

MAPPING THE KENYAN ENTREPRENEURSHIP NETWORK

Unlocking Productivity and Securing the Future
Economy Through High-Growth Companies

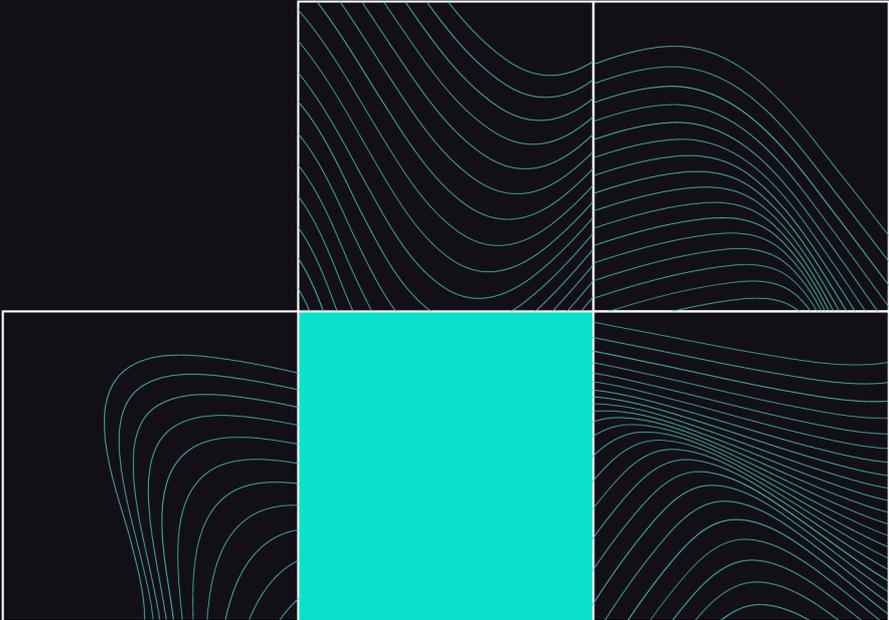
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ABOUT ENDEAVOR INSIGHT

[Endeavor Insight](#) is the research division of Endeavor that provides data-driven analysis and visualizations showing what makes entrepreneurial ecosystems thrive. Our research team of economists, data scientists, and policy analysts specializes in understanding the needs of high-impact entrepreneurs and evaluating the networks that enable them to scale up and pay it forward to the next generation of entrepreneurs.

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SPECIAL THANKS

The authors would like to thank their colleagues at Endeavor including Linda Rottenberg, Margarita Chavez, and Maryanne Ochola, as well as Martin Pickering for research support. We also acknowledge the valuable contributions of the following individuals to this report.

KPMG East Africa

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THIS RESEARCH WAS MADE POSSIBLE BY FUNDING FROM

The Argidius Foundation, inspired by Catholic Social Teaching, aims to create a just and sustainable world by promoting human dignity through philanthropy. As part of the Porticus global philanthropic organization founded by the Brenninkmeijer family, the Argidius Foundation focuses on supporting small and medium-sized businesses to foster job creation and economic growth since 1956.

FOREWARD



Over the past 10 years, the Argidius Foundation has partnered with financial institutions and enterprise support organizations to support over 200,000 businesses in East Africa, particularly Kenya, and Central America. Across that portfolio, 15 percent of our firms have created over 85 percent of the new, productive jobs that all economies need if they are to move up the ladder from low- to middle-income status and beyond.

The challenge is that both governments and international development donors have been too focused on starting businesses and too little on following through with those enterprises that emerge and are capable of high growth. This needs to change if countries like Kenya are to produce the growth they need to generate high-quality, productive jobs at scale to meet the needs of a growing workforce, and genuinely grasp the great opportunities that these economies present for transformation. How to do this is the focus of this report, grounded in the experience of high-growth entrepreneurs who have made it, often against strong headwinds, and their careful and intelligent reflections on what could be different to create a more helpful, supportive ecosystem, making that journey easier for others.

We need more commercially viable, growth-orientated businesses in a functioning ecosystem that multiplies the benefits not only for individual firms but for the whole economy; and this report intelligently and eloquently makes the case for how to do this in Kenya and, more importantly, for the benefit of Kenyan society as a whole.

NICHOLAS COLLOFF

EXECUTIVE DIRECTOR, ARGIDIUS FOUNDATION



Kenya stands at an important inflection point. Over the past decade, a more dynamic, innovation-led private sector has emerged, creating quality jobs and building globally competitive solutions that advance Vision 2030. Yet our policies and public discourse often group all entrepreneurs together. This report highlights a distinct group of companies that drive disproportionate impact: high-growth firms.

The report makes the case for recognizing high-growth companies as essential to Kenya's economic future. These types of businesses are identified as those with the potential to generate high GDP per employee, offer better-paying jobs, and have strong spillovers across sectors.

This study draws on more than 100 founder interviews and data on over 730 companies to identify ways to better support high-growth companies. The research highlights the Multiplier Effect™: as founders scale, many go on to mentor, invest in, and train the next generation, reinforcing a cycle of growth across the ecosystem. At the same time, high-growth companies continue to face persistent barriers — limited local capital, gaps in managerial and technical talent, and regulatory uncertainty — that constrain their potential.

If Kenya is to achieve upper-middle-income status, we must move beyond short-term, one-size-fits-all approaches and design policies and support systems that reflect the realities of scaling firms. This includes strengthening pathways to regional and global markets and ensuring that women founders can scale at the same rate as their male counterparts.

I extend my sincere appreciation to the entrepreneurs who contributed to this study, to Endeavor Insight for its rigorous analysis, and to our partners at Africa Practice and KPMG East Africa. May this report serve as both a resource and a call to coordinated action — so that Kenya's high-growth companies can thrive and shape a more prosperous future.

MARYANNE OCHOLA

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Executive Summary

Endeavor Insight partnered with Endeavor Kenya to study the entrepreneurship ecosystem in Kenya. The purpose of the study is to examine the role of entrepreneurs, particularly those leading high-growth companies, in unlocking Kenya's economic growth. It also aims to understand the challenges founders face, and equip decision makers to better support high-growth companies, thereby strengthening the wider entrepreneurship ecosystem. The findings are based on more than 100 interviews with founders conducted from April to May 2025, and data on over 730 companies and their founders.

HIGH-GROWTH COMPANIES HAVE BEEN INTEGRAL TO KENYA'S ENTREPRENEURIAL DEVELOPMENT.

Kenya's economy has long emphasized small and medium-sized enterprises (SMEs) as central to growth. More recently, startups have gained attention, but the conversation still skews toward SMEs, with startups often grouped into the same category. This common framing overlooks high-growth companies that have an outsized economic impact because they generate high GDP per employee and higher than average wages. Recognizing and supporting them as a distinct category can allow decision makers to unlock productivity and secure Kenya's economic future.

THE EVOLUTION OF HIGH-GROWTH COMPANIES TELLS THE STORY OF KENYA'S ENTREPRENEURIAL GROWTH.

Entrepreneurial activity in Kenya has grown significantly between 2014 and 2024 with rapid developments among tech and tech-enabled companies. The number of tech companies nearly tripled during that time. Tech companies are also transforming traditional industries and enabling SME growth through innovation.

Currently, Kenya's policy and support frameworks overlook the realities and needs of high-growth companies. According to Insight analysis, it takes roughly 10 years for a company to reach scale on average, but the Startup Bill would only benefit companies younger than that age. Broader conversations are also missing the reality that more than one-third of companies in Kenya are started by teams with at least one female cofounder. The economy could grow even more if female-led companies scaled at the same rate as companies with all-male founders.

POLICIES AND PROGRAMS TAILORED TO THE NEEDS OF HIGH-GROWTH COMPANIES WOULD BOLSTER THE FUTURE OF KENYA'S ECONOMY.

Kenya's path to achieving Vision 2030 will require sustained private sector growth. High-growth companies that grow to 50 or more employees can generate quality jobs and are distinctly equipped to advance these goals, especially as they expand to serve customers beyond Kenya.

HIGH-GROWTH COMPANIES CAN DRIVE SELF-PROPELLING ECOSYSTEMS AS THEY SCALE.

High-growth founders are leaders whose influence extends beyond their own companies. When they train, mentor, and invest in the next generation of founders, they contribute to job creation and innovation in entrepreneurial ecosystems, demonstrating the Multiplier Effect™ in action. In the Kenyan ecosystem, Ken Njoroge and Nedjip Tozun have served as key Multipliers.

Network analysis shows how founders of entrepreneurial companies in Kenya are connected to one another. **Cellulant** emerged as the largest circle, indicating that it has been the most influential through Ken's Multiplier Effect. Two lessons follow from the analysis:

- Many of the founders gained important experience by first working at other high-growth companies.
- Kenya's founders have previously launched other companies in Kenya, bringing with them experience and knowledge that they are reinvesting locally.

UNDERSTANDING AND ADDRESSING THE BARRIERS EXPERIENCED BY HIGH-GROWTH FOUNDERS IN KENYA CAN UNLOCK GROWTH FOR ENTREPRENEURIAL COMPANIES OF ANY SIZE.

Endeavor Insight conducted interviews with 101 entrepreneurs to learn about their most common challenges. The founders of high-growth companies experience markedly different challenges than smaller companies, and struggle to access tailored support that can maximize their growth potential and competitiveness.

Access to capital was reported as a top obstacle among high-growth companies and smaller businesses alike. Access to managerial and technical talent is also a major challenge facing high-growth companies. Government policies and regulations present a significant barrier — affecting 64 percent of high-growth founders and the vast majority of founders of smaller businesses. The workarounds that founders are implementing are often stopgap measures in light of scarcity and unpredictability, which limit high-growth companies from innovating and achieving more rapid growth.

A “TOP-DOWN” APPROACH STILL HOLDS SWAY ON THE DEVELOPMENT OF THE ECOSYSTEM.

In the 2018 Insight report on the Kenyan entrepreneurial ecosystem, donor-funded entrepreneur support organizations (ESOs) were the most influential actors. Since then, more entrepreneurial companies, as well as new players such as corporations and venture capital firms, have emerged. This marks an important shift, given the limited role of the private sector in the past. However, the ecosystem is still heavily driven by non-entrepreneurial actors.

ESOs provide useful early stage networks and resources, but they are not positioned to help high-growth companies grow commercially in competitive markets. Funding actors, such as donors, actively direct the growth and priorities of the ecosystem but their current participation is impact-oriented and may not prioritize commercial viability among companies. Corporations in Kenya offer some support to companies through accelerators or by sponsoring ESO-led programs, but they also intensify wage competition for technical talent. While more investors, particularly international ones, have entered the ecosystem over the past decade, local capital remains limited.

EACH DECISION MAKER HAS A ROLE TO PLAY IN SUPPORTING HIGH-GROWTH ENTREPRENEURSHIP TO BOLSTER KENYA'S PRODUCTIVITY.

The existing support systems do not go far enough to meet the needs of high-growth companies. Decision makers in Kenya should now work to align their efforts around the following priorities identified in this study:

1. Focus on the commercial viability of entrepreneurial companies.
2. Use longer time horizons for ecosystem development.
3. Tailor solutions to the local context.
4. Foster collaboration and continuity among ecosystem actors and with high-growth founders.

The following actors have a role to play in advancing these priorities:

- **Policymakers:** Recognize high-growth companies as a policy priority, and ensure policy implementation and stability.
- **Entrepreneur Support Organizations:** Provide tailored support and maintain post-program engagement.
- **Donors:** Reorient funding priorities toward long-term growth.
- **Investors:** Strengthen local capital and align investments with Kenya's entrepreneurial realities.
- **Corporates:** Act as long-term ecosystem players to create win-win partnerships.
- **Founders:** Pay it forward to strengthen the entrepreneurial community.



I. Preface

WHAT IS A HIGH-GROWTH COMPANY?

Kenya's economy has long emphasized small and medium-sized enterprises (SMEs) as central to growth, since they account for the majority of businesses. However, most SMEs remain small, informal, and resource-constrained.¹ More recently, startups have gained attention in policy and media discourse in Kenya. Yet the conversation remains heavily skewed toward SMEs, with startups often grouped into the same category. The common framing overlooks high-growth companies, a set of entrepreneurial companies, that are distinctly positioned to unlock economic growth.

High-growth firms are essential to unlocking Kenya's total factor productivity (TFP). Decades of research has concluded that this measure of efficiency and technological change explains the bulk of income and growth differences across countries, far more than physical or human capital.²

Since TFP captures innovation, learning, and technological upgrading, tech and tech-enabled firms are the vehicles through which productivity rises. These firms embody the diffusion of new technologies, create spillovers across sectors, and translate innovation into higher output and competitiveness.

Recognizing how high-growth companies differ from other businesses is critical so that decision makers can direct support towards these companies and secure Kenya's economic future.

For more information on these terms and this study's approach to defining high-growth companies, see the Appendix on page 50.

ABOUT THE DATA

This study focuses on founders of high-growth companies to examine their contribution and address the challenges they face. The sampling frame for this study focuses on tech and tech-enabled entrepreneurial companies in Kenya, including companies that meet the criteria of "startup" or "high-growth." The report pays special attention to "high-growth" companies that have already scaled to over 50 employees — those that are creating quality jobs now and into the future. The authors use "high-growth" and "scaled" interchangeably. Where findings are specific to company employee size, "scale" is used for specificity.

The findings are based on more than 100 interviews with founders conducted from April to May 2025, and data on over 730 companies and their founders. In select cases this includes companies that have legal headquarters outside of Kenya, but have significant operations in the country and were identified by Endeavor as important to the local ecosystem. In addition, data was collected on more than 350 support organizations and investment firms that founders identified throughout the research process.

II. Context

HIGH-GROWTH COMPANIES HAVE BEEN INTEGRAL TO KENYA'S ENTREPRENEURIAL DEVELOPMENT.

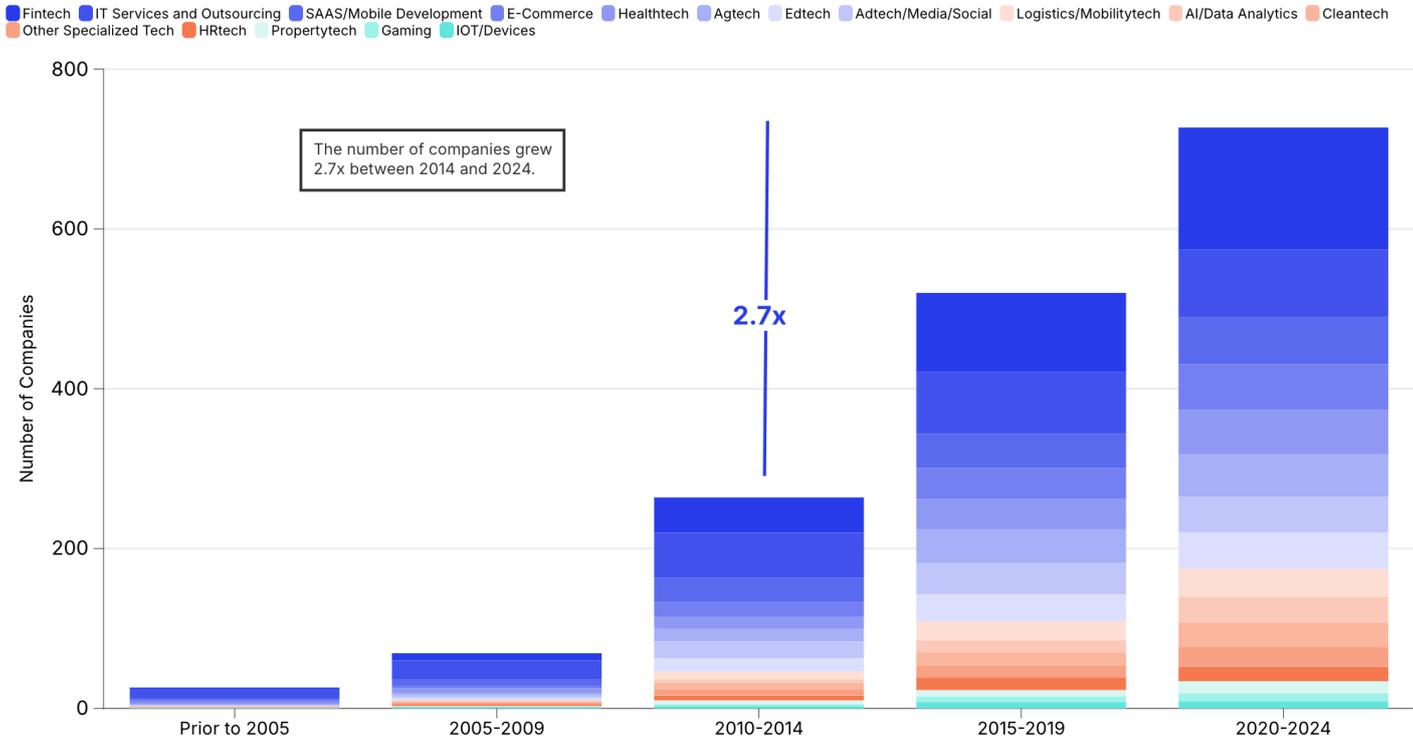
The Evolution of High-Growth Companies Tells the Story of Kenya's Entrepreneurial Growth.

