

well told story

OVERVIEW
MEDIA

★ MONEY ★

GOVERNANCE
HEALTH

THE STATE OF KENYAN YOUTH 2018

INTRODUCTION

When young people struggle to make a living, they have difficulty prioritizing positive behaviors (e.g., delaying childbirth) over immediate financial needs; financial crises hamper youth agency.

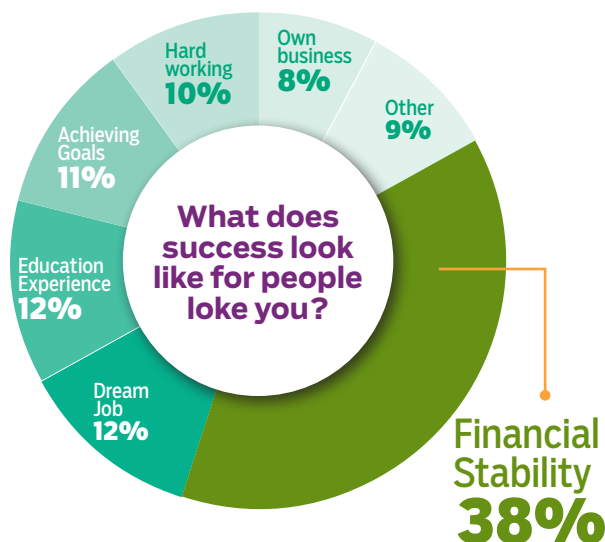
The Shujaaz media promotes **financial fitness**: We help fans to (1) have independent income and be in charge of money flows; (2) earn more than they spend; (3) be purposeful savers – with a goal of owning business assets; and (4) feel empowered by their financial status.



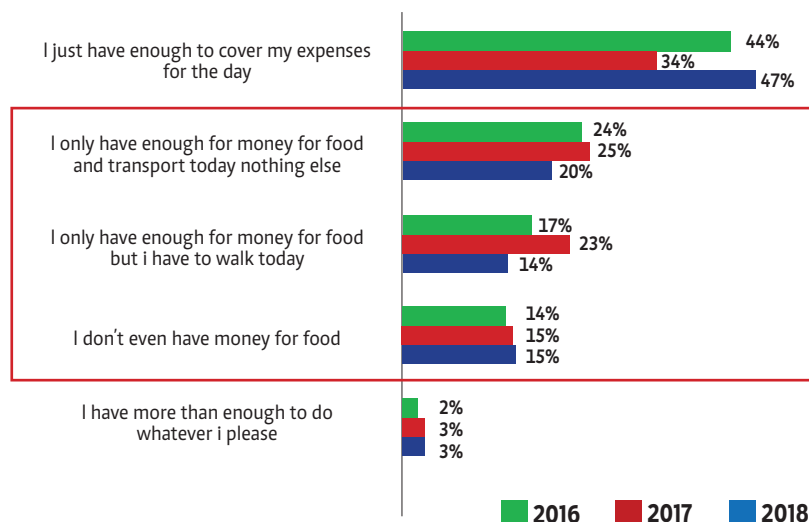
FINANCIAL FITNESS AMONG KENYAN YOUTH AT A GLANCE

While 2 in 5 youth are eyeing financial stability as the indicator of their success in life, most agree that this goal is difficult to achieve. In 2018, over half (54%) struggle to pay for daily food and transport, which limits their options/choices for earning money and bargaining for a good pay.

What does success look like for people like you?



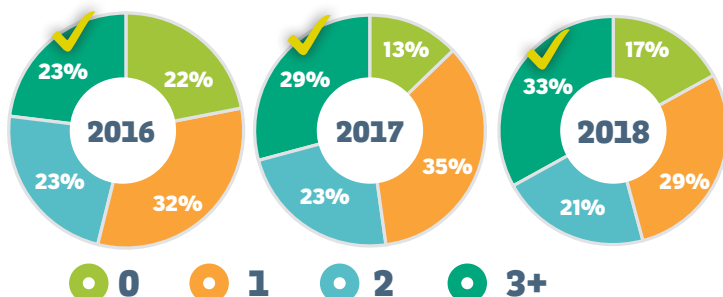
When you wake up in the morning, how do you feel about the money you have in your pocket? (all youth 15-24)



SOURCES OF INCOME

In 2018, only 15% of youth have money left at the end of the month (i.e., earn more than they spend) vs. 21% in 2017 and 31% in 2016. After inching up in 2017, youth average monthly income remained stable. Yet, to get the same amount, youth have to work harder – since 2016, the group of people who report 3+ sources of money increased by almost 50%. Increasing costs of basic commodities – e.g., kerosene for cooking and lighting the house - also mean that higher income in 2018 might buy fewer things vs. lower income in 2016.

How many sources of money do you have?



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FINANCIAL ACTIVITIES, SAVINGS, ASSETS

In alignment with the regress in their financial state, fewer youth in 2018 (vs. 2016 and 2017) are able to save; there is also a decrease in lending and borrowing – an informal alternative for saving money with a third-person. Investment in business and/or assets got cut more than in half.

Digital tools are yet to play a role in youth financial lives. While 7 in 10 own a mobile phone, only 30% use mobile money for any transactions. Four in 10 have access to the internet, yet no survey respondent reported using it to earn money or to transact.

