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Influence of Management Factors on Social Economic Performance of Entrepreneurship Groups in Pumwani Informal Settlements in Nairobi County, Kenya

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Abstract

Purpose: The purpose of this research was to analyze the influence of management factors on social economic performance of social entrepreneurship groups of Pumwani informal settlements in Nairobi County.

Methodology: This study was quantitative in nature and employed a descriptive research design. The target population was 980 members of the 50 registered self-help groups within Pumwani. The study used simple random sampling select 130 members in total who shall be the respondent of the research questionnaire. The study used primary data collected using a 5 point Likert scale questionnaire. Validity of research instrument was established through the help of the Supervisor who is an expert in the field. The supervisor scrutinized the items for relevance in relation to the topic. A pilot test was conducted to test the reliability of the research instrument. Descriptive statistics were used to analyze the data. The results were presented in form of tables.

Results: Result findings indicated that there is a positive and significant relationship between financial management, capacity building, monitoring and evaluation and stakeholder management and socio economic performance of socio entrepreneurship groups

Unique contribution to theory, practice and policy: Based on the study findings this study recommended that leaders of socio entrepreneurship groups in slums should encourage more people to join these groups as this would help in achieving the medium term goal of the vision 2030 of poverty eradication. The study also recommended that the leadership of the socio entrepreneurship groups should encourage the members to work in groups so that they can share ideas and come up with unique and profitable business ventures.

Keywords: *financial management, capacity building, monitoring and evaluation stakeholders ' management*

1.0 INTRODUCTION

The concept of entrepreneurship in the context of business and economic ventures has been increasingly applied to the context of social problem solving. Social entrepreneurship is a process that can provide viable solutions to problems with the purpose to improve access to social services, health education and local labor exploitation, reducing all forms of discrimination by providing jobs to people in need (Borza et al, 2009).Social entrepreneurship is addressed to social problems caused by the failure of public institutions in addressing social needs. Some definitions limit social entrepreneurship to nonprofit organizations (Lasprogata & Cotton, 2003), while others describe social entrepreneurship as for-profit companies operated by nonprofit organizations (Wallace, 2005). Still others equate social entrepreneurship to philanthropy (Ostrander, 2007), while some scholars embrace broader definitions that relate social entrepreneurship to individuals or organizations engaged in entrepreneurial activities with a social goal.

In most Western European countries, third-sector organizations such as non-profit organizations, cooperatives and mutual societies were already playing a significant role in the provision of services well before the Second World War. Their importance became greater in the 1950s, with some emblematic initiatives set up to combat housing and poverty problems. Many of these organizations were inspired by a Christian charitable tradition, but another stream of inspiration stressed participation and mutual aid principles. In the late 1960s and 1970s, the quest for more democracy and equality in all spheres of life led to a blooming of civil society movements addressing major societal issues, both through advocacy and provision of services. In the late 1970s and early 1980s, the persistence of structural unemployment in many European countries, the need to reduce state budget deficits, the need for more active integration policies raised the question of how far the third sector could help to meet these challenges. Indeed, social actors, such as social workers and associative militants, were facing lack of adequate public policy schemes to tackle the increasing exclusion of some groups (such as long-term unemployed people, low-qualified people, people with social problems) from the labour market or, more generally, from society. In such an overall context, the answers given to these emerging challenges by each country varied according to the specificities of the different European models (Defourney and Nyssens, 2008).

Informal settlements have a long history in Nairobi, Kenya dating from colonial period. The informal settlements were created by Kenyan's who came into the city in search of work and had to create informal residential settlements (Mutisya &Yarime 2011). Since emergence of informal settlements, Kenya has been facing an increasing growth of informal settlements.) According to UN habitat (2003), the experience in the slums shows a strong link that people living in poverty areas are trapped at their present. To date there are several initiatives that have been established to uplift the lives of communities living below the poverty line. The government has introduced funds such as Women Enterprise Fund and Youth Enterprise Fund aimed at enabling the informal settlements dwellers through access of capital to run small micro enterprises. The Slum upgrading project by the government and housing upgrading projects are very significant in improving the economic status of slum dwellers.

