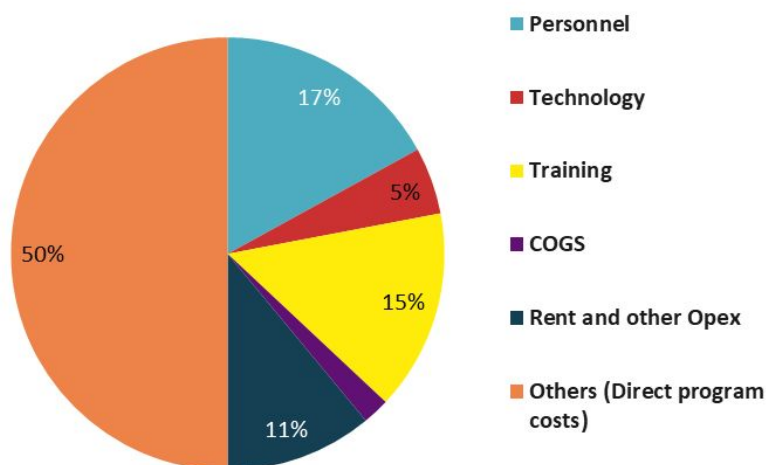
#### 3.1.1 Revenue Streams

The key revenue streams for Uthabiti are grants, events, and subscription fees. In 2021, all revenue was obtained from grants. In 2022, the enterprise received 99% of its revenue from grants and 1% of its revenue from events and subscription fees.



### 3.1.2 Expenses

This section provides an overview of expenses in the year 2021:



### 3.2 External Funding Sources (Past and Current)

Uthabiti has received investments from multiple sources to establish its business operations. The enterprise has received funds from the following:

- In 2019, the enterprise received a grant of US\$ 15,000 from World University Services Canada (WUSC) to conduct a market analysis on childcare in Kenya.
- For the period 2020–23, the enterprise received a grant of US\$ 925,000 from Echidna Giving for its collaborative action initiative to accelerate quality and affordable childcare in urban Kenya.
- For the period 2020–23, the enterprise received a grant of US\$ 495,000 from Conrad N. Hilton Foundation to implement its collaborative action initiative to accelerate quality and affordable childcare in urban Kenya.
- For the period 2020–23, the enterprise received a grant of US\$ 15,000 from Roddenberry Foundation to implement its collaborative action initiative to accelerate quality and affordable childcare in urban Kenya.

### 3.3 Challenges Faced In Accessing Capital

The enterprise was established recently and is still testing its service model to build evidence for its work. Further, its revenue model is still being developed, thus the enterprise has had limited access to capital from funders.

## 4. Path To Scalability

### 4.1 Potential Avenues For Growth

Uthabiti has identified the following avenues for growth:

- **Expand Uthabiti's network of women in childcare:** The enterprise aims to increase the number of members in its network to 10,000 women.
- **Geographic expansion in Kenya:** The enterprise aims to provide its services to childcare workers and enterprises in all counties of Kenya. Currently, it operates in 3 counties. Uthabiti aims to operate in all 47 counties of Kenya in the next 5 years.
- **Expansion to other countries in East Africa:** In the next 5 years, the enterprise likewise aims to expand its services to Rwanda, Tanzania, and Uganda.
- **Accelerate advocacy for childcare reforms:** The enterprise aims to accelerate its advocacy efforts to expedite the development and implementation of policies for the regulation of childcare and safeguarding the rights of childcare workers in Kenya.

### 4.2 Risks And Challenges

- **Financing (access):** The enterprise was established recently and is testing initiatives to build evidence for its work. As its revenue model is still being developed, the enterprise has had limited access to capital from funders. The enterprise is seeking capital to build its technology platforms (SACCO dashboard, membership portal, and access to training content).
- **Operations (marketing):** The enterprise is seeking support in developing its marketing strategy.
- **Technology (app development):** The enterprise has already tested two apps with its customers. However, it seeks support to develop an enhanced app that can further improve the provision of services.
- **Norms (parental attitude):** The enterprise has observed a need to change parental attitudes concerning the need for childcare services in the first 1,000 days of a child's life. Parents are often unaware of the need to provide the child with quality childcare services during this period.

### 4.3 COVID-19 Impact On The Enterprise

During lockdown, the enterprise's data collection efforts were adversely impacted, as the team could not engage with childcare workers and enterprises across differing counties of Kenya. Thus, the enterprise updated its data collection strategy to focus on engaging more heavily with childcare workers and enterprises that could be reached (within the mobility restrictions).

### 4.4 Support Received To Date

The enterprise has not received any technical assistance or support.

### 4.5 Inputs Required For Growth

#### Financial

In the next 5 years, Uthabiti is seeking US\$ 3.5 million in grants and concessional loans to support women entrepreneurs in childcare. This funding will be used to build and digitize the SACCO. In addition, funds will be used to build the capacity of the SACCO staff and childcare champions to support recruitment and learning for Uthabiti's network members.

#### Non-financial

- **Marketing:** The enterprise seeks support to build its brand and marketing strategy. The enterprise aims to establish in-house marketing to enhance its visibility across customer segments both within and outside Kenya.
- **App development:** The enterprise seeks technological support for app development to enhance the provision of its services.
- **Mentor support:** The enterprise seeks mentor support to further develop its business model.