Entrepreneurial activity in Kenya grew significantly between 2014 and 2024 with rapid developments among tech and tech-enabled companies. The number of tech companies nearly tripled during that time, as illustrated in the chart below. Prominent subsectors in Kenya are fintech, IT services and outsourcing, SaaS/mobile development, e-commerce, healthtech, IT services and outsourcing, SaaS/mobile development, e-commerce, healthtech, and agtech.

Companies like these are valuable because they generate high GDP per employee and offer higher than average wages.³ They are also the key to the future of Kenya's economy as they unlock growth in traditional sectors. A study conducted by Public First concluded that every dollar invested in Kenya's digital economy could generate over \$5 in economic value by 2030.⁴

TECH COMPANIES IN KENYA HAVE BECOME MORE SPECIALIZED OVER TIME.

Cumulative Growth of Companies by Subsector



Note: Based on data from 728 companies, where data was available. "Other Specialized Tech" includes companies operating in sectors such as cybersecurity, foodtech, legaltech, and traveltech.

Sources: Endeavor Insight founder interviews and analysis, LinkedIn, PitchBook, company websites.

Fintech has been a prominent driver of growth in Kenya's entrepreneurship landscape, making up 21 percent of companies in the study. One example of a successful high-growth fintech company is **Cellulant**. Founded in 2004, the company connects banks, businesses, mobile operators, and consumers, bridging mobile money systems such as M-PESA with formal financial institutions. Its regional reach attracted \$47.5 million in Series C funding in 2018.⁵

Another example is **M-KOPA**, which was founded in 2010. It launched as a solar home system with a pay-as-you-go model. Then it expanded into smartphones, small loans, and insurance.⁶ The company has attracted over \$250 million in equity and debt funding to expand across multiple markets.⁷

SaaS and mobile development companies have also played a foundational role in the growth of the ecosystem. Founded in 2010, **Africa's Talking** provides Application Programming Interface (APIs) for SMS, voice, and mobile payments. By enabling developers and enterprises to build communications- and payments-capable applications, the company has supported a new generation of African apps and services. It has raised over \$8 million in a Series A round.⁸

E-commerce is another subsector that has grown rapidly in recent years. **Wasoko**, launched in 2013, has built a B2B e-commerce platform that supplies informal retailers with fast and reliable delivery of consumer goods, reducing inefficiencies in Africa's retail supply chain.⁹ The company raised \$125 million in a 2022 Series B round, and in 2024 it completed a merger with Egypt's MaxAB, resulting in one of the largest B2B e-commerce mergers in Africa.^{10,11}

In the creator economy, companies are enabling young people to earn more through social media and brand engagement. **Wowzi** is a content-creator marketplace that connects brands and businesses with Africa's community of creators.

Since launching in June 2020, Wowzi has enabled over 1 million collaborations and supported more than 200 brands in delivering digital campaigns across the continent.^{12,13}

Entrepreneurial companies are transforming traditional industries and enabling SME growth through innovation.

Tech and tech-enabled entrepreneurial companies are transforming traditionally low-tech industries like agriculture and mobility. They develop solutions that streamline operations, plug public infrastructure gaps, and reach previously underserved customers.

In agriculture, digital solutions are equipping farmers with access to data, credit, and inputs that improve productivity and reduce risk. Founded in 2016, **Apollo Agriculture** is an agri-fintech platform that uses artificial intelligence and satellite imagery to support small-scale farmers across Africa. The company delivers financing, high-quality inputs, insurance, and digital agronomy to help farmers increase their profits and farm more sustainably. It raised a \$40 million Series B round in 2022 led by SoftBank Vision Fund.¹⁴

In aquaculture, **Victory Farms** is using technology and vertical integration to modernize fish production and improve food security and rural livelihoods. Founded in 2015, the company has built one of East Africa's largest integrated aquaculture supply chains, combining lake-based farming with its own cold-chain distribution and retail network.¹⁵ In 2023, Victory Farms raised \$35 million in Series B funding to expand its operations across Kenya and into neighboring East African markets.¹⁶

In mobility, **BasiGo** is pioneering the transition to clean energy by electrifying public transport in East Africa. The company uses a “pay-as-you-drive” financing model, allowing operators to lease electric buses with lower upfront investment while it provides critical services like charging and maintenance. In 2024, BasiGo raised \$42 million in equity and debt to accelerate deployment.¹⁷

Beyond transforming traditional industries, many companies are helping SMEs by solving some of their biggest challenges — access to finance, access to customers, and operational inefficiencies.

Founded in 2017, **Pezesha** has built a digital financial and alternative credit-scoring platform that connects SMEs to affordable working capital through partnerships with banks, investors, and corporates.

The company has onboarded over a million SMEs and funded more than 400,000 SME loans.¹⁸ In 2022, Pezesha raised \$11 million in pre-Series A funding, led by Women’s World Banking Capital Partners II, to scale its SME lending infrastructure across Africa.¹⁹

Another example is **tappi**. Launched in 2022, the company helps SMEs in establishing a digital presence to expand their customer base with digital storefronts.²⁰ In 2024, tappi partnered with M-PESA to extend digitization services to over 65,000 SMEs in Kenya.²¹

III. Opportunity

IF POLICIES AND PROGRAMS WERE TAILORED TO THE NEEDS OF HIGH-GROWTH COMPANIES, IT WOULD BOLSTER THE FUTURE OF KENYA'S ECONOMY.

Kenya's path to achieving Vision 2030 depends on private sector growth.

Kenya is currently classified as a lower-middle-income country.²² Under Vision 2030, it aspires to become an upper-middle-income and globally competitive economy within the next four years, as of this publication.²³ While donor support has played a role in Kenya's development to date, it cannot drive the long-term growth needed for this transition. Moreover, as the country advances toward the higher middle-income status, aid flows are expected to decline. Achieving Vision 2030 will require sustained private sector growth to drive investment, innovation, and job creation.

Recent investment trends underscore the urgency of this shift. In 2024, Kenya fell to fourth place in Africa for equity funding, raising \$221 million — a 34 percent decline from the previous year and the steepest drop among the continent's top four markets.²⁴ The number of deals also decreased by 12 percent, totaling 59.²⁵ Foreign capital is cyclical and tied to global macroeconomic conditions, not long-term commitments to local ecosystems. Private sector growth rooted in Kenya is therefore essential to reduce exposure to these external fluctuations and provide a more stable foundation for economic growth.



High-growth companies that grow to over 50 employees are more productive and generate quality jobs.

High-growth companies are distinctly equipped to deliver results toward the goals of Kenya’s Vision 2030. Evidence from emerging economies suggests that high-growth firms generate outsized employment and more often create higher-wage and higher-skill roles.²⁶

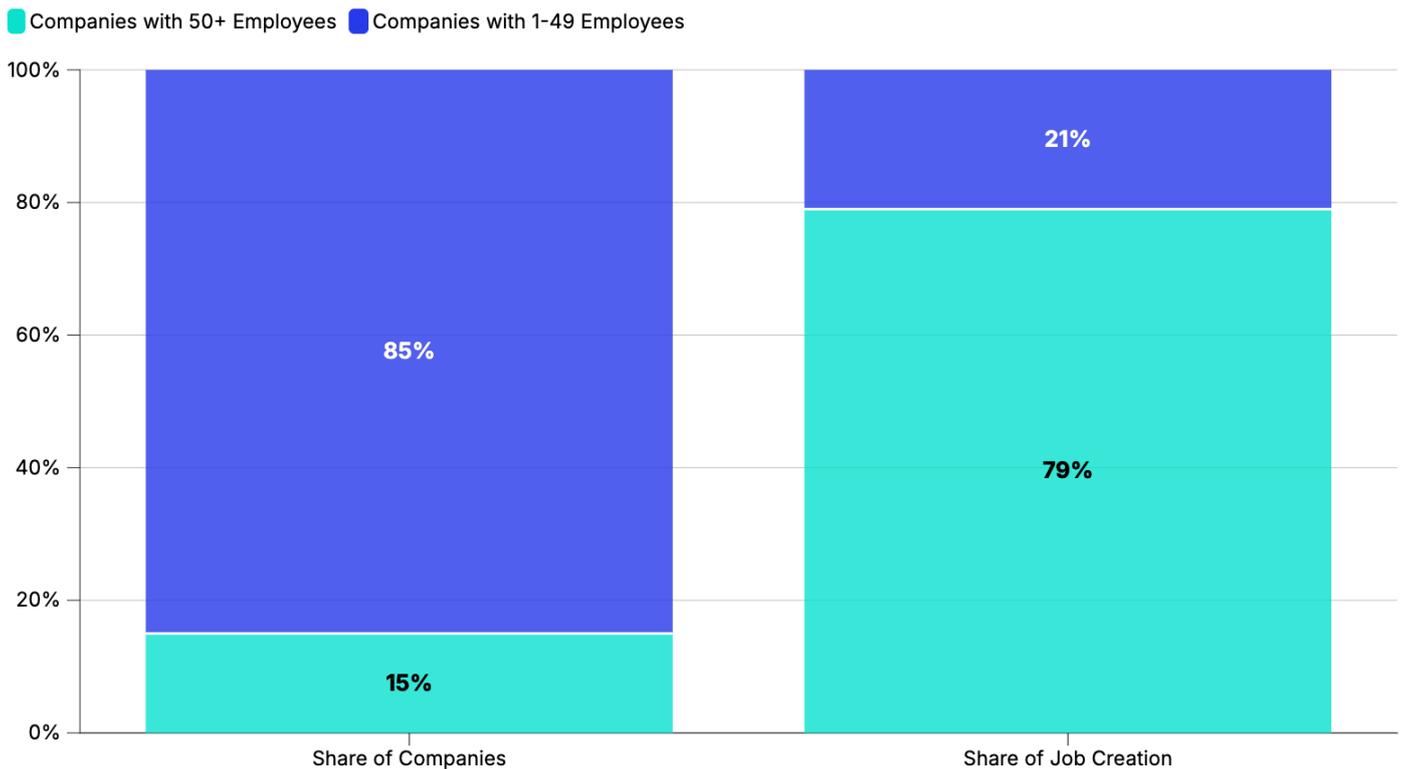
As illustrated in the chart below, only 15 percent of entrepreneurial tech companies have scaled to over 50 employees in Kenya, but these companies account for the vast majority of jobs.

As new programs and policies take shape, Kenya’s decision makers have the opportunity to increase support for the small group of high-growth companies that can do the most for quality job creation.

Devoting more support to scaled companies that have sustainable commercial models can have an outsized impact on the economy. Previous studies from Endeavor Insight have shown how scaled companies like these are likely to keep growing once they surpass 50 employees, and can be more resilient during economic downturns.²⁷

SCALED COMPANIES MAKE UP A SMALLER PROPORTION OF TOTAL COMPANIES IN THE KENYAN TECH SECTOR, BUT THEY HAVE GENERATED THE BULK OF JOBS.

Job Creation by Company Size Class



Note: Based on data from 505 active companies, where data was available.

Sources: Endeavor Insight founder interviews and analysis, LinkedIn, PitchBook, company websites.

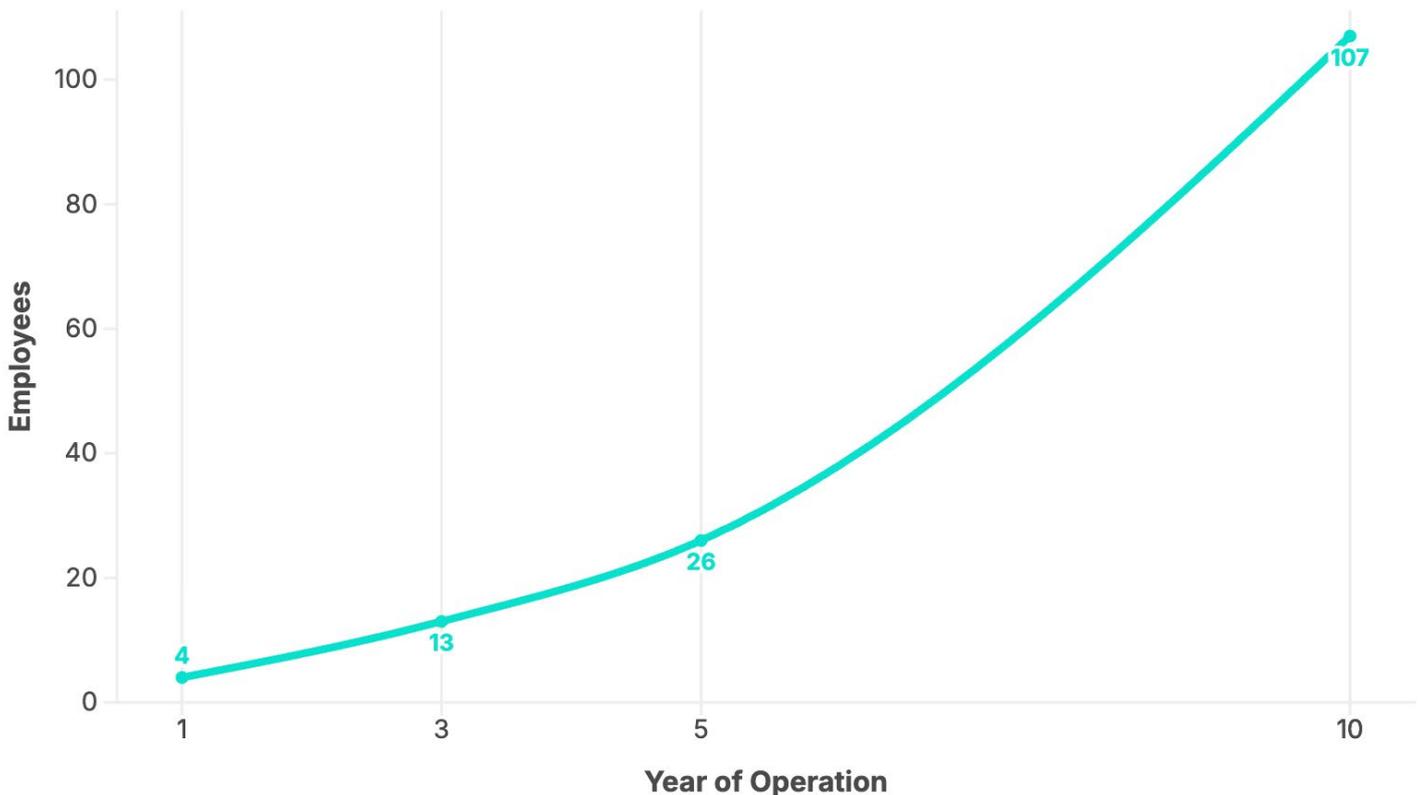
Kenya's policy and support frameworks overlook the reality that high-growth companies take nearly a decade to scale.

The entrepreneurial companies that have reached the scale of 50 or more employees in Kenya tend to be older and took many years to reach that size. According to Insight analysis, it takes roughly 10 years for a company to reach scale on average, as the chart below indicates.