1.2 Problem Statement

The world today is going through a major transformation, where technology is revolutionizing the way people communicate, work, create and ultimately how humans live. But despite our growing capacity to innovate and generate wealth in many fields, there is still a huge part of the world's population that is not benefiting from our advances. There are approximately four billion people living on two dollars a day or less; taking the economic pyramid as a reference, those people are called the bottom of the pyramid – BOP (Prahalad, 2009). Similarly, Pumwani slum has a strong history of poor social economic development as revealed by high incidence of poverty, food insecurity, poor health and education.

The success that nonprofits have demonstrated in addressing social issues has generated increased demand for their services. Government is increasingly turning to nonprofits as potential service providers and partners in tackling our most pressing social issues. We now recognize that most of these issues – such as hunger, homelessness or environmental conservation – will not be "solved" in our lifetime, and therefore will require strong organizations to continue to address them.

From casual analysis and observation, social groupings have gained currency as a model for solving both social and economic problems. The groupings have been developed in different models to suit environment within which they carry out their functions in. Within the rural and informal settlements they have been developed as merry go rounds or Ngumbatos while in more advanced groups like the middle class they have been modelled as investment groups or in Swahili chamas. In other parts of the world they have been advanced to become some of the best performing private banks like the Grameen bank of Bangladesh(Eade, 1997). However, though the groupings hold greater potential for achieving greater social economic development, their management have not been focused, leading to non-attainment of intended goals or complete failure thus disenfranchising the members and eating up the gains that have been made in developing goodwill for such entrepreneurial undertakings.

In this regard, the researcher sought to evaluate the management factors that influence social economic performance in the Pumwani informal settlements. The parameters that the study sought to review included; financial management, capacity building, monitoring and evaluation and stakeholders management.

1.3 Study Objectives

i. To evaluate the influence of financial management on social economic performance of social entrepreneurship groups of Pumwani informal settlements in Nairobi County.
ii. To investigate the influence of capacity building on social economic performance of social entrepreneurship groups of Pumwani informal settlements in Nairobi County.
iii. To assess the influence of monitoring and evaluation practices on social economic performance of social entrepreneurship groups of Pumwani informal settlements in Nairobi County.
iv. To determine the influence of stakeholders management on social economic performance of social entrepreneurs groups of Pumwani informal settlements in Nairobi County.

2.0 LITERATURE REVIEW

Financial Management and Social Economic Performance of Social Entrepreneurship Groups

Financial management refers to the ability of social entrepreneurs managing their resources through proper record keeping, financial reporting and budgeting. Poverty is multi-dimensional concept which implies lack of income, resources and deprivation of the means of livelihood and vulnerability to economic shocks (Damas & Israt, 2004). In a world where government resources are limited to address the world's social problems, impact investment has offered a broad range of new alternative for channeling private capital to promote social benefit. Impact investments can deliver positive social outcomes by expanding access to basic services for people in need or through production processes that benefit society (Morgan, 2010).Raising households incomes can lead to more equal human development for females and males. The gender disparities are reduced as a result of economic opportunities expansion (Damas & Israt, 2004).

Capacity Building and Social Economic Performance of Social Entrepreneurship Groups

Capacity building approach to development involves identifying the constraints that women and men experience in realizing their basic rights and finding approaches through which to strengthen their ability to overcome the causes of their exclusion and suffering. Capacity building strives on assessing personal dynamics to see how they fit to a wider pattern. Capacities do not trickle down through a power structure unless active steps are taken to ensure they do (Eade, 1997). Capacity building encompasses various aspects that include strategy, organization skills, human resource, systems and infrastructure (Venture Philanthropy Partners, 2001). Capacity building is an end in itself where the focus is likely on the counterpart organizational mission. Criteria for effectiveness then relate to the extent to which the mission is perceived to be appropriate, coherent and fulfilled (Eade, 1997).

