

The Banks; Financial Priority Areas in Kenyan Public Secondary Schools in the View to Attain Vision 2030; Challenges and Prospects

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Abstract:- This paper tries to determine the Government of Kenya's (GoK) efforts put in place in collaboration with the banking institutions to assist in the attainment of equity, quality, relevance, efficiency and access in education. The main argument of this paper is that despite the challenges in this twenty first century, what is the GoK doing in terms of exchange programmes and linkages between the education sector and the banking institutions so as to harness the benefits of globalization and to deliver prosperity to the many, not just a few? This reckoned the need for this study to investigate the challenges and prospects of the Banks' financial priority areas in Kenyan public secondary schools in the view to attain vision 2030. The study used documentary methods as the main research methods to collect data. The study used qualitative approach for data analysis and interpretation and on the other hand, the use of SPSS data analysis employed for the quantitative data. The findings revealed that banks have been a key in supporting educational initiatives to improve educational standards through scholarships, workshops, conferences, field trips and seminars despite the challenges associated with follow up and some students failing national examinations at the end of Form four. The study concluded that the GoK, through a series of reforms, is trying to address challenges and meet the demands of vision 2030.

Keywords:- Access, Challenges, Completion rates, Equality, Globalization, Prospects, Quality and Retention.

I. INTRODUCTION

Globalisation is predominantly a twentieth century phenomenon (Bull, 2000, cited in UNESCO, 2000). It is all about risks as well as opportunities, which must work for all (The World Bank Group, 2001). The importance of secondary education globally has grown considerably in developing countries with the success of Education for All (EFA). African governments have continuously emphasized on the role of education for its citizenry as a means to social and economic upliftment. Adesina (1982) comments that education at all level is a delicate issue which serves as a way forward to every society - especially in developing nations. Advanced countries have improved their standard of living by education, which is considered to stimulate economic and technological development; thus, education can be regarded as an

investment that yield dividends in terms of overall development of a country (Adesina, 1982). From studies conducted by Psacharopoulos (1994), returns of education are higher in most regions. Education provides the skills and competencies that will allow individuals to perform productive roles; likely to yield more returns on investment. Education promotes social equality and has a strong link to reduction of poverty; it produces a more informed citizenry, it empowers individuals and enables them to become more proactive, gain control over their lives and broaden the range of available options (UNESCO: 1997). The role of education has also been emphasized in contributing to the human resource development in today's globalizing context. The heralding of the 'knowledge society' due to rapid economic and technologically developing society characteristic of a globalizing world, means that education will continue to play a central role in the production of individuals who are equipped with the intellectual capacities needed for international and regional advancement (Mama A: 2003). Banks, therefore, have a crucial role to play in supporting all the initiatives to improve educational standards.

Like many African countries, Kenya has since independence invested heavily in education to acquire more educated work force to fill the human resource gap, to eliminate poverty, disease and ignorance. This has resulted in the adoption of the Koech Report of 2000 and more recent, The Sessional Paper No 1 of 2005 on Policy Framework for Education, Training and Research. This paper sought to integrate the Economic Recovery Strategy (ERS) 2003-2007) whose policy initiatives are geared towards the improvement and access of education, and a Sector Wide Approach Programme Planning (SWAP) to the provision of education. This approach involves different stakeholders to support education at Secondary level. Through the SWAP process, the government and development partners have developed the Kenya Education Sector Support Programme (KESSP), a programme aimed to improve access, equity, quality, retention and quality completion rates at the secondary school level of education (MOEST: 2005). Through KESSP, key developments have been introduced within the education sector.

For global competitiveness, banks in Kenya, therefore, have also a crucial role to play in supporting all the initiatives to improve educational standards. A recent initiative to improve access to students at secondary level includes the

scholarship initiative, under the brand name Wings To Fly, a partnership between Equity Bank, Equity Group Foundation and The Master Card Foundation with support from USAID and UKAID (Equity Bank Report, 2014). There is also African Banking Corporation (ABC) Group with more strategic partnerships to support educational projects and students. Besides, the Western Union Foundation in collaboration with Western Union Agent Kenya Commercial Bank (KCB), also supports the KCB Foundation's scholarship program, which provides assistance to 200 students in Kenya, including increased access to secondary school education and mentoring programs. The Co-operative Bank Foundation through Co-operative Bank of Kenya has also a major social responsibility for offering an education scholarship scheme for bright but less endowed children who are facing difficulties in paying school fees for secondary education.