The proposed amendments to the Startup Bill define startups as companies that have been in existence “for a period of not more than ten years” and links eligibility for support to this age-based criterion.²⁸ The bill will not extend support to older companies, despite their demonstrated capacity to deliver substantive economic results. The companies that do reach scale in under 10 years are a rarity.

THE AVERAGE KENYAN COMPANY TAKES ALMOST A DECADE TO SCALE.

Average Number of Employees by Year of Operation for Tech and Tech-enabled Companies



Note: Based on data from interviews with founders of 77 companies. Data reflects founder-reported employee counts at 1, 3, 5, and 10 years of operation, as applicable.

Source: Endeavor Insight founder interviews and analysis.

Founded in 2014, **Zeraki** began as an interactive digital learning platform for Kenyan high school students and gradually evolved into a broader suite of school data analytics and administrative tools. By late 2022, the company had raised \$1.8 million in seed funding. Its employee base grew from 12 in 2018 to over 100 by its tenth year, illustrating how Zeraki's path to scale unfolded gradually.^{29,30}

In general, the bill's specific focus on company age ignores the criteria

necessary to identify the most promising high-growth companies — those that will continue to add quality jobs over the long run. Decision makers now have an opportunity to take a different approach. A longer-term, cohort-based lens would better reflect Kenya's entrepreneurial growth patterns, recognizing that many firms founded five to ten years ago are only now reaching maturity and require targeted support.

Several additional policies affect high-growth companies, including the Finance Bill, the ICT Policy, and the Micro and Small Enterprises (MSME) Act.

The Technical and Vocational Education and Training (TVET) Act and the Science, Technology and Innovation (ST&I) Act also play a role. However, the Startup Bill is the one most directly shaping their growth potential.



High-Growth Companies Need More Support Selling to Customers Outside of Kenya.

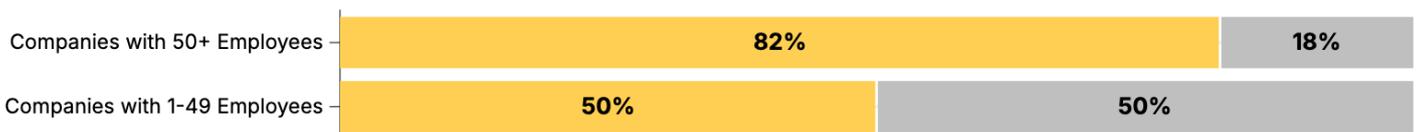
Expansion beyond national boundaries is a common trait among high-growth companies. Nearly 82 percent of the interviewed high-growth founders reported selling to customers outside of Kenya compared to only 50 percent of smaller companies. Most companies have started with nearby East African markets, using Kenya as a base to reach similar customers and business environments. The most commonly reported countries where companies sell are Uganda, Tanzania, Rwanda, and Nigeria. A few companies also serve customers in Europe, North America, and Asia.

Kenya needs companies that expand beyond the national borders. When firms grow across borders, they not only bring foreign revenues into the local economy but also retain high-value jobs — as typically the senior and highest-paid roles remain in the country.

Supporting more high-growth companies to become regionally and globally competitive will require specific and sustained support.

HIGH-GROWTH COMPANIES IN KENYA ARE MORE LIKELY TO EXPAND THAN SMALLER COMPANIES.

■ Customers in and beyond Kenya ■ Customers only in Kenya



Percentage of Companies

Note: Based on data from interviews with founders of 71 companies.

Source: Endeavor Insight founder interviews and analysis.

Kenya shows a strong representation of female founders, but can achieve more if female founders are able to build high-growth companies at the same rate as male founders.

More than one-third of companies in Kenya are started by teams with at least one female cofounder. As the chart below illustrates, this rate has stayed relatively steady when comparing the cohorts of companies founded between 2015-2019 and 2020-2024. Kenya has a much stronger representation of female founders compared to the African average of 17 percent.³¹

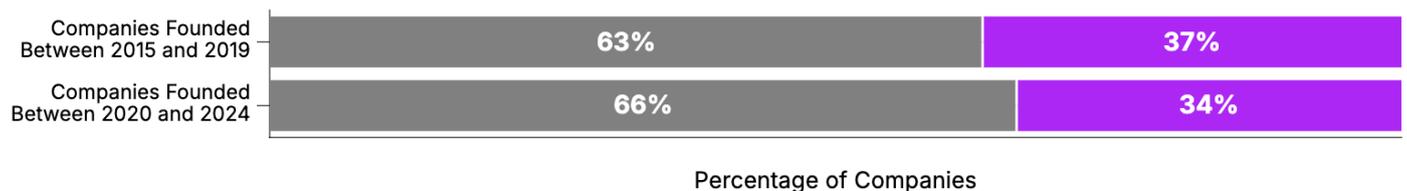
In light of this strength, there is an opportunity to ensure more women-led companies reach scale. Companies in this study with at least one female founder are scaling at a slightly lower rate (14 percent) than companies with all-male teams (16 percent).

Further analysis revealed that founding teams with at least one female founder scale more slowly in the first five years, but build larger organizations by the tenth year of their operation. This pattern further underscores the importance of aligning policy measures with the reality of longer time horizons required for companies to scale.

KENYA'S STRONG REPRESENTATION OF FEMALE ENTREPRENEURSHIP HAS REMAINED RELATIVELY STEADY.

Percentage of Companies by Founder Gender

■ All Male Founders ■ At Least One Female Founder



Note: Based on data of 420 companies, where data was available.
Sources: Endeavor Insight analysis, LinkedIn, PitchBook, company websites.



“The biggest shift for me was realizing that I cannot do it alone. That mindset opened doors to support that connected me with the right investors and strategic partners who have been instrumental in our growth. In general, women are often over-mentored and under-funded, so it’s critical to provide not just guidance but tangible seed-funding to strengthen women-led businesses, paired with holistic support that enables them to grow sustainably.”

HILDA MORAA, FOUNDER OF PEZESHA

IV. Multiplier Effects

HIGH-GROWTH COMPANIES CAN DRIVE SELF-PROPELLING ECOSYSTEMS AS THEY SCALE.

HIGH-GROWTH FOUNDERS ARE LEADERS WHOSE INFLUENCE EXTENDS BEYOND THEIR OWN COMPANIES.

By building successful companies, high-growth founders attract talent, capital, and partnerships that strengthen and position their ecosystem for long-term growth. When experienced entrepreneurs train, mentor, and invest in the next generation of founders, they contribute to job creation and innovation in the entrepreneurial ecosystems, demonstrating the Multiplier Effect™ in action. As such, the analysis below focuses on founders rather than companies — it is the founders who lead ecosystem growth.

Ken Njoroge Cofounder of Cellulant

In 2002, Ken Njoroge and Bolaji Akinboro founded **Cellulant** in Nairobi, initially delivering mobile content services such as ringtones across East Africa. As mobile adoption accelerated, they identified a deeper gap in payments infrastructure and pivoted early to building an integrated digital payments platform, anticipating the rise of mobile money and the need for interoperability across financial systems.

Over time, Cellulant has evolved into a leading pan-African payments company. Its platform offers a unified API for businesses to accept payments online and offline across 35 countries via mobile money, bank transfers, and international and local cards.³²

The company processes over four million consumer payments and maintains an operational and regulatory presence in 24 African markets.³³ Ken continues to guide the company as a director of the firm.

Beyond company building, Ken played an active role in engaging policy makers and regulators, particularly the central bankers across Africa and telecom regulators across East, West, and Southern Africa. By building trust between innovators and regulators, he has continued to contribute to shaping policies that enabled digital innovation while advancing financial inclusion.

As depicted in the Multiplier Map, Ken's impact extends beyond Cellulant itself. The company continues to serve as a training ground for employees who move up to launch their own ventures. Alumni have gone on to launch 29 companies. He has also mentored and invested in nine companies.

More recently, Ken has founded Pani & Komini, a platform focused on expanding mentorship and access to local capital for startups and SMEs across various sectors. He is building this platform upon the belief that founders need sustained, hands-on support — not just funding — to scale enduring companies.³⁴

Over the past decade, Ken has earned multiple recognitions for his entrepreneurial leadership. In 2018, he was named EY Emerging Entrepreneur of the Year, and in 2019, he received the Schwab Foundation Social Entrepreneur of the Year Award.^{35,36} Ken also serves on the board of Endeavor Kenya.

There are many success stories among the founders Ken has supported, including **Leta**.

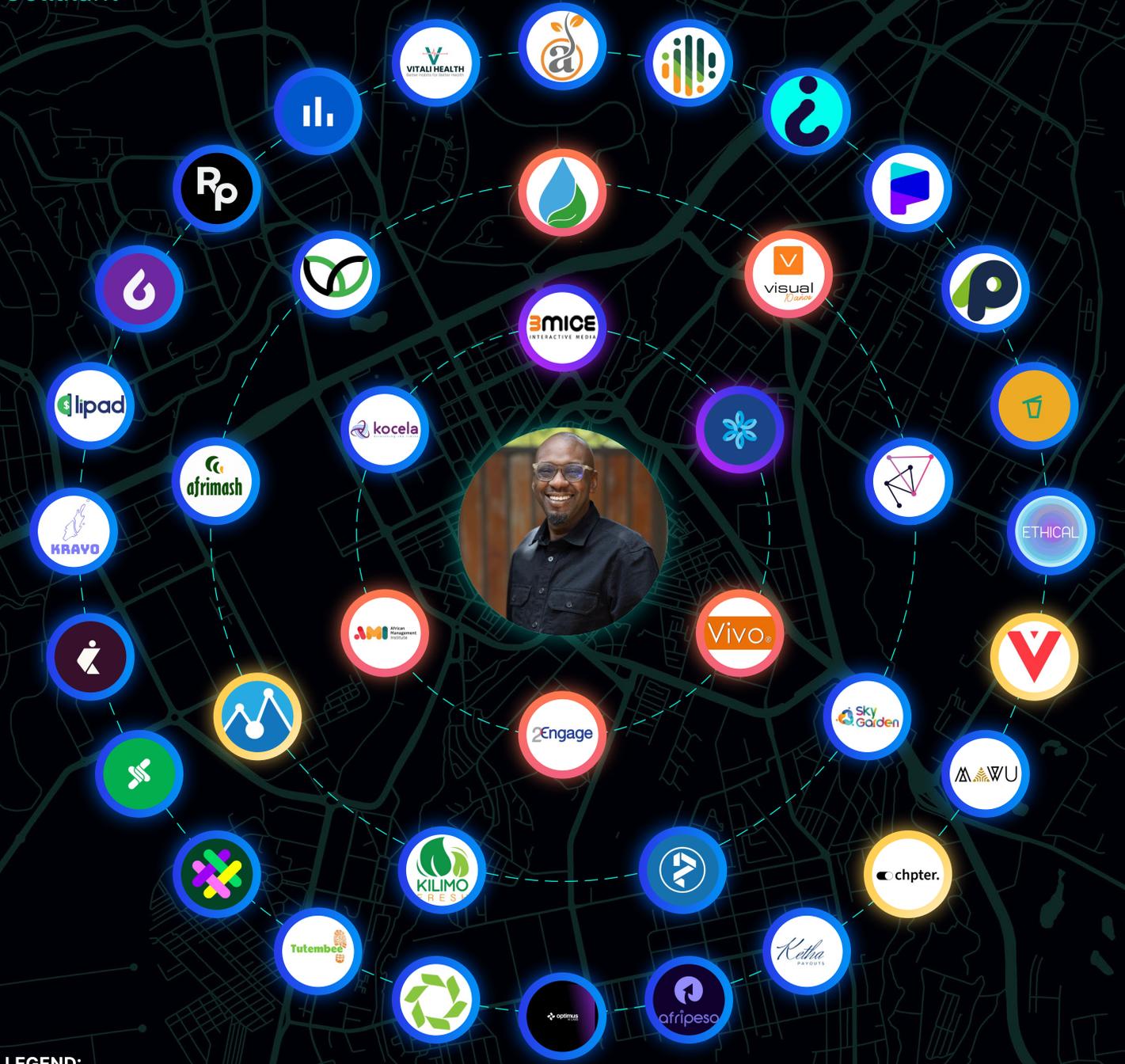
Leta is a logistics technology company that helps businesses move goods cheaper and faster, while minimizing climate impact. It was founded in January 2022 by Nick Joshi. In November 2022, the company raised a \$3 million pre-seed round, which helped deepen its operations across Africa.³⁷ The company has since raised a \$5 million seed round, led by Google, Speedinvest, and Equator VC.³⁸ Ken participated in the company's pre-seed round as an angel investor, and Nick has publicly credited Ken's guidance as instrumental to Leta's success.³⁹

Ken Njoroge's journey reflects a broader evolution in African entrepreneurship: from building companies, to shaping institutions, and ultimately to multiplying impact by enabling the founders who will define Kenya's next phase of entrepreneurial growth.

ENDEAVOR MULTIPLIER MAP™

KEN NJOROGE

Cellulant



LEGEND:

-  COMPANIES FOUNDED BY FOUNDER
-  TRAINED BY FOUNDER
-  INVESTED IN BY FOUNDER
-  MENTORED BY FOUNDER



Nedjip Tozun

Cofounder and CEO of d.light

In 2007, Nedjip “Ned” Tozun and Sam Goldman founded **d.light** to design and sell affordable solar lanterns to low-income families. Since then, d.light has grown into a global off-grid solar company that manufactures and distributes solar energy appliances and home systems. Using its pay-as-you-go technology and other flexible financing options, the company has sold about 40 million solar products and positively impacted the lives of over 200 million people across 72 countries, primarily in Africa and Asia.^{40,41}

In July 2025, d.light raised over \$300 million in new receivables financing through its Brighter Life by d.light (BLd) facility, enabling it to further its mission on clean energy access.⁴²

Through his role at d.light, Nedjip has been an industry voice in global forums and initiatives focused on consumer protection, financing models, and good-practice standards for the off-grid solar industry.⁴³ He has been a founding board member of the Global Off-Grid Lighting Association (GOGLA), where he has helped shape the emerging off-grid solar industry in key markets.⁴⁴

Over the past decade, his leadership in climate and social impact has been recognized globally. He and the d.light executive team were named Social Entrepreneurs of the Year by the Schwab Foundation.⁴⁵ The company was awarded the 2013 Lipman Family Prize by the Wharton School and was selected as a finalist for the Earthshot Prize for delivering clean and affordable solar energy at scale.^{46,47}

He was named to the 2024 TIME100 Climate list of influential climate leaders and recognized by Forbes among the world’s Top 30 Social Entrepreneurs.^{48,49}