Monitoring and Evaluation Practices and Social Economic Performance of Social Entrepreneurship Groups

Monitoring and evaluation is a useful tool in project management since it ensures accountability, transparency and gives feedback of the activities being carried out. It enhances the management system by identifying loops which need to be mended. Kusek and Rist (2009) confirms this by saying monitoring and evaluation is a powerful public management tool that can be used to improve the way governments and organizations achieve results. Just as governments need financial, human resource, and accountability systems, they also need good performance feedback systems.

Stakeholders Management and Social Economic Performance of Social Entrepreneurship Groups

There is a growing consensus that timely and broad based stakeholder involvement is a vital ingredient to enable effective environment assessment as it is for project planning, appraisal and development in general. Stakeholder involvement encompasses the full spectrum of interaction between stakeholders (governmental, non-governmental, business/private sector, service providers and the public etc) for decision making (Donnelly *et al*, (1995). Stakeholder management is about being proactive and prepared on a continuous basis even though uncertainties and previously un-ecountered issues makes it difficult to know how exactly to prepare. Stakeholder management can increase the likelihood of project success through a process of purposeful and thoughtful activities in connection with project stakeholders. Stakeholders management improves the ability to anticipate opportunities and threats in a timely manner as well as making decisions on how to spend resources in effective interaction with stakeholder (Eskerod & Jepsen, 2013). Success in managing stakeholders' can be achieved through long term commitment in identifying, understanding their expectation, managing their expectation, monitoring the effectiveness of stakeholder engagement activities and continuous review of the stakeholder community. When stakeholders pursue their self-interest they follow a logic of consequality which means they act according to expected consequences of contributing and whether they believe that these consequences will maximize their self-interests (Eskerod & Jepsen 2013).

Stakeholder analysis is one of the most comprehensive approaches to identifying issues, groups, strategies and outcomes. Doing the right thing really matters to firms, taxpayers, employees and other stakeholders as well as to the society. Understanding of stakeholders and their concerns facilitates understanding of the complex relationships between participants involved in solving ethical problems (Weiss, 2014).

2.1 Theoretical Literature Review

Social Innovation Theory

Social entrepreneurs are defined as change makers as they carry out new combinations in at least one of the following areas: new services, new quality of services, new methods of production, new production factors, new forms of organizations or new markets. Social entrepreneurship can therefore be a question of outcomes and social impact rather than a question of incomes. Westley *et al.*, (2006) assert that the idea of complexity explains the process of how social innovation is created within the interactions of various movements and how it changes society. They suggest that 'relationship is a key to understanding and engaging with the complex dynamics of social innovation' and that "for social innovation to succeed, everyone involved plays a role. As sift, everyone – funders, policy makers, social innovators, volunteers, evaluators are affected. It is what happens between people, organizations, communities and parts of systems that matters 'in the between' of relationships". This idea, which considers social innovation as being in a dynamic relationship with stakeholders, is thought-provoking for our research. However, their perspective of complexity remains nothing more than an idea and they do not go on to explain the mechanism and process of social innovation. Christensen *et al.*, (2006) refer to disruptive innovation for social change as 'catalytic innovation': 'What's required is expanded support for organizations that are approaching social-sector problems in a fundamentally new way and creating scalable, sustainable, systems-changing solutions'. Here, innovation presents a new possibility to under-served people whose needs have not been met in areas with insufficient social services. They pick up some cases, such as low-cost medical insurance and affordable education programs, e-learning at secondary schools, community colleges, and micro-lending systems, made available to people who otherwise would have limited or no access to educational opportunities. However, they describe the unique nature of catalytic innovation in social sector, but do not explain the processes behind the birth and development of social innovation.

Drucker (2014) argues that social innovation includes not only technology but also frameworks of insurance and healthcare which have a huge impact on society. He analyses innovation strategies of public-service institutions (government agencies, universities, hospitals, non-profit organizations in the community) as well as business and new ventures. He explains the main features and policies of social innovation by public-service institutions, but does not analyze how

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the social innovation itself is created. Studies focused on the social innovation of social enterprises are increasingly common.