B. Statement Of The Problem

The Kenya, government currently provides free primary education through to class 8 and a subsidy for those in secondary school. However, countless bright, eager students in rural areas long for a chance to learn more. To continue their education students have to work very hard to pass a rigorous national examination. Even if they pass, most are unable to attend high school for lack of fees and are likely to live in abject poverty and can barely afford the basics to sustain life. Without financial help, even the best and brightest are doomed to languish in hopelessness.

C. The Link Between Banks And Educational Institutions

Through various activities, banks have demonstrated a new level of responsibilities to citizens. Not only has it supported the education of youth, it has also helped the co-operative movement to scale new heights in providing financial services to members. This is a clear indicator that with globalization and greater public-private sector participation, the opportunities to invest in education are high.

B. Possible Areas Given Priority In The Education Program

Banking institutions in Kenya targets students in two major areas. These are:

Secondary school sponsorship

Co-op foundation sponsorship program supports secondary school thus helping families and their children fulfill their dreams and have a future. For \$1,165 per year for 4 years, a high school sponsorship provides support to needy qualified and carefully selected students with full tuition and boarding fee. The Scholarship Program began with the Form One class of 2007. Up to date, the Bank has helped 2,800 needy but bright students (Daily Nation News paper, Monday May 26, 2014; <http://www.co-opbank.co.ke/index.php/coop-bank-foundationon>). The Western Union Foundation in collaboration with Western Union Agent Kenya Commercial Bank (KCB) supports the KCB Foundation's scholarship program, which provides assistance to 200 students in Kenya. A recent initiative to improve access to students at this level

also includes the partnership between Equity Bank, Equity Group Foundation and The Master Card Foundation with support from USAID and UKAID under the brand name Wings To Fly. The programme targets 10,000 scholarships in secondary schools in Kenya. At most 2,144 academically gifted children from needy backgrounds received full educational scholarships in 2012 that guarantees their secondary education for the next four years (Equity Bank Report, 2014). All these programmes cater for school fees, pocket money, shopping, books and uniforms for the students.

II. MENTORING PROGRAM

A. Secondary school students

Mentoring workshops are designed to provide high school scholars with essential psychosocial support to boost their academic performance and ensure that they possess the skills to succeed in university and beyond. Banks invite outstanding Kenyan entrepreneurs, university students and counselors to lead these workshops in a way that is both culturally relevant and fun for students. Students are encouraged to think critically and to take ownership of their own education and personal development in high school and beyond through regional mentoring workshops. The Co-op Bank Group Foundation sponsors one regional workshop for \$13,920 and this enables 50 students to attend the workshop for free and provide transport, room and board, meals and supplies for the 5-day workshop.

B. Pre - University students

The period between the end of high school and the beginning of university is typically along one, sometimes extending to one year for some universities in Kenya. This is an extremely risky period in which many former students become pregnant, addicted to drugs or engage in criminal activity – all of which ruin their chances of continuing their education. To address these challenges the foundation organizes a week long workshop for pre-university students to learn about careers options, educational opportunities and entrepreneurship skills. Co-op bank, for instance sponsors a pre-university mentorship workshop for only \$13,941 for a 6 days long workshop normally held in Nairobi. This enables 28 pre-university students attend the workshop for free and provide transport, room and board, meals and supplies for the 6 days long workshop. In 2011 the co-op bank foundation also launched the university and vocational internship program for secondary school students who were sponsored and completed college successfully. It has also opened a door for those who aspire to join the bank upon completion of their education

➤ Banks' Prospects

There are so many opportunities that could be beneficially altered by applying good governance and transparency, and following a very stakeholder-driven process of engagement towards investment activity. If done properly, then there could be a positive change in many countries. Based on this assertion, The Abraaj Group has invested \$2.2billion in

Africa to date. In late January 2014, at the most recent World Economic Forum (WEF) annual meeting in Davos, Switzerland, The Abraaj Group's partners were out in full force with other Strategic Partners, political leaders and business leaders to attend an important forum revolving around the global economic and how it in turn impacts on the big decisions made over the course of the years so as to attain vision 2030. Over \$7.5 billion have been set aside for investing in some of the world's more difficult places and in the coming years is set to invest even more. This is especially true in the politically tumultuous countries of the Maghreb and the high growth and complex economies of Sub-Saharan Africa. Abraaj has done well in North Africa despite the regional turmoil. It has invested \$1.7 billion here since 2006. The sectors invested in North Africa range from financial services, basic materials, FMCG [Fast Moving Consumer Goods], healthcare – including on the service side and on the manufacturing side in pharmaceuticals. It has also invested in education.