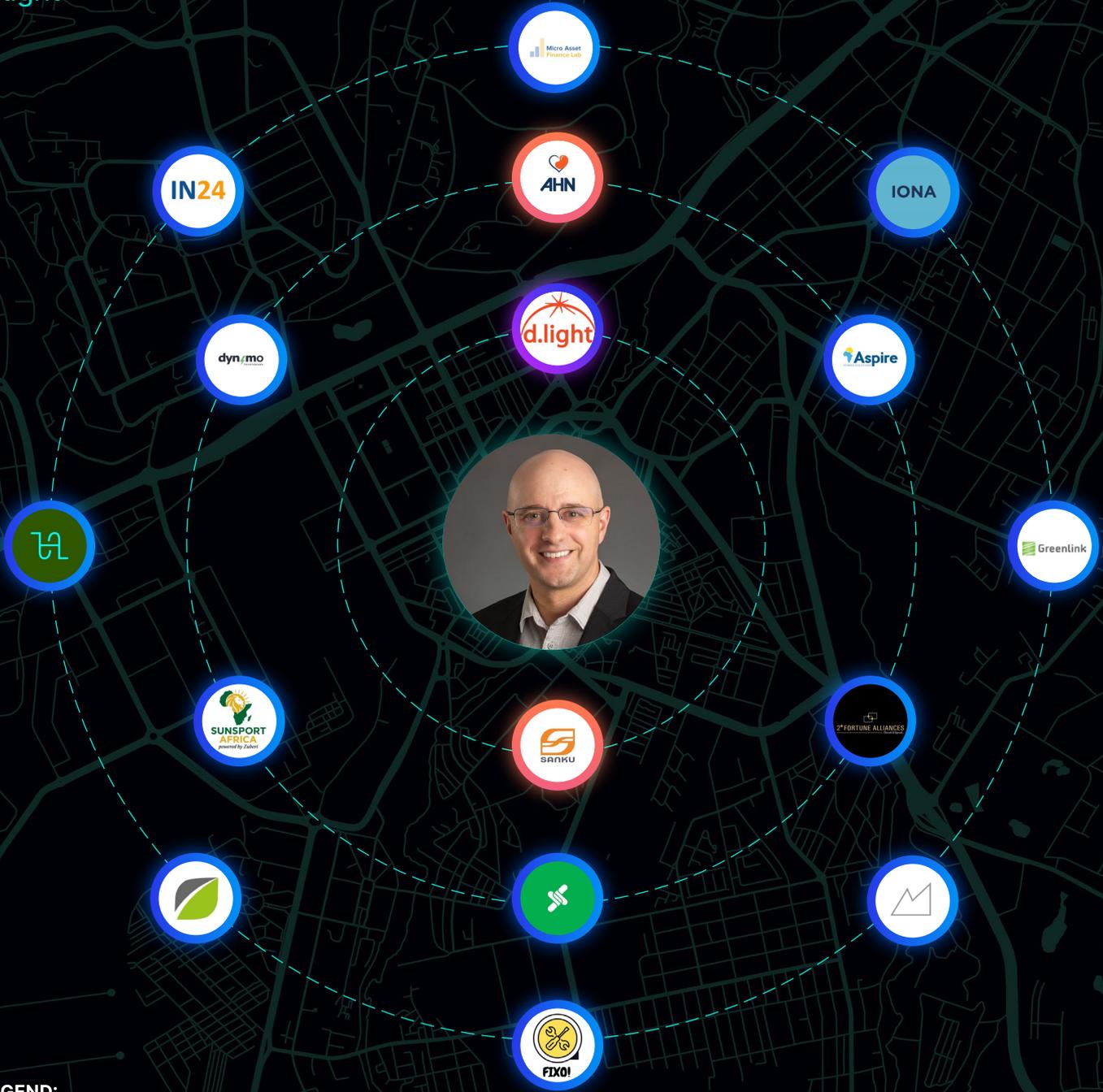
As depicted in the Multiplier Map, Nedjip has not only scaled his company, he has also multiplied his impact by supporting other founders in the ecosystem. Former employees from d.light have gone on to build companies across the energy access and inclusive finance sectors.

One example is **PayJoy**, a fintech company founded in 2015 by Doug Rickett, together with cofounders Mark Heynen and Gib Lopez. The company offers smartphone-collateralized credit to underbanked customers using phone-locking technology and data-driven underwriting.⁵⁰ PayJoy entered Kenya in 2019 to offer smartphone loan services using its pay-as-you-go model.⁵¹ Before founding PayJoy, Doug worked at d.light in West Africa, where he helped build its distribution network and later served as director of engineering, and he drew on this experience to shape PayJoy’s model.⁵² In 2023, PayJoy closed a \$360 million capital raise.⁵³

ENDEAVOR MULTIPLIER MAP™

NEDJIP TOZUN

d.light



LEGEND:

-  COMPANIES
FOUNDED
BY FOUNDER
-  MENTORED
BY FOUNDER
-  TRAINED
BY FOUNDER



Companies that reach scale are more likely to have received support from other founders in the ecosystem.

When successful business leaders like Ken and Nedjip become Multipliers, they can have a substantive impact on the trajectory of next-generation companies. In Kenya, founders of scaled companies are one-and-a-half times more likely than those of smaller companies to have received mentorship or angel investment from a founder in the ecosystem. This pattern has been observed in previous Endeavor research.

The 2018 study showed that entrepreneurs at the top-performing companies are much more likely to have received help from founders of successful companies. Receiving mentorship, investment, or work training from an entrepreneur who has led a company to scale was associated with approximately two times greater prevalence of top performance.⁵⁴



Photo courtesy of Endeavor Kenya.

Founders of scaled companies in Kenya give back more to the ecosystem than those of smaller companies.

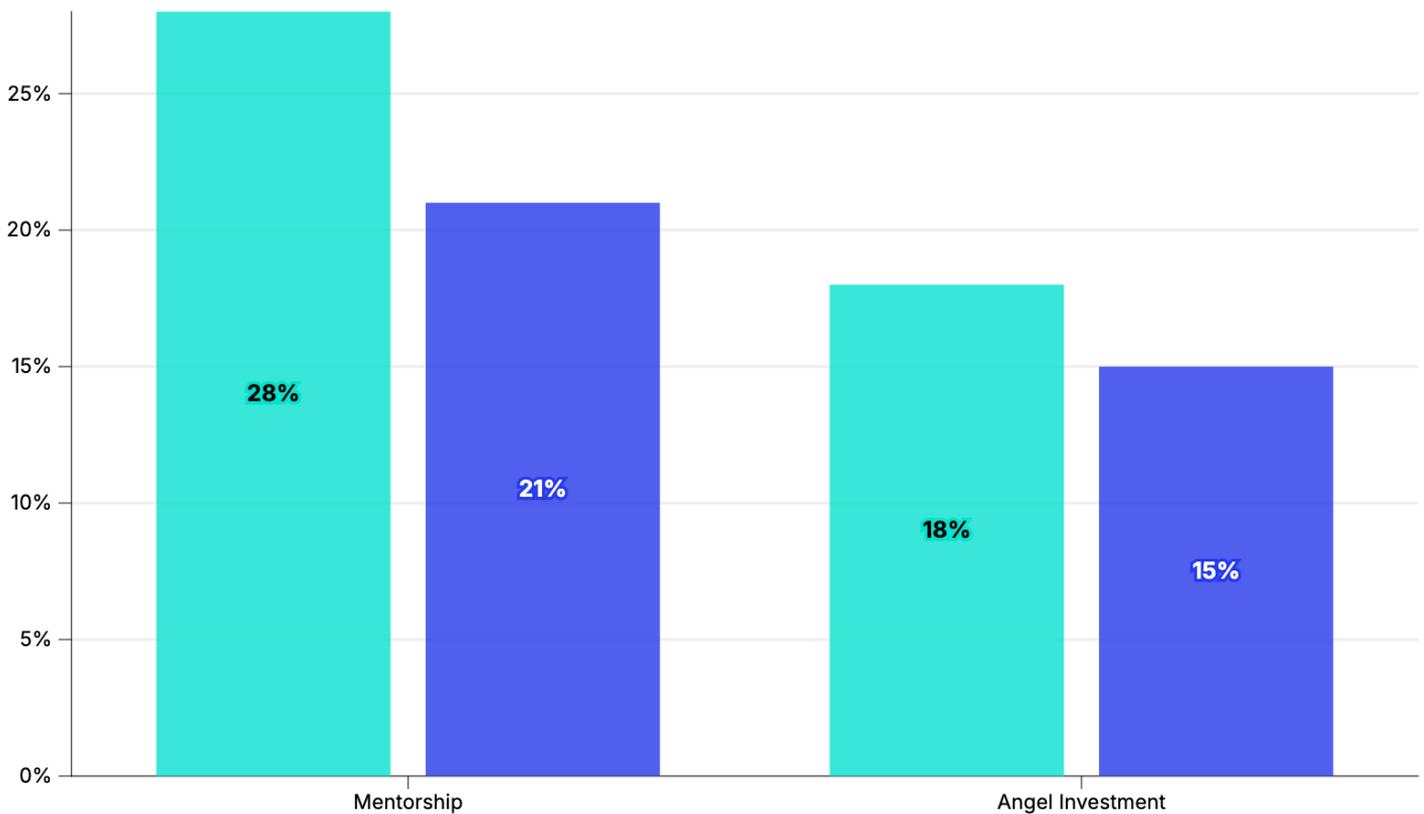
Endeavor Insight analysis shows that founders who grow their companies to 50 or more employees are more likely to pay it forward to the ecosystem via mentorship and angel investments than smaller companies.

As demonstrated in the chart below, a higher percentage of founders associated with scaled companies provided mentorship (28 percent) and angel investment (18 percent), compared to the founders of companies with 1 to 49 employees.

FOUNDERS OF HIGH-GROWTH COMPANIES IN KENYA ARE MORE LIKELY TO PAY IT FORWARD.

Percentage of Companies with at Least One Founder Who Provided Support to Others

■ Companies with 50+ Employees ■ Companies with 1-49 Employees



Note: Based on data from 101 active companies.

Sources: Endeavor Insight founder interviews and analysis, LinkedIn, PitchBook, company websites.

V. Network Mapping

UNDERSTANDING MULTIPLIER EFFECTS IN KENYA'S ENTREPRENEURIAL NETWORK IS IMPORTANT FOR SUPPORTING THE NEXT HIGH-GROWTH COMPANIES.

When successful founders give back to the ecosystem, they enable other companies to grow bigger. When those up-and-coming founders reach scale, they are the ones more likely to pay it forward — reinforcing a virtuous cycle where today's achievements create tomorrow's opportunities.

The network analysis on the following page shows how founders of entrepreneurial companies in Kenya are connected to one another through a methodology that Endeavor has used in markets all around the world.

As seen in the network map, **Cellulant** is the largest circle, indicating that it has been the most influential through Ken's Multiplier Effect™. **M-KOPA** is another influential high-growth company. It has provided connections to companies including KOKO Networks and Ecobodaa. Similarly, **Sendy**, a logistics innovation company, served as a training ground for founders of companies such as Boya and Zanifu.

The network mapping methodology looks at four types of relationships among founders and companies that illustrate the ways in which local founders take knowledge and other resources acquired from founding one firm to help support or launch another. These are:

- Former employment (at other entrepreneurial companies)
- Mentorship (direct mentorship from a founder)
- Investment (angel investment between founders)
- Serial entrepreneurship (by founders)

Founders who have started multiple companies are represented by their most prominent company or organization. Connections between founders were included if:

1. The companies were entrepreneurial, were tech or tech enabled, and were headquartered or had primary operations in Kenya. A company was considered to have primary operations in Kenya if at least 50 percent of its employees were based there.

2. Sufficient data could be collected including the year the company was founded, founder identities, and confirmation of at least one connection — former employment, mentorship, investment, or serial entrepreneurship.

In addition to the data collected during interviews, data from LinkedIn was used for the analysis of founder work histories. In some cases, secondary data on investments came from Crunchbase, PitchBook, and organization portfolio lists. Connections data was verified with founders via email.*

The influence of each actor is represented by the size of the circle on the map. The size of a company's influence in the network was based on directed closeness centrality for unconnected graphs.

- The size of the circle is a function of the number of first-, second-, third-, etc., degree connections that the company has to other companies in the network. The larger the circle, the greater the influence the company has on the entrepreneurship community.
- All the connections on the map were weighted equally. Financials and employee counts did not factor into a company's centrality.

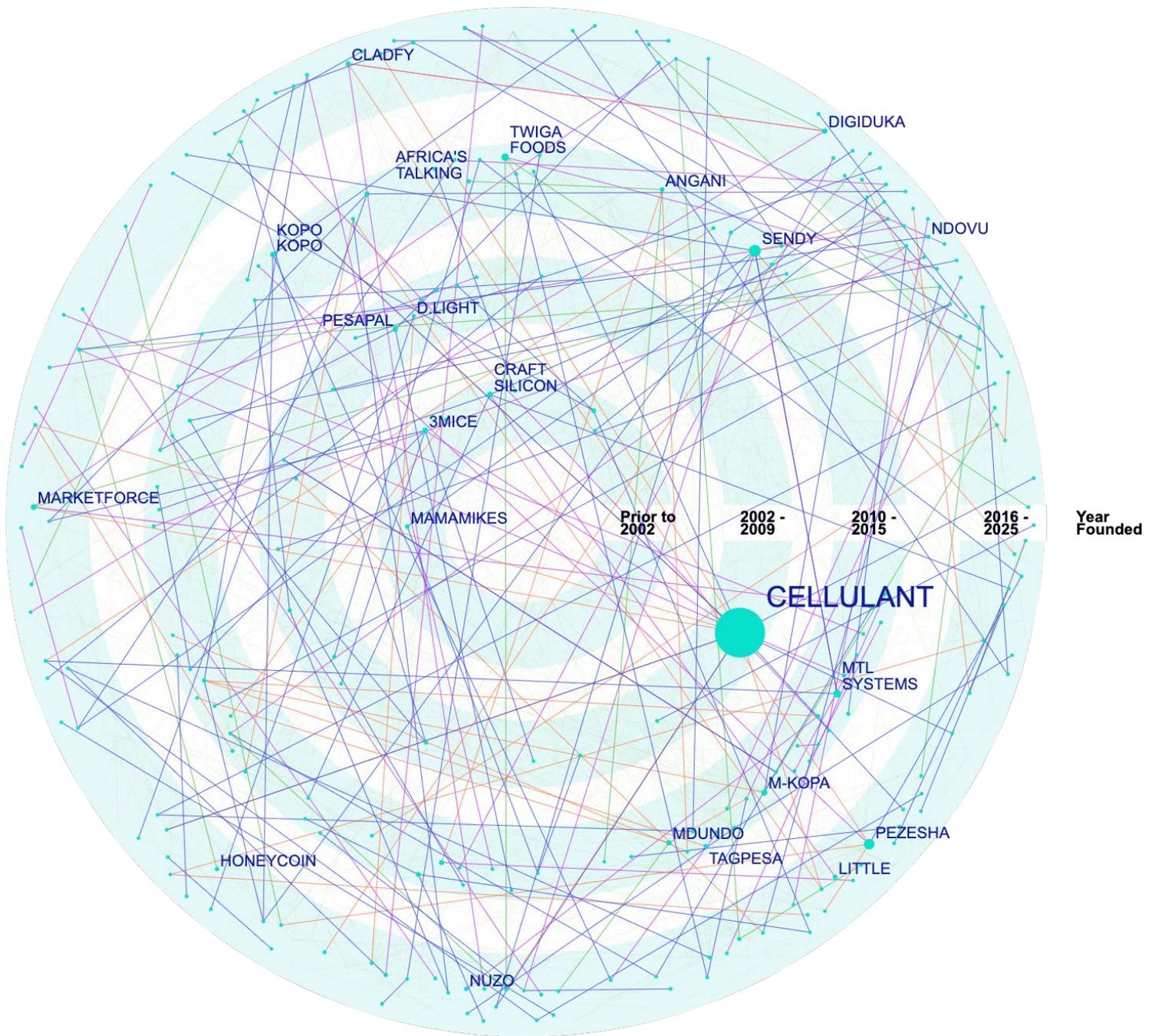
The findings reflect the founder-reported data where interviewees were responsive and willing to share connections data.†

* This combined primary and secondary data formed an edge list of connections among companies, along with a corresponding set of outbound connections. The edge list then informed all subsequent network analysis and created the network map visualizations.

† Because the analysis relies heavily on self-reported data, limited candor in responses may constrain the ability to fully capture each company's influence.

NETWORK MAP OF KENYA'S ENTREPRENEURSHIP COMMUNITY

AN ANALYSIS OF FOUNDER CONNECTIVITY AMONG TECH AND TECH-ENABLED COMPANIES



Year Founded:

- Prior to 2002
- Between 2002 and 2009
- Between 2010 and 2015
- Between 2016 and 2025

Connections:

- FORMER EMPLOYMENT
- MENTORSHIP
- INVESTMENT
- SERIAL ENTREPRENEURSHIP

Actor:

Entrepreneurial Company ●

Note: The size of a circle is a function of the number of first-, second-, third-, etc. degree connections originating from the founders of a company. Founders are represented by their most prominent company.

Sources: Endeavor Insight founder interviews and analysis, LinkedIn, PitchBook, company websites.

Kenya's founders gain important experience by first working at other high-growth companies.

Many founders in Kenya gain work experience at other entrepreneurial companies before starting their own. About one-third of all the connections among founders reflect these employee-to-founder transitions, resulting in what are referred to here as second-generation companies. In total, 81 second-generation companies emerged from 69 parent companies. Around 10 percent of these new companies have gone on to scale.