2.2 Conceptual Framework

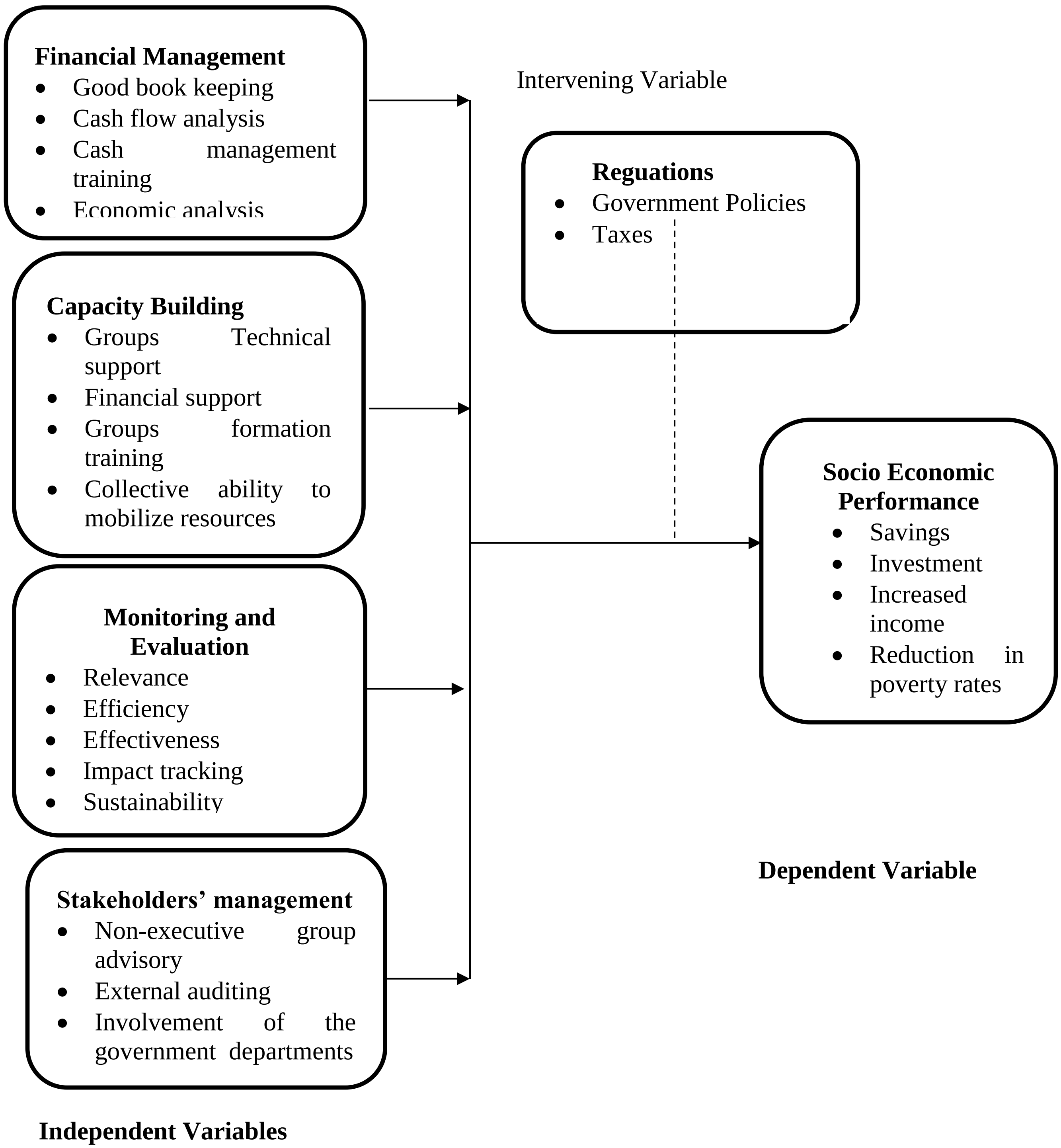

Figure 2.1: Conceptual Framework

Dees (2001) defines social enterprise as being located in the centre of two points on a linear scale: the purely charitable and the purely commercial. Social entrepreneurs, who can be called change agents, seek out opportunities to improve society, to create new social values. They consider social innovation as their fundamental resources; new and better ways of serving their social mission (Dees et al., 2001). They regard social entrepreneurs as promoting innovation which matches their social business and philanthropic activities in order to create social value. Dees *et al.,* (2001) mainly research the strategic management of social innovation, however not the process of social innovation.The theory is relevant as it addresses social innovation which is a key component leading to social entrepreneurship which is focus of this study.

