DBA AFRICA MANAGEMENT REVIEW

RELATIONSHIP BETWEEN INTERVENTIONS AND BENEFICIARY POVERTY REDUCTION BY FAITH BASED ENTERPRISES: DOES MACRO ENVIRONMENT MODERATE?

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ABSTRACT

This paper focuses on the moderating role of macro environment on the relationship between interventions and beneficiary poverty reduction (BPR) by Faith based enterprises (FBEs) within the slums of Nairobi. The slums poor live in deplorable conditions with social welfare deprivations. This explains the coming in of FBEs to assist in various aspects of BPR such as education, health, shelter, water, food and employment. There is incomplete information that cannot explain success or failure of moderation by macro environment. Based on these gaps, the paper sought to determine the moderating effect of Macro environment on the relationship between interventions and beneficiary poverty reduction by FBEs. To attain this, hypothesis from the study objective was tested. This paper applied triangulation data collection from 72 FBEs. The study uses the descriptive cross-sectional research design. Data is analysed using descriptive, inferential statistics and qualitatively. The study results provide evidence FBEs instill disruptions in development that impact positively on people livelihoods. Regression results found moderation effect of Macro environment not statistically significant on the relationship between Interventions and BPR. Correlation coefficient was .729 indicating a strong correlation between interventions of macro environment alone with BPR. Descriptive show Macro environment factors contribute positively to BPR. The lack of significant moderation effect by Macro environment is new information to theory as it explains scanning of environment information for resources to achieve best management practice. Pentecostalism and Catholicism are the most prevalent in BPR within slums of Nairobi. Future research could adopt the grounded theory approach for possible in-depth diverse set of concepts and theories to explain moderating effect of Macro environment on the relationship between interventions and beneficiary poverty reduction.

Key words: Beneficiary poverty reduction, Faith based enterprise, Interventions, Macro environment, Slum.

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1.0 Introduction

In Kenya, it is estimated that roughly over 71% of Nairobi's population of 3.4 million inhabit in slums (GoK, 2013). As such, Faith Based Enterprises (FBEs) come in to assist in providing solutions to failures in welfare and social good by providing survival needs such as water, food, shelter and employment creation (Bovaird, 2006). The general business environment under which FBEs operate mainly captures the macro environment factors. Porter, (1980) asserts macro environment is source for information and resources that enterprises exploit to deliver.

According to Murgor (2014) enterprise actions depend on strength of Macro environment resources to operationalize activities. Given the hostile business environment and the resultant competition, enterprise managers have to continuously scan the macro environment resources to predict the future for change to deliver (Jabeen & Mohamood, 2014). It is on these aspects that this paper focuses moderating role of macro environment on the relationship between interventions and beneficiary poverty reduction (BPR) by Faith based enterprises (FBEs) within the slums of Nairobi.

However, debate on macro environment moderating effect on relationships between interventions and beneficiary poverty reduction is not conclusive as little information exists on the phenomenon. There are disagreements by scholars Deacon (2012) and Christiansen (2008) fronting environment factors of technology and economic as catalysts for FBEs actions to deliver in beneficiary poverty reduction. Krueger, Reilly and Carsrud (2000) found relationships existed between actions by an enterprise and social value delivery on the strength of macro environment resources.

Conversely, Ndemo (2006) attributes FBEs strength in social delivery to structures that include marketing (local and international), micro-finance and trainings relationships from environment factors. In essence, evidence from the studies show there are inconsistencies such

that moderation effect by Macro environment on the relationship between Interventions and beneficiary poverty reduction by Faith based enterprises is not clear.

According to Aldrich and Mindlin (1978), conceptualization of macro environment mainly involves approaches for information and resources to facilitate delivery in an enterprise. In effect, FBE interventions depend on the strength of resources and information sourced from macro environment to deliver in beneficiary poverty reduction (Nzamujo, 2000).

Interventions by Faith Based Enterprises (FBEs) are actions that result into plans implemented for social good. (Cornwall, 1998).Interventions are therefore important to the concept of beneficiary poverty reduction and this paper builds on macro environment moderation effect to clarify the relationship between the two variables.

The concept of beneficiary poverty reduction is for finding solutions to social and economic problems facing the society to improve livelihoods. Further, it entails for individual gains or advantages to meet the welfare deprivations for better living standards such as improved housing (Bokea et al, 2000).Beneficiary poverty reduction deliveries include investments, infrastructure, health services, shelter, food, confidence building and skills for economic turnaround of the distressed areas to living palatable to other good areas (Raskin, 2000).

2.0 Literature review

The success of any enterprise depends on how it competes in its market environment (Pearson & Robinson 2012). Scribner, Theau, Mason, Schneider, Towvim and Dejong (2011) posit macro environment moderates relationships between enterprise actions and performance to deliver.

Lindley and Walker (1993) assert Macro environment as moderator may positively or negatively affect relationships between enterprise actions and performance. In effect, Pearce, Robinson and Mital (2012) posit macro environment as a moderator may negatively affect relationships between the predictor variables but still shapes enterprise performance.

Kotler and Armstrong (2013), assert enterprise actions due to unpredictable business changes depend on macro environment resources for markets, financiers and suppliers. Covin & Slevin, (1986) contend enterprise actions are operationalized on the strength of Macro environment sources for resources to deliver and reduce poverty. In essence, Macro environment factors are not within the control of the enterprise but have effects on enterprise actions to deliver (Naumann & Bennett, 2000). According to Aldrich and Mindlin (1978), the network and institutional theories explain the accumulation of resources and information for enterprise to exploit and deliver.

Weerawardena and Sulvin (2006) posit the macro environment indicators of policy, legal structures, social cultural political consideration and technology moderate actions of enterprises to raise resources for poverty reduction activities. Additionally, technology brings efficiency in enterprise actions in infrastructure, markets, products and services.