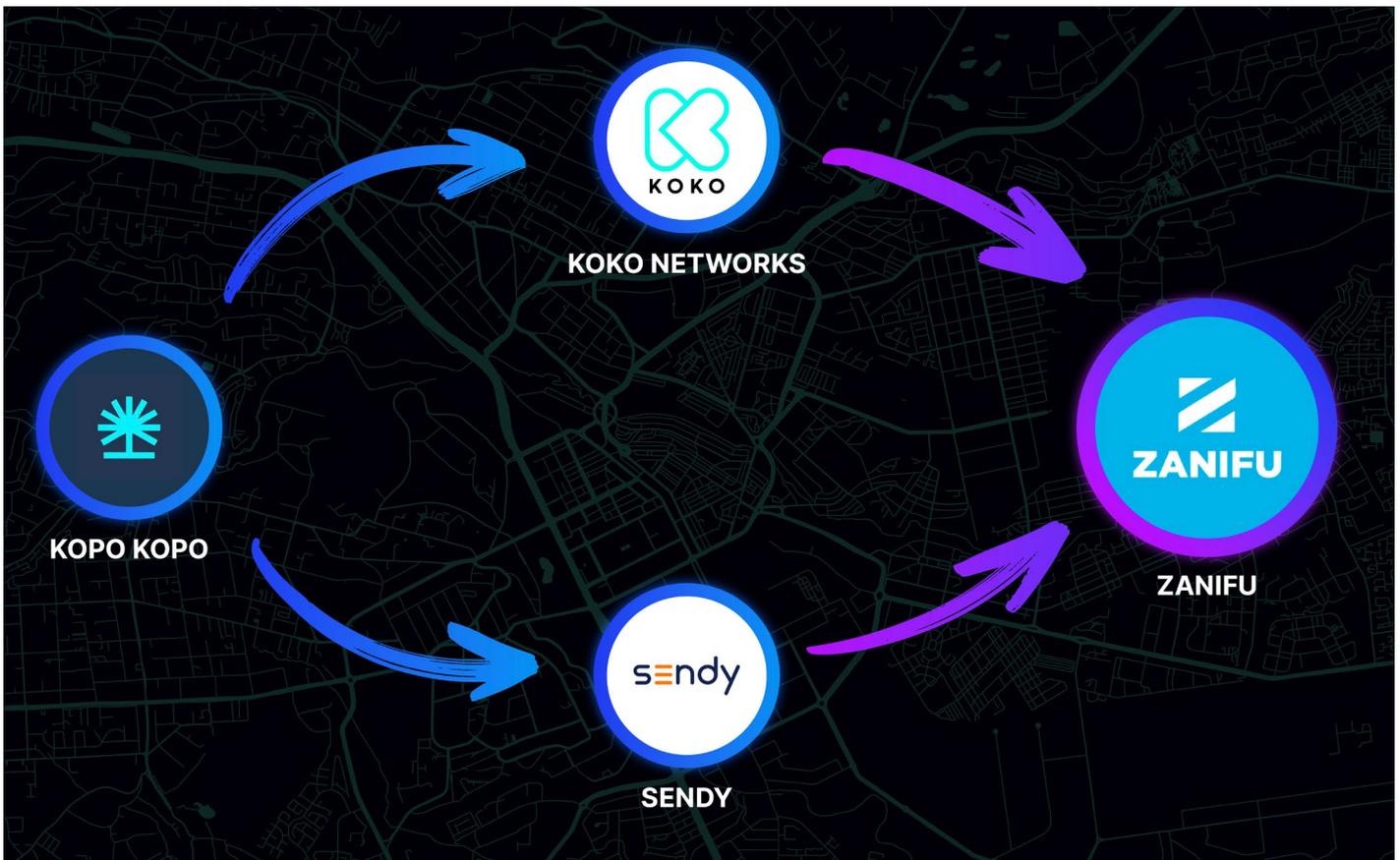
High-growth companies, in particular, serve as important training grounds. Over 36 percent of high-growth companies have been the source of

second-generation companies, compared to only eight percent of smaller parent firms.

Zanifu was cofounded in 2017 by CEO Steve Biko and CTO Sebastian Kilimo. Zanifu provides working-capital financing to small businesses, helping retailers and distributors access inventory credit.

The cofounders overlapped in their work experience at **Kopo Kopo**. Steve later served as a country manager for enterprise business at **Sendy**, while Sebastian went on to become the head of product at **KOKO Networks**.⁵⁵ They later teamed up to found Zanifu.

ZANIFU FOUNDERS GAINED VALUABLE WORK EXPERIENCE AT OTHER ENTREPRENEURIAL COMPANIES.



Note: Blue arrows indicate former employment. Purple arrows indicate founding a company.

Kenya's founders have previously launched other companies, bringing with them experience and knowledge that they are reinvesting locally.

Founders who build multiple companies in an ecosystem can be valuable assets. There are 46 serial founders in the ecosystem, most of whom are Kenyan. Collectively, they have established 80 companies. Below are examples of three serial founders who have launched multiple companies in Kenya, including at least one high-growth company.

- Kamal Budhabhatti founded **Craft Silicon** in 2000, building it into a global fintech software provider. He has led the firm's expansion into multiple regions, serving banks, MFIs, and government institutions. In 2016, he launched **Little** (also known as Little App), which has grown into one of Africa's leading SuperApps for mobility, delivery, and digital services.⁵⁶

High-growth companies that experience setbacks are valuable to ecosystem growth as they fuel new entrepreneurial activity.

Even when high-growth companies struggle or shut down, their influence on the ecosystem endures. By acting as training grounds, and through mentorship and investments, these companies enable the next generation of founders. Collectively, they contribute to job creation and draw global investment and expertise into the ecosystem, strengthening it long after their own trajectories change.

- Mesh Alloys is an entrepreneur who founded **MTL Systems** in 2011, a digital logistics and transportation solutions provider, before exiting in 2013 and going on to cofound **Sendy** in 2015. Sendy grew into one of Kenya's leading logistics companies, offering on-demand delivery and fulfillment services to both businesses and consumers and helping digitize supply chains across Africa.⁵⁷
- Charles Nichols cofounded **SunCulture**, a leading agri-fintech that has raised \$50 million, before launching **Nuzo**. The company is a stablecoin agent network delivering next-generation financial services to more than 300,000 SMEs and consumers across Africa.^{58,59}

An example of this long-lasting effect is **Twiga Foods**. Companies such as Leta, ShopZetu, and Duma trace important early mentorship or investment connections back to Twiga's founders. A similar dynamic is visible with **Copia Global**, whose alumni have gone on to build new companies including Noma.

Crucial Founder-to-Founder Connectivity Is Lacking in Kenya's Entrepreneurial Ecosystem.

The low number of mentors and founders-turned-investors is holding the ecosystem back.

In Kenya's entrepreneurial ecosystem, access to experienced mentorship remains limited. Founders who have successfully built high-growth companies or achieved an exit are few, making it difficult for emerging entrepreneurs to learn directly from those with proven track records.

In interviews, founders reported that this scarcity is even more pronounced when seeking mentors with specialized sector expertise, where only a handful have deep operational knowledge in tech-enabled companies.



“It's been harder to find mentorship in Kenya. A part of it is that the ecosystem is still young. Many of the founders who started 5 to 10 years before me (2006 to 2015) were the first IT entrepreneurs and online entrepreneurs in Kenya. They are still following their own journey. So there aren't many experienced founders you can learn from.”

MARTIN MØLLER, FOUNDER OF MDUNDO

With few mentors and founder-investors, expat founders bridge critical ecosystem gaps.

Companies with at least one expat founder make up 34 percent of the firms in this study. Many of these expat founders not only scaled their company to create local quality jobs, they also brought global investment networks and new expertise into the Kenyan ecosystem that were previously unavailable.

At the same time, expat founders are paying it forward into the ecosystem, expanding access to these connections for Kenyan founders. Expat-led companies serve as training grounds for future entrepreneurs and they provide much-needed mentorship and investment connections. Collectively, these companies have provided 43 percent of all the ecosystem connections in this study.

The current policy discourse does not fully account for the contribution of expat-led firms. The proposed policy amendment for

startup registration requires companies to be “fully owned by a citizen of Kenya or [have] majority ownership by citizen or citizens of Kenya.” However, this could restrict access to global investment, expertise, and capacity-building opportunities. It may also unintentionally limit the networks available to Kenyan founders.

Jesse Moore is the cofounder and CEO of M-KOPA. Originally from Canada, he moved to Nairobi in 2010 and founded the company in 2012. Since then, he has overseen the company's growth to more than 2,000 employees.⁶⁰ Beyond M-KOPA's commercial success, Jesse has contributed to Kenya's entrepreneurial ecosystem by mentoring founders, including those of KOKO Networks, and building a company that has served as a training ground for future founders, including the founders of Ecobodaa.



VI. Founder Challenges

UNDERSTANDING AND ADDRESSING THE BARRIERS EXPERIENCED BY HIGH-GROWTH FOUNDERS IN KENYA CAN UNLOCK GROWTH FOR ENTREPRENEURIAL COMPANIES OF ANY SIZE.

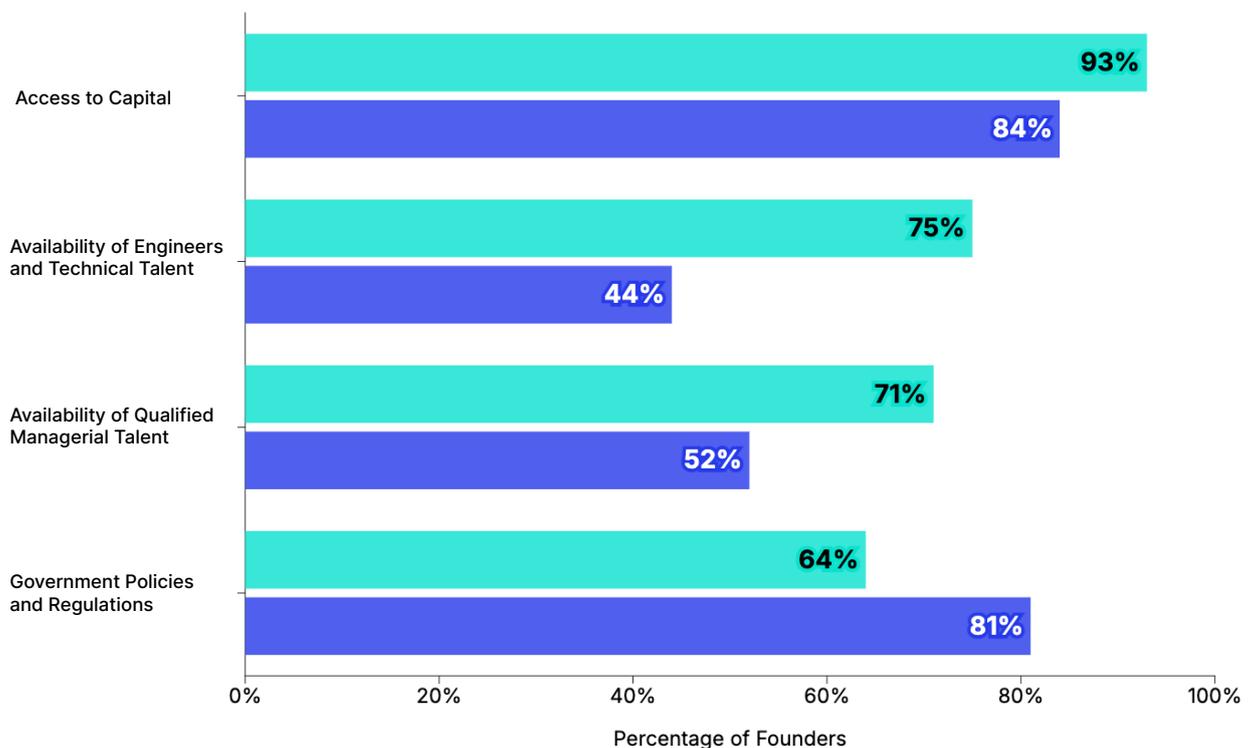
Endeavor Insight conducted interviews with 101 entrepreneurs to learn about their most common challenges. The entrepreneurs were forthcoming in describing the specific barriers that are preventing them from growing faster. These first-hand accounts revealed two key findings:

1. The founders of high-growth companies experience markedly different challenges than smaller companies, and struggle to access tailored support that can maximize their growth potential and competitiveness.
2. The workarounds that founders are implementing are often stopgap measures in light of scarcity and unpredictability, which limit high-growth companies from innovating and achieving rapid growth.

FOUNDERS OF HIGH-GROWTH COMPANIES IN KENYA FACE DIFFERENT CHALLENGES THAN FOUNDERS OF SMALLER BUSINESSES.

Percentage of Founders Reporting a Major or Severe Obstacle

■ Companies with 50+ employees ■ Companies with 1-49 Employees



Note: Based on data from interviews with 101 founders.

Source: Endeavor Insight founder interviews and analysis.

The following sections outline the specific barriers that decision makers in Kenya can help lower to accelerate the growth of startups and high-growth companies alike.

Access to Capital

The lack of capital in Kenya means that high-growth founders are subject to the preferences and pressures of foreign investors.

Access to capital was reported as a top obstacle to running and growing a business in Kenya among high-growth companies and smaller businesses alike. Founders noted that there is limited local capital in the market, which means entrepreneurs are relying on foreign investment. They described how foreign investors do not understand the local market context and add pressure to prioritize short-term profitability.

These dynamics are further exacerbated by the lack of exits in Kenya and the post-2022 funding crunch, which have limited further foreign interest and forced founders to postpone fundraising altogether.

These conditions can prevent high-growth founders from seizing opportunities that venture capital (VC) would typically catalyze. Founders of deep-tech and capital-intensive companies, in particular, reported that it has been harder to attract institutional investors.



“I think the traditional VCs have unrealistic expectations around growth and market size. In this region, cross-border expansion is tough and tech adoption takes longer. On the angel side, high interest rates and strong real estate returns make risk-free investments far more attractive, so there’s little incentive to back startups. Until more local success stories recycle capital into the ecosystem, both VC and angel funding will remain limited.”

MIKUL SHAH, FOUNDER OF EATOUT



“We’re a deep-tech company, built and run in Kenya. The venture market for this kind of innovation in Africa is still thin. Most deep-tech investors focus on North America and Europe, and many Africa-focused investors don’t back companies like ours. This is a gap in the African funding ecosystem, but it is also a clear opportunity for the right kind of investor willing to make bold contrarian investments.”

DUNCAN KARIUKI, COFOUNDER OF OCTAVIA CARBON

Some founders reported that, in the absence of equity, they often turn to debt financing. Yet they described significant obstacles in accessing debt. They noted that debt is expensive, difficult to obtain in local currency, and often requires collateral.

To adapt to capital challenges, high-growth founders reported needing to prove revenue potential early and position themselves to demonstrate venture-style returns.

High-growth founders often draw on international investor networks from global tech hubs, bringing new relationships into the Kenyan ecosystem. Some founders also reported building relationships with commercial banks to access credit facilities and help them understand their business models.



“We have to focus quite a lot on making sure our country operations are cash positive and sustainable, and don’t need external equity financing to survive. But it makes it harder to then take on potential organic growth opportunities. We’ve definitely been limited in our rate of growth because of limited access to capital.”

NEDJIP TOZUN, FOUNDER OF D.LIGHT

For founders of smaller companies, capital typically comes as a patchwork of grants and small loans, whose complex requirements place an added burden on already lean teams. This funding is largely impact-oriented, does not promote scalability, and can leave companies unprepared for commercial viability beyond a proof-of-concept. Accessing local currency debt is also a problem for smaller companies.

Founders of smaller companies rely on bootstrapping and acquiring customers to generate revenues. They try to keep costs low by staying lean instead of aiming for fast growth. A few of them have taken on additional work to keep themselves afloat, while networking aggressively to attract angel investors.



“Due to the difficult fundraising environment, our company has decided to focus on keeping our costs low and selling our core product. This makes growth challenging because we need to work twice as hard with reduced staff. Without growth equity, we cannot scale up in advance and have to focus on completed sales and revenue.”