3.0 RESEARCH METHODOLOGY

This study was quantitative in nature and employed a descriptive research design. The study population in this study comprised of all the 980 members from the 50 registered self-help groups within Pumwani informal settlements in Nairobi County. The sample size was 130 members of the 50 registered self-help groups in Pumwani. This study used simple random sampling design. The study used a questionnaire to obtain primary data. The pilot study was conducted on 10% of the sample population. Pilot testing was done by administering the questionnaire to facilitate improvement. In order to test and enhance the validity of the questionnaire, the researcher consulted the University Supervisor who is an expert in the field to scrutinize contents of the items in the questionnaire on relevance of the items. Reliability was done to ensure the research tool is consistent hence predictable and accurate. After quantitative data is obtained through questionnaires, it was prepared in readiness for analysis using statistical package for social sciences (SPSS) computer software to generate both descriptive statistics and inferential statistics. The multiple linear regression model was used to measure the relationship between the independent variables and the dependent variable.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where:

Y = Social Economic Performance of Social Entrepreneurship Groups

i. $\{\beta_i; i=1,2,3,4\}$ = The coefficients for the various independent variables
ii. X_i for;

X_1 = Financial management
X_2 = Capacity Building
X_3 = Monitoring and Evaluation
X_4 = Stakeholders' management
e =error term

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4.0 RESULTS AND DISCUSSIONS

4.1 Response Rate

The number of questionnaires that were administered was 130. A total of 97 questionnaires were properly filled and returned. This represented an overall successful response rate of 74.62% as shown on Table 1.

Table 1: Response Rate

Response	Frequency	Percent
Returned	97	74.62%
Unreturned	33	25.38%
Total	**130**	**100%**

4.2 Demographic data

4.2.1 Gender of the Respondents

The respondents were asked to indicate their gender of the respondents. Results in table 2 show that most of the respondents were female who represented 64.95% of the sample while 35.05% were male. This shows that the membership of the self help groups in Pumwani are female. This can be explained by the fact that most women don't access formal credit as opposed to men and thus rely on self help groups in most cases.

Table 2: Gender of the Respondents

Gender	Frequency	Percent
Male	34	35.05
Female	63	64.95
Total	**97**	**100**

4.2.2 Age of the Respondents

The respondents were asked to indicate their age. Results in table 3 reveal that 33% of the respondents aged between 36 – 45 years, 30% of the respondents were aged between 26 – 35 years, 23% of the respondents were aged between 18 – 25 years while 14% of the respondents were had more than 45 years. This shows that most of the members in the self help groups were in their middle age which is also considered to be the productive age.

Table 3: Age of the Respondents

Age	Frequency	Percent
18-25 years	22	23
26-35 years	29	30
36-45years	32	33
45 years and above	14	14
Total	**97**	**100**

4.2.5 Years of Active Membership in Group

Results in table 4 show that 34% of the respondents had been active members in the self help group for 4 to 5 years. Another 34% of the respondents had been active members for less than 3 years, 19% of the respondents had been active members for 6 to 10 years while only 13% of the respondents had been active members for more than 10 years.