The Western Union Foundation Continues to Support Global Education Initiatives with First Quarter Grants of US\$1.87 Million to Teach For All (The Western Union Foundation, 2014). The grants help in increasing access to – and improve the quality of – education programs in multiple regions. Through its signature program Education for Better, the Western Union Foundation is committed to supporting secondary and vocational education programs that facilitate financial and economic opportunity for individuals, their families and their communities (The Western Union Foundation, 2014).

In the aim to attain vision 2030, the Eden Social Welfare Foundation in Taiwan, funded in conjunction with Western Union Agent King's Town Bank, supports the Elephant Family Project for Disadvantaged Communities, which provides after-school tutoring services and skills workshops that help build economic, employment and educational opportunities for students in Taiwan. In the United States and Canada the Institute for International Education supports the Western Union Family Scholarship Program intended to help two members of the same family move up the economic development ladder through education. In Ecuador, a grant to Junior Achievement Ecuador, funded in conjunction with Western Union Agent DHL Express (Ecuador), helps provide entrepreneurship training and self-sufficiency training to low-income Ecuadorian students, so that they can succeed in the global economy. The Secondary School Educational Trust in Pakistan receives a grant to support the Public Secondary School - Education for All Program. The grant is used to purchase text books, and assist in the development of a science and computer-skills laboratory, which serves nearly 600 underprivileged students, and increase the quality of education and facilities standards in the country. The grant was funded in collaboration with Western Union Agent Habib Qatar International Exchange Pakistan Ltd.

At regional levels, African Banking Corporation (ABC) Group is eyeing more strategic partnerships to support

educational projects and students. The Managing Director, Mr. Shamaz Savani, believes that the people are the most important assets as they are the custodians and key movers of the strategic objectives of the bank. Hence, as a way to give back to the society, ABC bank is paying school fees and upkeep for group of high school students. When on holiday, the bank invites the students to gain an early exposure of the business workplace environment. Savani (2014) cited in the 'Daily Nation' news paper (Monday May 26, 2014) says that the bank also uses the opportunity to guide these students in career choices and personal development. The beneficiaries are bright students from challenged backgrounds, some having been orphaned.

In the aim to attain Kenya vision 2030, the Western Union Foundation in collaboration with Western Union Agent Kenya Commercial Bank (KCB), supports the KCB Foundation's scholarship program, which provides assistance to 200 students in Kenya, including increased access to secondary school education and mentoring programs. The Co-operative Bank Foundation through Co-operative Bank of Kenya is offering an education scholarship scheme for bright but less endowed children who are facing difficulties in paying school fees for secondary education. Up to date, the Bank has helped 2,800 needy but bright students. The program still continues ahead, to enable the children achieve their full potential (Daily Nation News paper, Monday May 26, 2014; <http://www.co-opbank.co.ke/index.php/coop-bank-foundationon>). The partnership between Equity Bank, Equity Group Foundation and The Master Card Foundation with support from USAID and UKAID under the brand name Wings To Fly, targets 10,000 scholarships in secondary schools in Kenya. At most 2,144 academically gifted children from needy backgrounds received full educational scholarships in 2012 that guarantees their secondary education for the next four years (Equity Bank Report, 2014). The programmes cater for school fees, pocket money, shopping, books and uniforms for the students.

➤ *Banks' Challenges*

Despite the fact that the opportunities to invest in education are high due to globalization and greater public-private sector participation, Badreldin (2012) points out the fear of political risk to be a major challenge to the banking investments. According to Wendy (2014), there is a global problem of inequity in education and solving it requires the commitment and investment of partners across sectors and borders. Even though education is viewed as an important tool for development strategy, many post-independent African countries have viewed it as an instrument of the state.