TROY BARRIE, CTO AND COFOUNDER OF ARIYA FINERGY

Access to Qualified Managerial Talent

Founders of high-growth companies need managerial talent with specific skills to scale rapidly.

Access to managerial talent was a common challenge among high-growth companies, with 75 percent of those founders reporting it as a major or severe obstacle. In Kenya, the shortage of qualified managers (including CFOs, CTOs, and product managers) affects high-growth companies in two ways:

1. **Founders struggle to hire locally.** Several founders noted that they want to hire locally, but the level of competition for local managerial talent is intense. Local hires can therefore be more expensive than international hires since they are limited in supply.
2. **Available talent lacks prior experience at entrepreneurial companies.** The pool of candidates who can step into middle- and senior-management roles often need extensive onboarding to shift from corporate to fast-paced entrepreneurial culture.



“A major problem that entrepreneurs face is the small talent pool of experienced people who have worked in high-growth industries. Many of the great C-suite people still have to be managed because they come from traditional industries. Their mentality can be very bureaucratic and they can really drag a company backward.”

BOLAJI AKINBORO, COFOUNDER OF CELLULANT

As a workaround, interviewees from both high-growth and small businesses described how they fill senior managerial roles from within by training and mentoring their existing staff. Founders of high-growth companies often have to hire managerial talent from outside of Kenya to fill key positions.

While smaller businesses experienced this challenge to a lesser extent, they still face constraints in affording the cost of qualified managers. Founders of smaller companies reported dividing managerial responsibilities within their cofounding teams rather than hiring additional staff, which keeps them from growing and creating more quality jobs.

Access to Technical Talent

Technical talent is critical to achieving high growth since engineers play a central role in product development.

Over 70 percent of the high-growth founders reported facing challenges in accessing technical talent. The same was true for more than half of the founders of smaller businesses.

Founders struggled to find and retain talent across junior and senior engineering levels due to the limited pool in Kenya. Some of them noted the mismatch between university programs and the skills required for entry-level positions.

While junior engineers are relatively available, the shortage at the senior level creates severe gaps. Founders of companies that require advanced skills, such as manufacturing, electronics engineering, and satellite remote sensing, mentioned that accessing specialized talent is particularly challenging. High-growth companies also face retention challenges, since corporations like Microsoft and Google often poach engineers by offering higher salaries.



“The good talent is very expensive and is often poached — you’re not just competing locally, you’re competing globally with big tech companies which pay much higher salaries. And because things like ESOPs haven’t really taken root here due to the lack of exits, we mostly compete on cash and maybe a flexible work environment, unlike in markets where equity is a major incentive.”

WYCLIFE OMONDI, COFOUNDER OF BUUPASS

As a workaround, both high-growth and smaller companies source technical talent to work remotely from countries in Eastern Europe, Indonesia, India, Nigeria, and Pakistan, among others. The founders also reported investing in learning and development programs for their technical staff.

Some high-growth companies also build structured pipelines for junior talent. They take it upon themselves to organize university meetups, technical engagement events, and junior developer programs — training future talent and ultimately strengthening the broader ecosystem as these employees advance in their careers.

Government Policies and Regulation

Without clear policy attention, high-growth companies face unstable regulations that make it harder to grow.

Government policies and regulations present a significant barrier to entrepreneurial growth in Kenya — affecting 64 percent of high-growth founders and the vast majority of founders of smaller businesses.

Founders described how policymakers can be unfamiliar with the distinct needs of high-growth companies. This is complicated by common policy dialogues and field-wide discussions that conflate high-growth companies with large corporations, or group them with smaller, less globally competitive enterprises. This misconception is also reflected in the restrictive definition of startups as proposed in the Startup Bill amendments (described on page 15 in the Opportunity section).

Founders reported challenges in three key areas:

1. **Inconsistent and reactive policy** changes introduce unpredictability and undermine long-term business planning. In certain sectors, the scope of regulatory agencies can often be unclear, which confuses founders on licensing, procurement, and compliance requirements.

An example of this shifting policy stance comes from the Finance Bill, where the changing provisions impacted the e-mobility sector. The 2024 bill proposed an eco-levy on the sector, and a VAT on electric buses,

which were called out as potentially devastating.^{61,62} In 2025, the bill reversed course on some of these provisions, but it required months of advocacy from founders.

One interviewed founder in the e-mobility sector reported that it can take months of preparation and engagement with policymakers to ensure no adverse clauses are introduced in upcoming finance bills. Unlike more predictable policy environments where founders can plan for several years ahead, Kenya's frequent policy changes limit stability, forcing entrepreneurs to operate with caution and weakening investor confidence.

2. Founders reported that the **fluctuations in VAT and excise duty** add financial burdens, complicate business planning, and disrupt pricing strategies. Policies can even require founders to pay taxes before generating any revenue. Further, the tax policy on global income requires companies to pay taxes on income generated outside of Kenya, which discourages promising high-growth companies from staying in Kenya just as they are expanding their economic potential. Some of them end up moving their headquarters to other countries instead.
3. The absence of a continent-wide **free trade agreement** restricts cross-border expansion opportunities. High-growth companies have to absorb the costs of expansion in the absence of integrated trade borders.



“Over the last five years, there hasn’t been stability in policy — from fluctuating VAT exemptions to inconsistent treatment of renewable energy products. Cross-border trade, like moving goods from Kenya to Tanzania, is still difficult. Sometimes policies work, sometimes they don’t. Even when progressive bills are passed, implementation often lags due to cultural and political dynamics.”

EMMASTELLA GAKUO, COFOUNDER OF SAVANNA CIRCUIT

To navigate these challenges, many founders need to hire dedicated legal and regulatory professionals. For high-growth companies, adding staff diverts resources away from core business areas that allow them to scale.

For smaller businesses, tax burdens and policy uncertainty can prevent them from growing altogether.



“As a founder, I see the role of policymakers as making it easier for companies to thrive and grow. If you want to collect more taxes, I need to be able to employ more people, so we need policies that enable growth, are friendly, and predictable. You can’t just wake up one morning to a new rule or requirement. When those things are managed well, and there is more flexibility for companies that are just starting out, that alone would make a huge difference.”

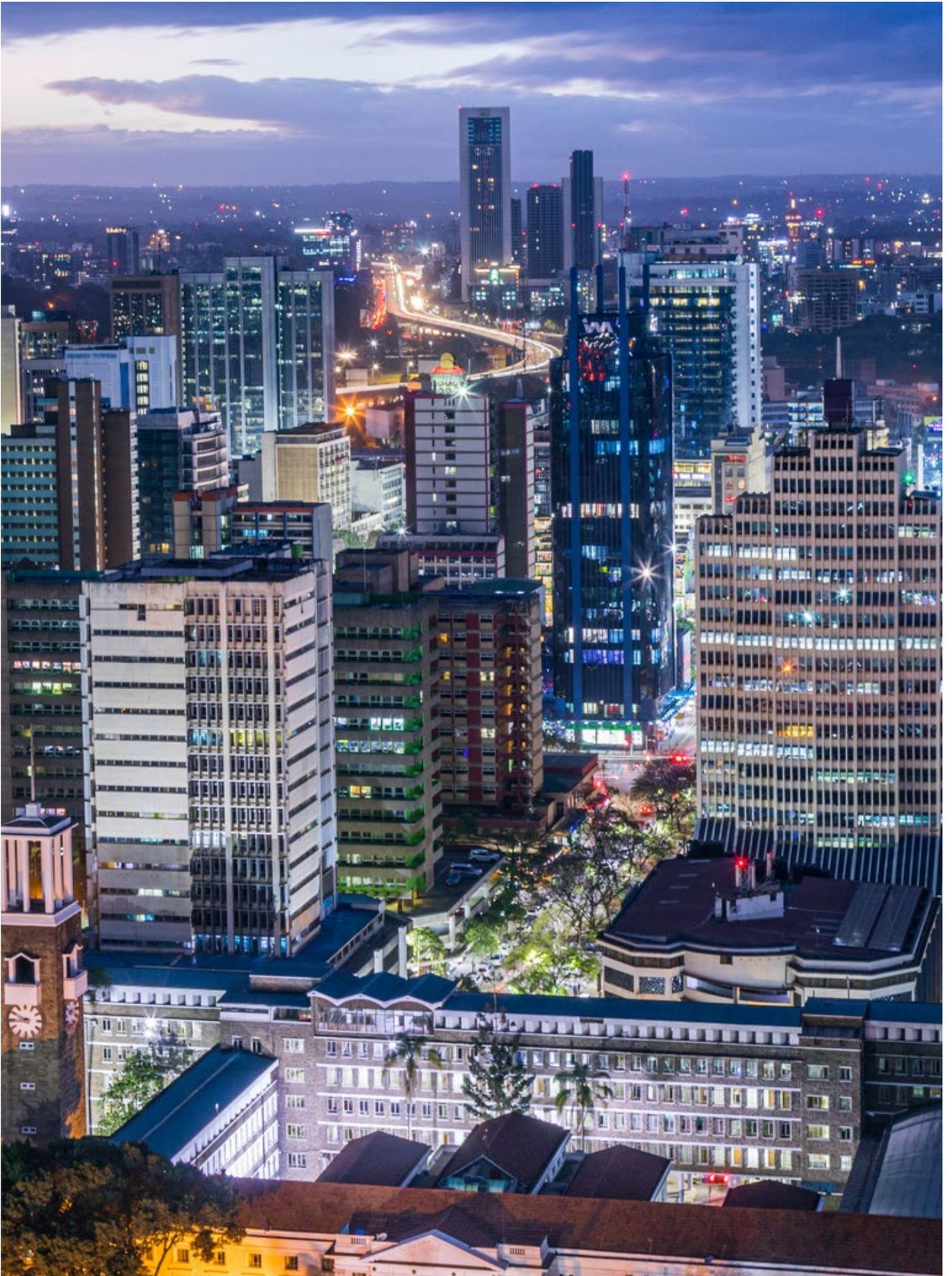
LESLEY MBOGO, COFOUNDER OF GOBEBE

Founders Are Advocating for Founder-Friendly Reforms.

Over 85 percent of the interviewed founders have already met a policymaker regarding one or more of their business challenges. Many founders described having one-on-one meetings with policymakers about their specific company or industry, while others have joined policy roundtables, partnered with development agencies, and worked directly with government institutions to advocate for founder-friendly reforms. High-growth founders, in particular, have spearheaded industry-wide collaboration by establishing sector-focused advocacy groups.

Founders describe the policy environment as “friendly but lacking meaningful engagement,” noting that while initial meetings with policymakers are accessible, follow-ups and concrete action and implementation pathways are not common.

As policies move forward, founders want to be involved. More than two-thirds of the interviewed founders expressed openness to meeting with policymakers on how to support entrepreneurs as drivers of the Kenyan economy.



VII. Support Systems

A “TOP-DOWN” APPROACH STILL HOLDS SWAY IN THE DEVELOPMENT OF THE ECOSYSTEM.

Previous Endeavor Insight research examined the productivity of Nairobi’s entrepreneurial community. The 2018 report found that donor-funded entrepreneur support organizations (ESOs) were the most influential actors in the ecosystem.⁶³

The findings characterized Nairobi as having a “top-down” approach to ecosystem development, where objectives were set primarily by individuals from outside the entrepreneurship community who had no experience leading entrepreneurial companies.

It concluded that “bottom-up” approaches that prioritize leadership and decision making from founders of high-growth companies could result in more productive ecosystems.

The results of this study, which now covers the entirety of Kenya, show that ESOs still occupy an influential position. However, as the ecosystem has matured, new players including corporations and venture capital firms have emerged. This marks an important shift, given the limited role of the private sector in the past.

MOST INFLUENTIAL SUPPORT SYSTEM ACTORS IN KENYA

Based on the support that tech founders reported receiving, including participation in support programs and investment.

Entrepreneur Support Organization (ESOs)	Corporations	Venture Capital Firms
Acumen Antler Endeavor Techstars Women’s World Banking	Google Microsoft Mastercard Shell Visa	Progression Capital Satya Capital* TBL Mirror Fund* TPG Velocity Capital*

* These actors are influential because of their past ties to major companies such as Cellulant, even if their current activity in Kenya is limited.

Note: Table features the five most influential actors for each type of organization in alphabetical order. Relative influence is represented by the circle on the network map.

Sources: Endeavor Insight founder interviews and analysis, LinkedIn, PitchBook, company websites.

The network map of Kenya’s entrepreneurship community and support systems includes companies as well as other ecosystem actors such as investors, corporations, and support organizations.

In addition to the network map data on page 24, which examined connections among founders, this fuller map includes the support that tech and tech-enabled founders reported in interviews when asked about their participation in entrepreneurship support programs, as well as investment and mentorship

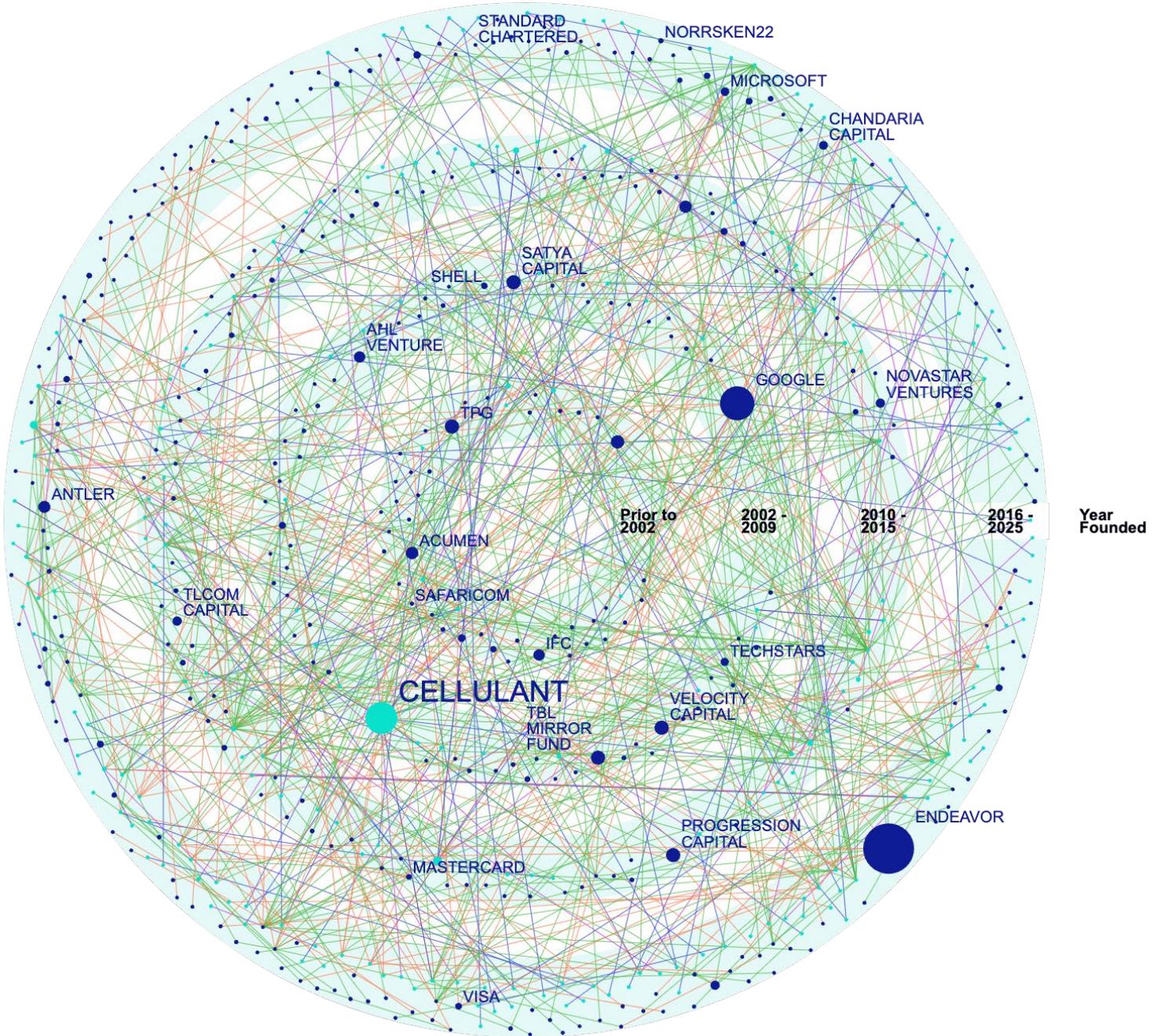
received. The connections included for this network map are:

- Former employment (among entrepreneurial companies only)
- Mentorship and support (e.g., direct mentorship from a founder, participation in a program)
- Investment (e.g., angel investment between founders, institutional investment from VC firms)
- Serial entrepreneurship (among entrepreneurial companies only)

The size of the circle is a function of the number of first-, second-, third-, etc., degree connections that the actor has to entrepreneurial companies in the network. The larger the circle, the greater the influence the actor has on the entrepreneurship community. See page 24 for further information on the network mapping methodology.