Table 4: Years of Active Membership

Years in Groups	Frequency	Percent
Less than 3 years	33	34
4 to 5 years	33	34
6 to 10 years	18	19
More than 10 years	13	13
Total	**97**	**100**

4.3 Descriptive Statistics

4.3.1 Financial Management

This study sought to evaluate the influence of financial management on social economic performance of social entrepreneurship groups of Pumwani informal settlements in Nairobi County. Results in table 5 shows that 85.5% of the respondents agreed that book keeping of the groups transactions influences the social economic performance of the group. Results also revealed that 88.7% of the respondents agreed that regular groups cash flow analysis influences the social economic performance of the group. Another 76.3% of the respondents indicated that cash management training influences the social economic performance of the group while 83.5% of the respondents agreed that regular economic analysis of the group returns on investments influences the social economic performance of the group. On a five point scale, the average mean of the responses was 4.1 which means that majority of the respondents were agreeing to the statements in the questionnaire; however the answers were varied as shown by a standard deviation of 0.9.

Table 5: Financial Management

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Dev
Book keeping of the groups transactions influences the social economic performance of the group.	1.00%	6.20%	7.20%	41.20%	44.30%	4.2	0.9
Regular groups cash flow analysis influences the social economic performance of the	0.00%	3.10%	8.20%	45.40%	43.30%	4.3	0.7

group.							
Cash management training influences the social economic performance of the group.	6.20%	12.40%	5.20%	42.30%	34.00%	3.9	1.2
Regular Economic analysis of the group returns on investments influences the social economic performance of the group.	1.00%	6.20%	9.30%	46.40%	37.10%	4.1	0.9
Average						**4.1**	**0.9**

4.3.2 Capacity Building

This study sought to investigate the influence of capacity building on social economic performance of social entrepreneurship groups of Pumwani informal settlements in Nairobi County. Results in table 6 showed that 95.9% of the respondents agreed that groups technical support from mentors and stakeholders influences the social economic performance of the group. Results also showed that 91.8% of the respondents agreed that capacity building through financial support influences the social economic performance of the group. Further, results showed that 94.9% of the respondents agreed that members training on groups formation influences the social economic performance of the group while 86.6% of the respondents indicated that collective ability to mobilize resources influences the social economic performance of the group members. On a five point scale, the average mean of the responses was 4.4 which means that majority of the respondents were agreeing to the statements in the questionnaire; however the answers were varied as shown by a standard deviation of 0.7.

Table 6: Capacity Building

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Dev
Groups technical support from mentors and stakeholders influences the social economic performance of the group.	0.00%	1.00%	3.10%	43.30%	52.60%	4.5	0.6
Capacity building through financial	0.00%	0.00%	8.20%	45.40%	46.40%	4.4	0.6

support influences the social economic performance of the group.							
Members training on groups formation influences the social economic performance of the group.	0.00%	1.00%	4.10%	48.50%	46.40%	4.4	0.6
Collective ability to mobilize resources influences the social economic performance of the group members.	1.00%	5.20%	7.20%	47.40%	39.20%	4.2	0.9
Average						**4.4**	**0.7**

4.3.3 Monitoring and Evaluation

This study sought to assess the influence of monitoring and evaluation practices on social economic performance of social entrepreneurship groups of Pumwani informal settlements in Nairobi County. Results in table 7 shows that 94.8% of the respondents agreed that ensuring that planned activities are relevant to the groups mandate influences the group social economic performance. Results also showed that 83.5% of the respondents agreed that ensuring efficiency in resources utilization influences the groups social economic performance while 57.8% of the respondents agreed that monitoring of groups activities influences the effectiveness of the groups social economic performance. Further, results showed that 62.9% of the respondents agreed that putting in place evaluation measures to track groups impact influences the group social economic performance while 73.2% of the respondents agreed that Prior planning on groups sustainability measures influences the social economic performance. On a five point scale, the average mean of the responses was 3.9 which means that majority of the respondents were agreeing to the statements in the questionnaire; however the answers were varied as shown by a standard deviation of 1.0.