EMPLOYMENT VS. HUSTLE

Informal employment and job creation are key to youth financial fitness. In 2018, only 5% of youth report formal employment vs. 41% who earn money through self-employment/hustling. Despite apparent financial benefits, hustling is a tough choice due to social stigma, volatility and the lack of financial access, including business capital.



Hustle pros:

- No binding agreement
- Easy to change, diversify
- Flexible hours
- Income trickles in every day

Hustle cons:

- Necessity not a choice
- Stigma, disrespect
- Small, unpredictable income
- No guarantees Impossible to get a loan



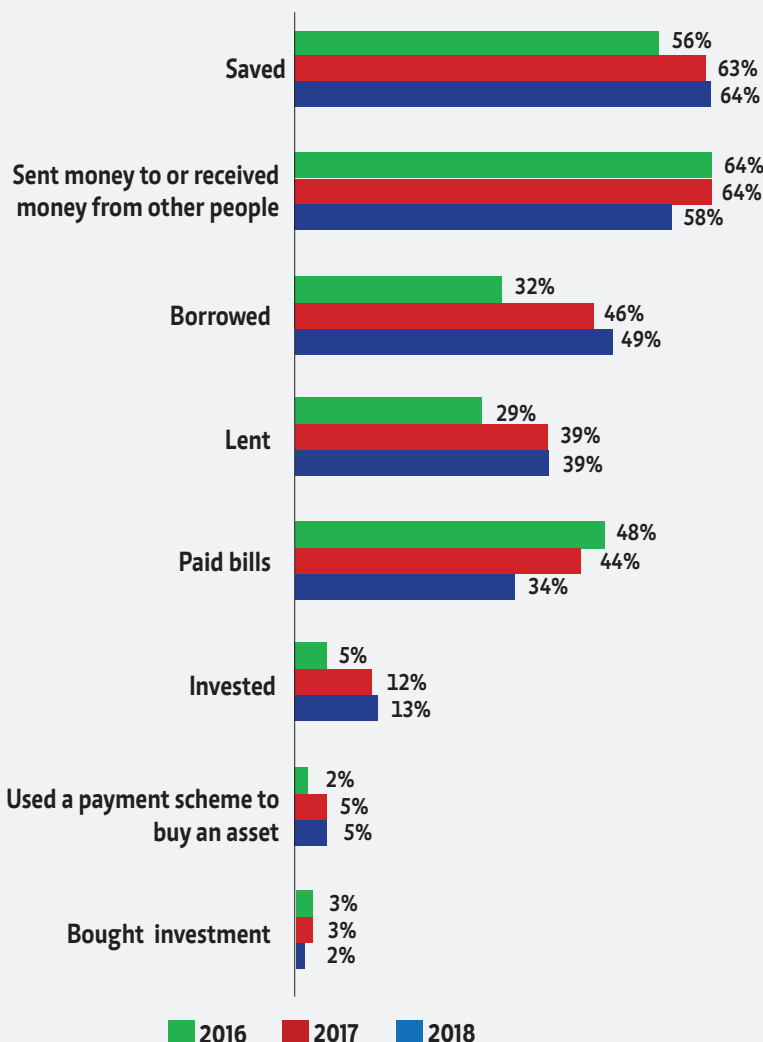
Employment pros:

- Security (contract)
- Predictable income
- Clear job description
- References for the next job
- Easy to get a formal loan

Employment cons:

- Low salary
- No opportunity for growth
- Binding contract
- No flexibility
- Pay once a month

Have you done this activity independently?



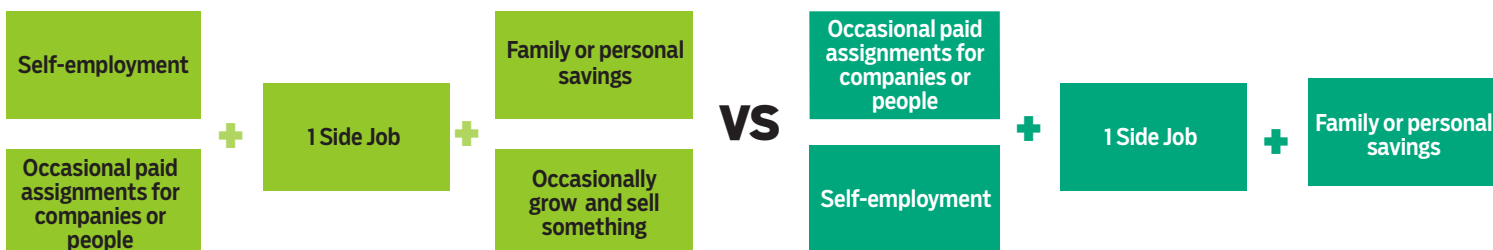
Money Sources

Since 2016, about 63%-66% of youth report earning money through self-employment, jobs, side engagements or occasional fundraising. Yet, in 2018 there is a shift in youth agency/control over their money flows. In 2016/2017, money mostly came from a combination of self-employment, a side job, and occasional growing/selling of produce – all three controlled by youth -- with random dipping into family savings. In 2018, youth lean towards occasional paid assignments for others and a side job with heavy reliance on family savings-- allowing families and third parties to be in charge of their money streams.

2016 and 2017

Most common combination of money sources

2018



Shujaaz fans are benefitting from the strategy of norming self-employment and linking youth to networks and solutions to turn business ideas into sustainable income streams. In the 2016-2017 panel study, Shujaaz fans significantly increased their monthly income (by KES2,096/\$20.9) in the 14 months of the study compared with nonusers, whose increase was insignificant to none.