NETWORK MAP OF KENYA'S ENTREPRENEURSHIP COMMUNITY AND SUPPORT SYSTEMS

AN ANALYSIS OF CONNECTIVITY AMONG TECH AND TECH-ENABLED COMPANIES, AS WELL AS THE INVESTMENT FIRMS AND PROGRAMS THAT SUPPORT THEM



Year Founded:

- Prior to 2002
- Between 2002 and 2009
- Between 2010 and 2015
- Between 2016 and 2025

Connections:

- FORMER EMPLOYMENT
- MENTORSHIP AND SUPPORT
- INVESTMENT
- SERIAL ENTREPRENEURSHIP

Actors:

- Entrepreneurial Company
- Other Organizations (e.g., ESOs, investment firms)

Note: The size of a circle is a function of the number of first-, second-, third-, etc. degree connections that the actor had to entrepreneurial companies in the network. Founders are represented by their most prominent company.

Sources: Endeavor Insight founder interviews and analysis, LinkedIn, PitchBook, company websites.

ENTREPRENEUR SUPPORT ORGANIZATIONS

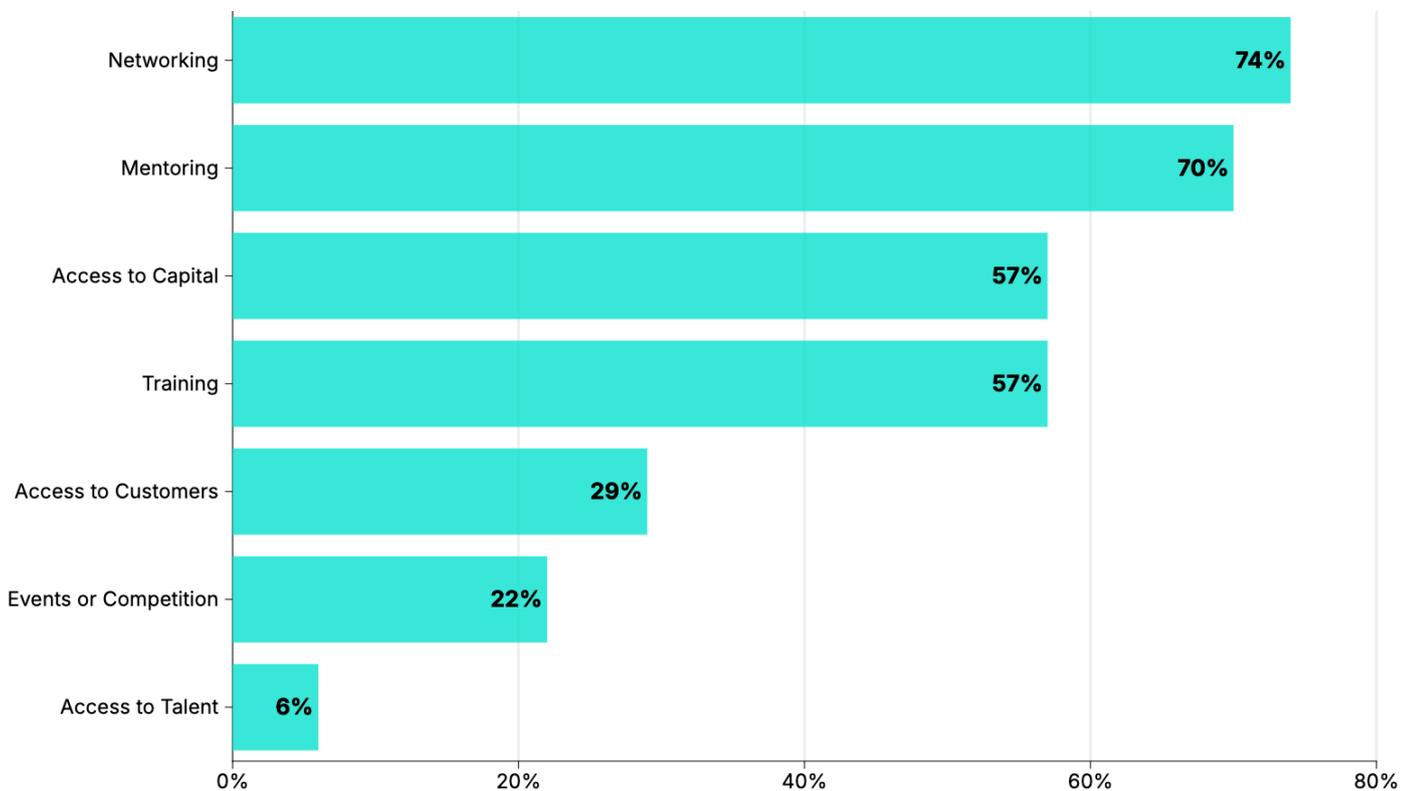
ESOs provide useful early stage resources, but they are not positioned to help high-growth companies grow commercially in competitive markets.

Endeavor Insight collected data on more than 100 organizations from which founders received support or where they participated in programs.

These organizations offer a range of services with networking and mentorship being the most common, as the chart illustrates below. Here, networking refers to peer-to-peer and open-format opportunities for founders to build business connections. Only a few organizations offered access to talent, which is one of the most significant challenges that founders face.

THE PROGRAMS THAT SUPPORT FOUNDERS IN KENYA OFFER A RANGE OF SERVICES.

Percentage of Entrepreneur Support Organizations (ESOs) Offering Each Service



Note: Based on data from 116 support organizations with a presence in Kenya serving companies interviewed for this study, where data was available.

Sources: Endeavor Insight founder interviews and analysis, organization websites, LinkedIn.

Founders valued programs that offered access to strong networks, especially those connecting them to qualified mentors, peer entrepreneurs, or key investors. The interviewees also appreciated specialized support in areas such as legal counseling, financial management, marketing, and go-to-market strategies.

However, these programs left much to be desired. Several founders noted that programs were too generic, repetitive, or insufficiently tailored. As a result, founders spent crucial time and energy participating in programs that did not substantially advance their businesses. Many founders reported that they participate simply to gain the “stamp of approval” that enhances their credibility in the ecosystem or among investors.

A prevalent issue reported by the founders was poor continuity. Programs seldom offered follow-up after completion, leaving founders to pursue funding and networks on their own.

Furthermore, services that align with the priorities of high-growth founders are particularly lacking. They reported that most programs were not able to connect them with mentors and investors outside

of Kenya, which could have helped them expand or access specialized expertise in areas such as deep tech.

CORPORATIONS

When corporations engage in the ecosystem, it is largely driven by their own business needs, such as building pipelines for future mergers and acquisitions or cultivating potential B2B clients. Corporations in Kenya are offering accelerators or sponsoring other ESO-led programs in line with these objectives, but they have the capacity to create win-win outcomes for the private sector as a whole.

Notable examples of multinationals include Google for Startups and the Microsoft-backed FAST accelerator. Safaricom's SPARK Accelerator and Fund is an example of a local initiative. Compared to donor-driven models, these types of programs can be more aligned with high-growth founder priorities.

When asked to describe how corporations have been helpful, founders mentioned tech credits as very beneficial, although these resources are often most useful to smaller, early stage companies.

The increased presence of corporations has not come without consequences. In interviews, many founders reported that corporations intensify wage competition for technical talent. Several described devoting significant time and resources in developing engineers, only to see them later recruited by corporations.

VENTURE CAPITAL FIRMS

The venture capital (VC) firms identified as influential in this study have supported major companies such as Cellulant. Although their operations or level of activity may now be limited, the ripple effects of their past support live on. Several of these are local investors that have been active in Kenya's ecosystem for over a decade, such as TBL Mirror Fund, Velocity Capital, and Progression Capital Africa Limited.

Others are international firms that entered the market more recently, within the past seven to eight years, through investments in Kenyan companies. These include TPG, Creadev, TLcom Capital, Flourish Ventures, and Norrsken22.

Interviewed founders emphasized the need for a deeper pool of local VC, especially firms with partners who bring a more nuanced understanding of the operating realities and growth trajectories of Kenyan companies. They reported that international investors often have profitability expectations that are misaligned with local market conditions and limit them from pursuing growth opportunities.

OTHER FUNDING ACTORS

Most ESO-run programs are funded directly or indirectly by donor agencies, and the latter's influence has kept the ecosystem oriented toward early stage rather than high-growth support. Donor-backed programs typically emphasize pilot or ideation-stage initiatives and oftentimes perpetuate business models that rely on grants. This approach reinforces a focus on short-term outcomes and impact measures rather than commercial viability. These dynamics were also reflected in founder interviews where several reported that grants align with the agendas of specific donors, but do not always address the needs of scaling businesses.

Development Finance Institutions (DFIs) are among the key enablers of later-stage and growth capital in Kenya, often setting the terms and expectations for venture capital funds that in turn deploy capital to growing companies. The involvement of such institutions like the International Finance Corporation (IFC) brings much-needed capital to Kenya's entrepreneurial ecosystem. However, their terms often emphasize downside protection and financial returns, with limited flexibility to align with Kenya's operating realities. This structure cascades through to the VC funds they back, leading to conservative term sheets, unrealistic expectations for profitability, and limited tolerance for risk, which in turn constrains founders from chasing growth opportunities.



Photo courtesy of Endeavor Kenya.

Founders Are Optimistic About the Future of Entrepreneurship in Kenya.

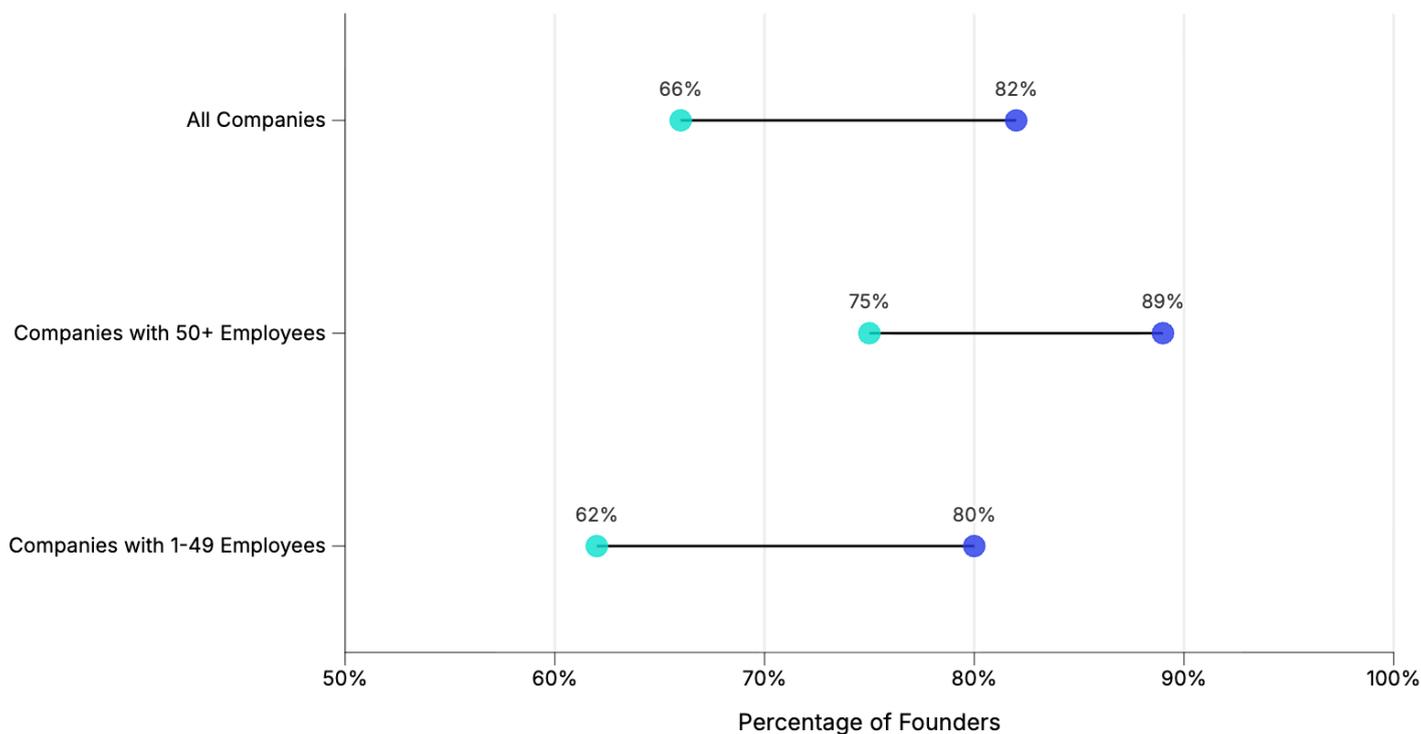
The future of Kenya's entrepreneurial ecosystem depends on stronger coordination among all ecosystem actors — founders, investors, policymakers, and support organizations.

With over 82 percent of interviewed founders expressing optimism about the future, especially among high-growth founders, Kenya can harness this momentum to reach Vision 2030.

FOUNDERS IN KENYA HAVE A POSITIVE OUTLOOK ON THE ENTREPRENEURSHIP COMMUNITY.

Percentage of Founders Who Reported Feeling Positive or Extremely Positive

● Current State ● Future State



Note: Based on data from interviews with 101 founders.
Source: Endeavor Insight founder interviews and analysis.

VIII. Recommendations

EACH DECISION MAKER HAS A ROLE TO PLAY IN SUPPORTING HIGH-GROWTH ENTREPRENEURSHIP TO BOLSTER KENYA'S PRODUCTIVITY.

High-growth companies, when recognized and supported as a distinctive group, can unlock economic productivity. However, the current policies and plans for supporting Kenya's entrepreneurs conflate the founders of high-growth companies with lower-productivity businesses. This leads to policies that inadvertently increase barriers for the most promising high-growth companies and ultimately limit private sector growth.

Instead, policymakers should become more aware of the economic benefits of focusing on high-growth companies and their founders in particular, as these are the leaders who will create Multiplier Effects™ for generations to come. Decision makers in Kenya should now work to align their efforts around the following priorities identified in this study.

- 1 Focus on the commercial viability of entrepreneurial companies.**
- 2 Use longer time horizons for ecosystem development.**
- 3 Tailor solutions to the local context.**
- 4 Foster collaboration and continuity among ecosystem actors and with high-growth founders.**

The next several pages outline a set of strategies and priority areas for each actor in Kenya's entrepreneurship community.

By tailoring support for more high-growth companies and the future generations that will follow them, Kenya can better secure the future of the economy.

POLICYMAKERS

Recognize High-Growth Companies as a Policy Priority, and Ensure Implementation and Stability.

Expand policy frameworks to include high-growth companies.

The growth of Kenya's entrepreneurial ecosystem depends on a policy environment that distinctly recognizes and enables high-growth companies, not just early stage businesses. This would require expanding the eligibility criteria and planned support within the Startup Bill to include high-growth companies. Specifically:

- Redefine the proposed 10-year incorporation limit in the Startup Bill amendments to focus on growth potential rather than age, as most high-growth companies reach scale only after 10 years on average.
- Revisit the "fully owned by a citizen of Kenya or majority ownership by citizen or citizens of Kenya" requirement in the Startup Bill amendments to ensure that global expertise and investment continues to strengthen the local ecosystem.
- Coordinate with other governments, especially countries in the East Africa region, to establish trade agreements that help Kenyan companies expand and bring in outside revenues.