Table 7: Monitoring and Evaluation

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Dev
Ensuring that planned activities are relevant to the groups mandate influences the group social economic performance.	0.00%	2.10%	3.10%	47.40%	47.40%	4.4	0.7
Ensuring efficiency in	1.00%	5.20%	10.30%	39.20%	44.30%	4.2	0.9

resources utilization influences the groups social economic performance.							
Monitoring of groups activities influences the effectiveness of the groups social economic performance	1.00%	9.30%	32.00%	39.20%	18.60%	3.6	0.9
Putting in place evaluation measures to track groups impact influences the group social economic performance.	0.00%	14.40%	22.70%	29.90%	33.00%	3.8	1.1
Prior planning on groups sustainability measures influences the social economic performance.	1.00%	7.20%	18.60%	41.20%	32.00%	4.0	0.9
Average						**3.9**	**1.0**

4.3.4 Stakeholder Management

This study sought to determine the influence of stakeholders' management on social economic performance of social entrepreneurs groups of Pumwani informal settlements in Nairobi County. Results in table 8 shows that 48.5% of the respondents agreed that involvement of non-executive members for advisory in groups operations influences the group social economic performance while 51.5% of the respondents agreed that involvement of external auditors to audit the group accounts influences the group social economic performance. Further, results in table 8 shows that 36.1% of the respondents were neutral that involvement of the government departments influences the groups social economic performance. On a five point scale, the average mean of the responses was 3.3 which means that majority of the respondents were agreeing to the statements in the questionnaire; however the answers were varied as shown by a standard deviation of 1.1.

Table 8: Stakeholder Management

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Dev
Involvement of non-executive members for advisory in groups operations influences the group social economic performance.	2.10%	15.50%	34.00%	35.10%	13.40%	3.4	1.0
Involvement of	3.10%	22.70%	22.70%	37.10%	14.40%	3.4	1.1

external auditors to audit the group accounts influences the group social economic performance.							
Involvement of the government departments influences the groups social economic performance.	6.20%	24.70%	36.10%	16.50%	16.50%	3.1	1.1
Average						**3.3**	**1.1**

4.4 Inferential Statistics

4.4.1 Regression Analysis

The results presented in table 9 present the fitness of model used of the regression model in explaining the study phenomena. Financial management, capacity building, monitoring and evaluation and stakeholder management were found to be satisfactory variables in explaining socio economic performance of socio entrepreneurship groups. This is supported by coefficient of determination also known as the R square of 54.4%. This means that financial management, capacity building, monitoring and evaluation, stakeholder management and regulation explain 54.4% of the variations in the dependent variable which is socio economic performance of socio entrepreneurship groups. This results further means that the model applied to link the relationship of the variables was satisfactory.

Table 9: Model Fitness

Indicator	**Coefficient**
R	0.737
R Square	0.544

Table 10 provides the results on the analysis of the variance (ANOVA). The results indicate that the overall model was statistically significant. Further, the results imply that the independent variables are good predictors of socio economic performance of socio entrepreneurship groups. This was supported by an F statistic of 21.687 and the reported p value (0.000) which was less than the conventional probability of 0.05significance level.

Table 10: Analysis of Variance

Indicator	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Regression	33.204	5	6.641	21.687	0.000
Residual	27.866	91	0.306		
Total	61.07	96			

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Regression of coefficients results in table 11 shows that there is a positive and significant relationship between financial management, capacity building, monitoring and evaluation and stakeholder management and socio economic performance of socio entrepreneurship groups as supported by beta coefficients of 0.266, 0.337 0.205 and 0.424 respectively. These results show that an increase in the unit change of financial management, capacity building, monitoring and evaluation and stakeholder management would result to an increase socio economic performance of socio entrepreneurship groups. Results in table 11 also show that regulation has a negative and significant relationship with socio economic performance of socio entrepreneurship groups. This implies that increase in regulation by one unit would result to a decrease in socio economic performance of socio entrepreneurship groups by 0.205 units.

Table 4.19: Regression of Coefficients

Variable	B	Std. Error	t	Sig.
(Constant)	0.461	0.592	0.779	0.438
Financial Management	0.266	0.079	3.360	0.001
Capacity Building	0.337	0.069	4.865	0.000
Monitoring and Evaluation	0.205	0.094	2.180	0.032
Stakeholders Management	0.424	0.108	3.933	0.000
Regulation	-0.205	0.099	-2.080	0.004

The multiple linear regression model is as shown below.