➤ *(a) Political interference*

In Kenya, political decisions have thus come to have a significant bearing on the trends and patterns of education growth and policy formulations (Sifuna: 1998). Political interference has also hampered the implementation of initiatives aimed at improving the education management and

general welfare of the academic community. To date political decision continues to influence education policy in Kenya (Woolman: 2001). This could in turn affect the banks' initiatives in offering scholarship to needy students in the aim to attain the Education for All (EFA) goals and Kenya vision 2030. Political interference can negatively affect students' performance. For example, Equity bank managers in Kitui-Kenya are unhappy about the academic performance of students the institution supports though the Wings To Fly initiative. Kitui Equity bank branch manager Nahashon Nganga said the bank was at a loss that the students posted poor grades despite the overwhelming support they received both in kind and in material. Nganga lamented that that since the inauguration of the programme in 2010 none of the beneficiaries from Kitui had posted at least a B plus in the KCSE. He said their performance remained dismaying. The bank remains concerned that it has not been able to have the beneficiaries to work for the bank after form four because of their poor showing in KCSE. They fail to pass the examination. Political interference eventually hampers the implementation of banks' initiatives aimed at improving the education management and general welfare of the academic community.

➤ *(b) Poverty/ financial constraints*

Whereas poverty has been defined as the inability of individuals to afford basic necessities (Poverty Reduction Strategy Paper 2001-2004), inequality is seen in relation to differentials income. It can be observed in relation to differences in access to education, health and even enjoyment of political rights and representation. Poverty and inequality are interlinked in that lack of resource to acquire basic needs automatically brings in these differentials in relation to one's ability to access goods and services. Poverty which hampers access to education opportunities has a spill over effect on household incomes and perpetuates inequalities in accessing of opportunities for individuals. Poverty still remains an impediment for many Kenyans. This is a great challenge to the banking institutions that are trying to sponsor needy students in Kenya.

➤ *(c) Inequality*

In educational institutions, the high teacher to student ratio means that a teacher can afford to give individualized attention to students. For public institutions of learning, low teacher to student ratio, currently standing at 1 teacher to 60 students means that less attention is paid to individual students. Inequalities in relation to resource allocations also have a bearing on the performance of schools, private schools are well equipped in terms of classrooms, laboratories and other social amenities thus providing conducive atmosphere for learning. On the other hand, some county public schools lack learning resources such as laboratories and libraries. These institutions also lack qualified teachers in sciences and mathematics. Most schools are characterized by a high mobility of teachers and this problem is reflected in poor examination performance. Inequalities are also apparent in

accessing higher education. Access to institutions of higher learning is competitive and is influenced by the availability of finances. Few qualified students are admitted to public universities via the Joint Admissions Board (JAB) and those who do not join the regular university programs do so 'on a self paying basis' through the Parallel degree programs or Private universities. Cost of accessing education for self sponsored programs is high. Those students sponsored by the banks if they don't qualify for direct entry into the public universities, still becomes a challenge to the respective bank to offer opportunity to join for parallel degree programs so as to avoid wastage.

III. OBJECTIVES OF THE STUDY

The objectives of this research were to:

- To identify the possible areas given priority in education programme by the Kenyan banking institutions.
- Ascertain the availability and use of resources and teaching aids in Kenyan public secondary schools.
- Identify the constraints to the effective implementation of sponsored education programmes in Kenyan public secondary schools; and to.
- Ascertain the effort being made by the government and banks towards enhancing the effective implementation of sponsored education programmes in public secondary schools.

IV. RESEARCH QUESTIONS

For the purpose of this research, the following research questions are posed:

- What are the possible areas given priority in education programme by the Kenyan banking institutions?
- Do what extent is the availability and use of resources and teaching aids in Kenyan public secondary schools?
- What are the constraints to the effective implementation of sponsored education programmes in Kenyan public secondary schools?
- What is the effort being made by the Kenyan government and banks towards enhancing the effective implementation of sponsored education programmes in public secondary schools?

V. RESEARCH METHODOLOGY

The study adopted a survey design. The study consists of four (4) banks purposively selected for study. Empirical evidence through document analysis on the 4 banks purposively chosen for this study was considered adequate in the data collection.

VI. RESEARCH FINDINGS

What are the possible areas given priority in education programme by the Kenyan banking institutions?