Prioritize policy that fosters founder leadership.

Founders bring firsthand experience and knowledge that can strengthen policymaking and ensure that policies reflect the realities of Kenya's entrepreneurial ecosystem.

Ongoing collaboration throughout the policy cycle, beyond the initial drafting stage, can help refine policies and keep them aligned as the ecosystem evolves. Regulatory sandboxes can serve as one avenue to facilitate this collaboration. By expanding these structured experimentation spaces across more sectors, the government can create an environment where founders and policymakers work together to reduce regulatory uncertainty and foster responsible innovation.

To support the next generation of companies, high-growth founders can play a pivotal role as mentors and angel investors. Policies that empower high-growth founders will help ensure that the next generation of companies receive the support needed to scale.

Ensure policy stability and clarity.

Founders need to be able to count on the policies that are in place. Although some of the proposed provisions in the Finance Bill (2025) and ICT Policy (2019) are in the right direction, they still lack credible implementation plans and clear timelines.^{*64} Without predictable follow through, even well-meaning reforms create uncertainty.

The intent must now be matched with timely action — through defined timelines and clear implementation plans. Specific roles and responsibilities should also be determined for all stakeholders, particularly regulatory authorities and relevant ministries, so that founders can navigate the regulatory processes with clarity. A stable and transparent policy framework can enable founders to plan for the long term.

* The Finance Bill (2025) keeps the current capital gains tax rules, making it easier for founders and investors to plan for exits. However, it does not include founder reinvestment relief, which may reduce how much exit capital is reinvested in Kenyan companies. The ICT Policy (2019) proposes an anchor fund to help attract private capital and encourages pension funds to invest in ICT startups. However, it does not outline implementation aspects and guidelines for these proposals.

ENTREPRENEUR SUPPORT ORGANIZATIONS

Provide Tailored Support and Maintain Post-Program Engagement.

ESOs can deliver greater value by designing curricula that are tailored to the specific needs of the companies they serve, rather than relying on generic, one-size-fits-all approaches. They are the most effective when they foster targeted, meaningful connections with mentors, peers, and investors. They should leverage mentors with deep sector expertise and international experience that can help founders expand outside of Kenya.

There is also an opportunity for ESOs to address one of the biggest challenges founders face: access to talent. Programs can play a stronger role in connecting entrepreneurs with technical talent through partnerships with universities, training institutions, and private sector networks.

Structured post-program follow-up can significantly increase the long-term value of support initiatives. Regular check-ins and ongoing support can help founders access new networks and continue growing after the formal program ends.

As ESOs need donors and partners to sustain their operations, it is important for ESOs to help those groups understand the importance of long-term, growth-aligned funding.

DONORS

Reorient Funding Priorities Toward Long-Term Growth.

Donors can use their continued influence in the ecosystem to encourage ESOs and other grantees to promote long-term ecosystem thinking. Their support should encourage every entrepreneur, even at the early stages, to aspire to build a high-growth company.

They can do this by deploying longer-term, flexible capital that allows ESOs to plan beyond program cycles. They need to ensure that the ESOs in their portfolios provide growth-oriented support, rather than focusing on short-term programmatic outcomes. This would require aligning grant structures and evaluation criteria with milestones that help founders and companies reach commercial growth, while moving away from short-term impact metrics at the program level.

Donors can also carry an outsized influence on policymaking. They can leverage their convening power and thought leadership to promote long-term ecosystem strategies.

INVESTORS

Strengthen Local Capital and Align Investments with Kenya's Entrepreneurial Realities.

Identify the roles for each local capital provider.

Within Kenya, there are several types of capital providers who could strengthen the local capital landscape.

- High-net-worth individuals (HNIs)
- Pension funds
- Banks
- Development finance institutions (DFIs)

Other African countries offer examples of how domestic actors have helped deepen local capital pools. South African banks are increasingly financing entrepreneurial companies through flexible, founder-friendly debt, including revolving credit facilities. These banks are also emerging as institutional backers of the ecosystem, serving as limited partners in funds such as Knife Capital's \$50 million Series B expansion fund.⁶⁵ Similarly, the Nigeria Sovereign Investment Authority (NSIA), through its Future Generations Fund, invests part of the country's long-term savings into private equity and VC vehicles such as Ingressive Capital, Verod Growth Fund II & III, and Verod-Kepple Africa Ventures, channeling national savings into innovation and long-term value creation.^{66,67}

DFIs can play a critical role in expanding the use of innovative blended finance instruments, such as local currency facilities and receivables securitization, to derisk and unlock debt capital for high-growth companies.*⁶⁸ Such mechanisms can reduce exposure to currency fluctuations, and enable founders to access critical working capital.

Align foreign and donor capital toward what founders need.

Building upon a strong local investment base, foreign investors will play a key role in providing larger follow-on rounds. Local capital can help de-risk these opportunities, and over time, building a visible track record of founder successes and strong investment returns will be critical to signalling confidence in the ecosystem to international funders. For foreign investors, it is important to understand local market realities and align expectations with the long-term growth trajectories of high-growth companies. Investors can add greater value by focusing on sustained growth and operational resilience rather than short-term profitability.

For smaller companies, donor capital remains an important source of early support in the ecosystem. Simplifying donor funding processes, particularly around reporting and compliance, would make this capital more accessible and reduce administrative strain on already-stretched founders.

Additionally, investment flows should follow the momentum of Kenya's fastest-growing sectors, such as fintech, IT services, and B2B infrastructure, rather than concentrating only on donor-aligned or high-visibility sectors.

* A recent example is *d.light*, which has raised over \$718 million since 2020 through five securitized facilities across Kenya, Nigeria, and Tanzania, backed by funders including DFC, Norfund, African Frontier Capital, and responsAbility. Securitization allows companies like *d.light* to bundle future customer payments into tradable securities, providing upfront capital while reducing exposure to currency and liquidity risks.

CORPORATES

Act as Long-Term Ecosystem Players to Create Win-Win Partnerships.

Corporations should move beyond early-stage, transactional support aimed at identifying B2B clients or acquisition targets. They can instead build long-term, win-win partnerships with high-growth companies that can strengthen the local ecosystem.

Beyond short-term programs, corporations can align incentives with companies' long-term growth through corporate venture investments, fostering sustained engagement beyond branding initiatives. They can also engage companies through procurement and open innovation initiatives, including co-development and vendor integration, to help founders scale products faster while enabling corporations to access locally relevant solutions.⁶⁹

To strengthen this collaboration, corporates must also listen to founders' challenges, particularly around access to technical talent, and explore ways to build, rather than compete for, shared talent pipelines that support the ecosystem as a whole.

Two examples of win-win corporate partnerships come from Nigeria. Flutterwave has a multi-year agreement with Microsoft to build its payments platform on Azure, giving the company reliable cloud infrastructure to support millions of transactions for African SMEs and consumers. The partnership also lists Flutterwave's products on Azure Marketplace, extending its reach among Microsoft's global customer base.⁶⁹ Another example is Paga, a mobile payments company that has partnered with Visa to integrate its wallet, strengthening the corporation's position in Africa's digital payments market. Through this partnership, Paga can now reach a worldwide merchant base, enabling its customers to pay online and at Visa-accepting merchants and helping the company grow its transaction volumes.⁷⁰

FOUNDERS

Pay It Forward to Strengthen the Entrepreneurial Community.

Kenya's ecosystem benefits from a growing base of serial founders and entrepreneurs with alumni experience at local high-growth companies, whose experience and networks are a valuable resource. Celebrating and nurturing these experienced entrepreneurs can amplify their role as Multipliers.

Encouraging more founders to pay it forward can help support the next generation of high-growth companies. Ninety five percent of the interviewed founders expressed willingness to support other entrepreneurs or introduce them to helpful contacts in their networks. This consensus can be leveraged to build more formal and frequent founder connectivity.

Greater participation from experienced founders as mentors can offer younger companies access to valuable advice. Informal mentorship is common, but more robust connections and participation from successful local founders will help the ecosystem grow.

Establishing formal angel networks or founder-to-founder pathways will further strengthen these peer connections and expand access to much-needed local capital in the ecosystem. Launched in 2021, Nairobi Business Angel Network (NaiBAN) is an example of an emerging founder-and-angel community in Kenya.



Appendix

This table outlines the terms and definitions often used in discourse on SMEs and startups in Kenya. It also describes the characteristics for recognizing high-growth companies as a distinctive group based on the analysis in this report.

FRAMEWORK: DEFINING TERMS AND UNDERSTANDING HIGH-GROWTH COMPANIES IN KENYA



Company Characteristics			
Employee Size	5-300 Employees	Agnostic	50+ Employees and Scaling
Sector Focus	Emphasis on Traditional	Emphasis on Certain Sectors	Agnostic
Years of Operation	Agnostic	Early	Agnostic
Business Leader	Agnostic	Founder	Founder
Private Sector Strength			
Viability in Capital Markets	Weak	Promising	Strong
Tech-Enabled	Low	Medium-High	High
Poised for Market Expansion	Not Typical	Sometimes	Yes
Economic Impact			
GDP Per Employee	Low	Medium	High
Job Creation Type	Formal and Informal	Formal	Formal
Innovation Potential	Not Typical	Sometimes	Yes

Framework Details

Employee Size: The employee size definition for SMEs (5-300 employees) is drawn from the International Finance Corporation (IFC), which classifies enterprises based on employment and turnover thresholds.⁷¹ For high-growth companies, the report adopts Endeavor’s threshold of 50 or more employees as an indicator of scale.

Sector: SMEs in Kenya are predominantly concentrated in agriculture, retail, and manufacturing, as reflected in sector reports.^{72,73} Startups are sector-agnostic, operating across a wide range

of industries; however, the Startup Bill (2022) identifies fintech, agritech, healthtech, edtech, and green energy as strategic growth areas for national innovation policy. High-growth companies are similarly sector-agnostic, using tech or tech-enabled operating models to scale. Though, in this analysis of Kenya’s ecosystem, companies were concentrated in fintech, IT services, SaaS, e-commerce, healthtech, and agtech.

Years of Operation: The proposed amendments to the Startup Bill define a startup as an enterprise that has been in operation for fewer than 10 years. This age-related criteria is reflected in the table

as “early,” while SMEs and high-growth companies remain age-agnostic.

Tech-enabled: SMEs in Kenya typically use basic technology, such as mobile money, communication apps, or simple record-keeping tools, to support daily operations. Startups often use technology more intentionally to solve a specific market problem, while building their product or service around a software platform. High-growth companies typically make technology the driver of scale, relying on integrated systems that manage high volumes and support operations across markets.

Poised for Market Expansion: Poised for market expansion refers to a company’s readiness and ability to serve customers outside of Kenya, whether through direct sales, platform access, or cross-border service delivery. SMEs in the country may not always demonstrate this readiness, as their operations are generally locally anchored. Startups sometimes do, particularly when their solutions address regional needs or can be delivered digitally. High-growth companies are typically well positioned for expansion, with the scale, capabilities, and technology required to operate across borders.

GDP per employee: GDP per employee reflects the average economic value generated per worker, a proxy for firm-level productivity. SMEs typically exhibit lower productivity, reflecting their concentration in lower-value sectors and reliance on manual or semi-formal processes. Startups show medium productivity, enabled by more efficient systems and scalable models. High-growth companies achieve high productivity per employee, driven by technology-enabled operations, larger markets, and stronger organizational capabilities.⁷⁴

Job Creation Type: SMEs create a mix of formal and informal jobs, with their contribution measured largely in terms of sheer numbers of workers employed. Startups also focus on formal job numbers,

expanding their teams as they grow. High-growth companies prioritize quality job creation, offering structured roles, higher average incomes, skill development and career progression, which collectively improve workforce capabilities and long-term human capital.

Innovation Potential: Innovation potential captures a firm’s ability to introduce new products, processes, or business models. SMEs typically show limited innovation, focusing on established practices to serve local markets. Startups demonstrate sporadic innovation, often introducing solutions that are new to Kenya or new to their specific market niche. High-growth companies exhibit strong innovation potential, developing solutions that can transform industries or reshape markets, and in some cases influence cross-country or sector-wide change.

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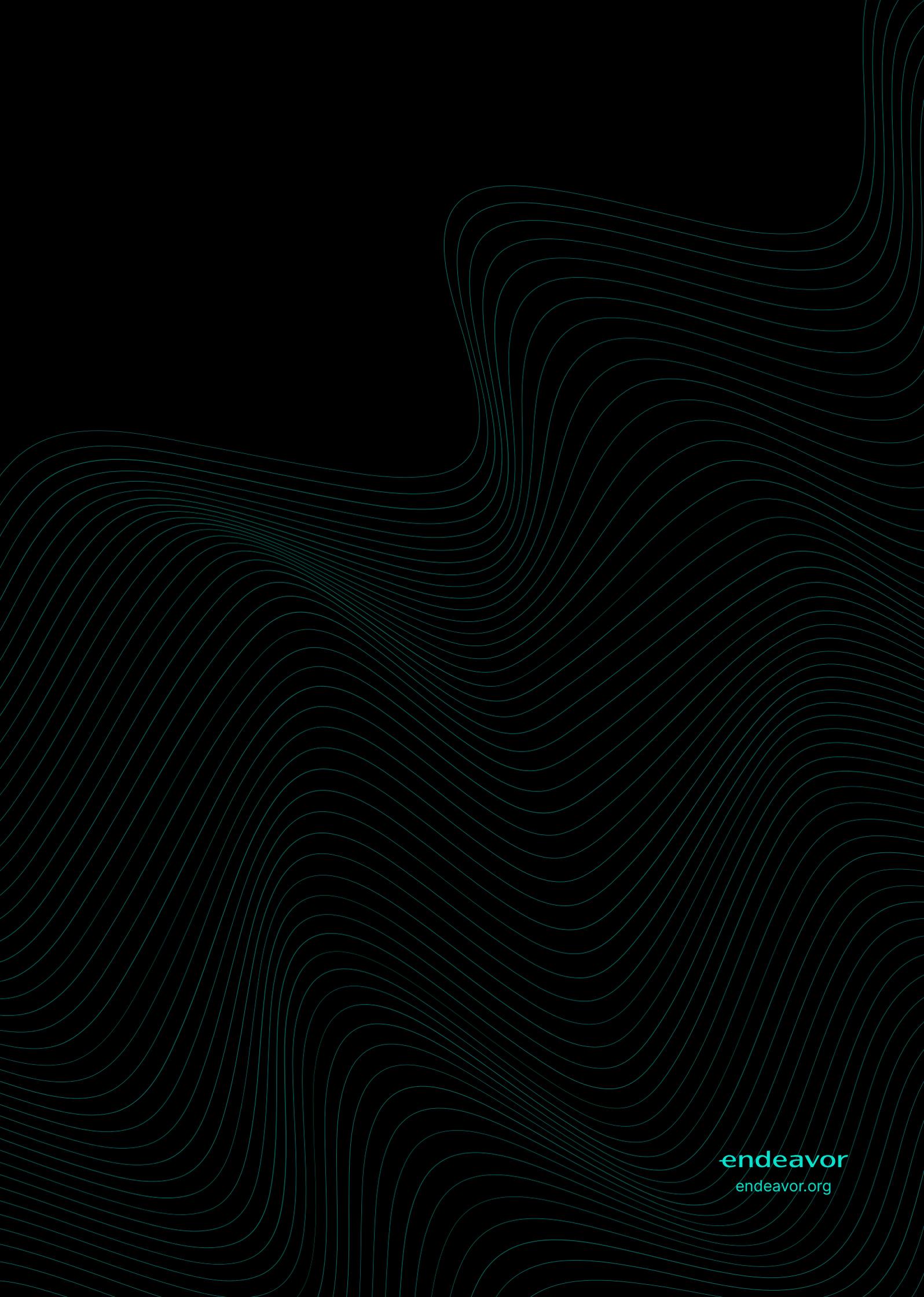
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HOW TO CITE THIS PROJECT

Endeavor Insight. "Mapping the Kenyan Entrepreneurship Network: Unlocking Productivity and Securing the Future Economy Through High-Growth Companies." March 2026. endeavor.org/kenyanetwork.



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