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$

Where:

Y = Social Economic Performance of Social Entrepreneurship Groups

X_1 = Financial management
X_2 = Capacity Building
X_3 = Monitoring and Evaluation
X_4 = Stakeholders' management
X_5 =Regulation

Thus, the optimal model for the study is;

Social Economic Performance of Social Entrepreneurship Groups = 0.461 + 0.266 Financial management +0.337 Capacity Building + 0.205 Monitoring and Evaluation + 0.424 Stakeholders' management + (-0.205) Regulation + *e*

5.0 DISCUSSION CONCLUSIONS AND RECOMMENDATIONS

5.1 Discussion

The first objective of the study was to evaluate the influence of financial management on social economic performance of social entrepreneurship groups of Pumwani informal settlements in Nairobi County. Results showed that most of the respondents agreed that book keeping of the groups transactions influences the social economic performance of the group. Results also revealed that the respondents agreed that regular groups cash flow analysis influences the social economic performance of the group. Further, results showed that cash management training influences the social economic performance of the group while most of the respondents agreed that regular economic analysis of the group returns on investments influences the social economic performance of the group.

The second objective of the study was to investigate the influence of capacity building on social economic performance of social entrepreneurship groups of Pumwani informal settlements in Nairobi County. Results showed that most of the respondents agreed that groups technical support from mentors and stakeholders influences the social economic performance of the group. Results also showed that most of the respondents agreed that capacity building through financial support influences the social economic performance of the group. Further, results showed that most of the respondents agreed that members training on groups formation influences the social economic performance of the group while the respondents indicated that collective ability to mobilize resources influences the social economic performance of the group members.

The third objective of the study was to assess the influence of monitoring and evaluation practices on social economic performance of social entrepreneurship groups of Pumwani informal settlements in Nairobi County. Results in revealed that most of the respondents agreed that ensuring that planned activities are relevant to the groups mandate influences the group social economic performance. Results also showed that majority of the respondents agreed that ensuring efficiency in resources utilization influences the groups social economic performance while results also showed that the respondents agreed that monitoring of groups activities influences the effectiveness of the groups social economic performance. Further, results showed that the respondents agreed that putting in place evaluation measures to track groups impact influences the group social economic performance and that Prior planning on groups sustainability measures influences the social economic performance.

The fourth objective of the study was to determine the influence of stakeholders management on social economic performance of social entrepreneurs groups of Pumwani informal settlements in Nairobi County. Results revealed that most of the respondents agreed that involvement of non-executive members for advisory in groups operations influences the group social economic performance while the respondents also agreed that involvement of external auditors to audit the group accounts influences the group social economic performance. Further, results in showed that the respondents were neutral that involvement of the government departments influences the groups social economic performance.

5.2 Conclusions

Based on the study findings the study concluded that financial management influences, monitoring and evaluation, capacity building and stakeholder management influences socio economic performance of socio entrepreneurship groups in Nairobi County.

5.3 Recommendations

Based on the study findings this study recommended that leaders of socio entrepreneurship groups in slums should encourage more people to join these groups as this would help in achieving the medium term goal of the vision 2030 of poverty eradication. This study also suggest that a study seeking to determine the measures that have been taken in a bid to improve the socio economic performance of socio entrepreneurship groups should be undertaken. The study also recommended that the leadership of the socio entrepreneurship groups should encourage the members to work in groups so that they can share ideas and come up with unique and profitable business ventures. Further, the study recommended that the leadership of the socio entrepreneurship groups should link their members with financial institutions so that they can access socio capital. This would help the members to expand their businesses as well as implement new ideas.

5.4 Areas for Further Studies

This study suggests that further studies should be conducted on the influence of management factors on socio economic performance of youth group. This would assist in comparing difference between the magnitudes of the influence. This study also suggest that a further study should be conducted seeking to determine the effect of regulation on socio economic performance in socio entrepreneurship groups. This would help to delve into the various aspects of regulation that influence the socio economic performance in socio entrepreneurship groups.

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