The findings indicate that the GoK provides free primary education through to class 8 and a subsidy for those in secondary school (100.0%). However, countless bright, eager students in rural areas long for a chance to learn more (100.0%). Among those who pass KCPE, there are those unable to attend high school for lack of fees and are likely to live in abject poverty and can barely afford the basics to sustain life (100.0%). To offer a remedy, banks provide secondary school sponsorship (90.0%) and mentorship to both secondary and pre-university students (85.0%) with the tools and knowledge to help make improvements to their lives.

Do what extent is the availability and use of resources and teaching aids in Kenyan public secondary schools?

Results indicated a shortage of professional and experienced teachers (55.0%) who are also not provided with enough allowances (65.0%). Besides, findings indicated that in some schools there is lack of adequate textbooks in the library (35.0%). Others stated that materials, for teaching and learning especially when it comes to integration of ICT are not readily available (75.0%). Those schools offering applied subjects like Agriculture it was found that there is a lack of adequate workshop equipment (55.0%). All of these are seen as exerting some effect on the implementation of education programmes in public secondary schools that are sponsored by the banks.

What are the constraints to the effective implementation of sponsored education programmes in Kenyan public secondary schools?

Findings were based on the following:

A. Political interference

Findings from some scholars indicate that in Kenya, political decisions have come to have a significant bearing on the trends and patterns of education growth and policy formulations (98.0%). Political interference has had negative effects to the implementation of initiatives aimed at improving the education management and general students' performance (100.0%).

B. Poverty/financial constraints

Empirical evidence indicates that lack of funds to still remains an impediment for many parents/guardians (94.0%). Principals spend energies in trying to secure funding for students admitted to their schools from family backgrounds which can hardly provide for the children (85.0%). Findings indicated that many schools may not have an endowment fund to take care of scholars from deprived backgrounds (65.0%) and other school managements search for sponsorship from corporates and individuals of goodwill (89.0%). This is a great challenge to the banking institutions that are trying to sponsor needy students in Kenya.

C. Inequality

In educational institutions, findings show that there is a high student to teacher ratio (90.0%) meaning that a teacher

cannot afford to give individualized attention to students. For public institutions of learning, low teacher to student ratio, currently stands at 1 teacher to 60 students meaning that less attention is paid to individual students. Inequalities in relation to resource allocations also have a bearing on the performance of schools (100.0%). Some public schools lack learning resources such as laboratories and libraries (55.0%). These institutions also lack qualified teachers in sciences and mathematics (75.0%).

What is the effort being made by the Kenyan government and banks towards enhancing the effective implementation of sponsored education programmes in public secondary schools?

Through sponsorship, findings show that the GoK works in collaboration with banks and other financial lending groups to enable needy students have access to secondary school education (90.0%). Besides, through banking institutions, the GoK has established mentorship and workshops to students (85.0%) to nurture their future talents.

VII. CONCLUSION AND RECOMMENDATIONS

Conclusion:

From the findings of the study several conclusions were arrived at:

The GoK should appraise the banking institutions, Sponsoring Group Foundations and their Partners for this great intervention and appreciate that more partners join in to ensure that children from disadvantaged family backgrounds have equal opportunities to access secondary school education in schools of their choice and qualification.

Schools should be properly funded to enhance the availability of instructional aids.

The banking institutions to give a follow-up to those students who fail to pass the KCSE examination yet have been on scholarship.

Political interference eventually hampers the implementation of banks' initiatives aimed at improving the education management and general welfare of the academic community.

Recommendations:

The following recommendations are made based on the findings of the study:

- Adequate infrastructure should be provided in schools, and schools also should be properly equipped for teaching and learning.
- Adequate enlightenment campaigns should be carried out in society generally about the importance of banking institutions in education.

- Students should attend workshops, seminars, conferences, and field trips for purposes of bench-marking.
- Professional and experienced teachers should be employed by the Teachers Service Commission (TSC).
- Regular training and re-training programs in form of seminars, conferences, in-service training programs, short courses and workshops, should be organized at regular intervals to simulate teachers' interest in teaching and learning.
- Further comparative research should be carried out on, for example, measures put in place by the banking institutions in schools for efficiency and accountability of the money paid for students' school fees.

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