The social cultural indicator of macro environment links FBEs interventions to demographic factors, educational levels, culture and religious affiliations of beneficiaries to achieve beneficiary poverty reduction (Raskin, 2000). Equally, legal as a component of macro environment is depended on by FBEs actions to deliver in BPR for example policies for business permits, environment protection, products and services (Tadros, 2010).

The political aspect may affect laws, such as policy for health centers, schools, water and funding agencies. Ndemo (2006) posits that FBE actions depend on environment sustainability policies to manage waste resource management disposal and erecting pit latrines which are important to business enterprises for proper hygiene and happy living.

Bagheri, (2012) asserts that it is of utter necessity for enterprise interventions to explore economic factors under macro environment as moderator to effectively respond to national and global business threats. This may entail enterprises lobbying for friendly taxation regimes, markets, financiers and suppliers for optimum incomes to BPR.

Lumpkin & Dees, (1996) posit that enterprise actions rely on macro environment resources such as human capital to deliver in social value. According to Reynolds (1991), the social context includes Macro environmental factors such as political, technology and competition on which enterprise actions depend to exploit opportunities for change.

Apart from raising resources, Baumol, Litan and Schramm (2009) contend that environmental factors such as culture, legal, traditions, history of the FBE and economic incentives can be depended on for resources by enterprise actions to spur beneficiary poverty reduction. In essence, Landstrom (1998) contends macro environment exhibits factors such as economic, political, policy, customers, employees and competition that moderate enterprise actions to deliver in BPR.

Faith based enterprise interventions depend on macro factors to optimally succeed in delivery of social value to the poor (Deacon, 2012). In effect, Teece et al., (1997) contends that values and beliefs/ethical behaviour can be explored as macro environment links that moderate

enterprise actions to stimulate business start ups for BPR.

Palmer and Bob (2002) posit macro environment contains forces that are beyond the enterprise control such as policy, economic, political, social and technological. These factors can promote or negate the enterprise targets to deliver in social value (Johnson, Scholes & Whittington, 2008). Nzamujo (2000) examined the above factors and found that they reinforce enterprise actions to stimulate economic growth of distressed areas to reduce poverty. However, Machuki and Aosa (2011) found environment as moderator was not statistically significant to influence performance of enterprises.

Further, studies on small-scale enterprises show macro environment significantly affects relationships between enterprise actions and performance (Okeyo, 2013; Mahler, 2009; Covin & Slevin, 1989).Equally, Scribner, Theau, Mason, Schneider, Towvim and Dejong (2011) found macro environment to have positive moderating relationships between enterprise actions and performance in study on alcohol consumption at college campuses and adherence to social norms.

3.0 Research Objective

The objective of this paper was to determine the effect of Macro environment on the relationship between interventions and beneficiary poverty reduction by Faith based enterprises within the slums of Nairobi, Kenya.

3.1 Research Hypothesis

H: The macro environment factors have a significant moderating effect on the relationship between interventions and beneficiary poverty reduction by FBEs within the slums of Nairobi.

4.0 METHODS

The study used the descriptive cross-sectional survey research design. The descriptive cross-sectional survey was identified as suitable because study sought to test moderating role of Macro environment on the relationship between interventions and beneficiary poverty reduction by FBEs within the slums of Nairobi using data gathered at the point of time in the survey. Russel (2000) contends that cross sectional designs allow researcher to establish whether significant relationships among variables exist at some point in time, and is synonymous with survey research. The study was a census. Population of study was 72 FBEs. The listing of FBEs was based on existence with operational activities at the study time.

The study applied triangulation in data collection using the Likert scale questionnaire and interview schedule. Purpose was credibility of data. Primary and secondary sources of data were relied on by the study because they reinforce each other (Sekaran, 2007).

Two copies of the questionnaire were distributed to each of the 72 FBEs totaling 144. The two copies of the questionnaire were for two respondents from each enterprise namely beneficiary group leader and spiritual leader. The interview guide was used to interrogate one person of the management team per each FBE specifically the social worker or spiritual leader. The research results applied to the FBE as unit of analysis. Data was analyzed using descriptive (mean, standard deviation, coefficient of variation) regression analysis and qualitatively. The data was reliable as the macro environment had a Cronbach coefficient of 0.845,Interventions 0.895 and Beneficiary poverty reduction 0.907.The values be above the intercept 0.5 (Berthoud, 2000).

The analytical model follows:

$BPR = \alpha + (\beta_1 x_1) + (\beta_2 x_2) +$ composite $*$
$BPR + \varepsilon$

BPR = Beneficiary poverty reduction

x_1 = Interventions

x_2= Macro Environment

α= constant (intercept)

β = coefficient parameters to be determined

ε = Error /disturbance,

Composite* = interaction term

5.0 RESULTS

The study had a response rate of 79.9% (115 actual respondents out of expected 144). Nachmias and Nachmias (2004) posit that response of 50% and over is acceptable as a basis for data analysis.The FBEs are located in nine major slums within Nairobi namely Kibera, Mukuru, Mathare, Korogocho, Huruma, Majengo Pumwani, Kariobangi, Dandora and Kangemi. .

5.1 FBEs Distribution and Religion

Faith based enterprises with different religious affiliations are prevalent in Beneficiary poverty reduction within the slums of Nairobi City County.

Table 1: FBEs Distribution and Religion

Slum	Religion					
	Pentecostals FBEs	Catholics FBEs	Islam FBEs	Anglican Church of Kenya FBEs	Non-believers in God FBEs	Total
Kibera	24	2	5	1	1	33
Mukuru	1	16	0	0	0	17
Mathare	2	4	1	0	1	8
Korogocho	1	0	0	0	0	1
Huruma	0	1	0	3	0	4
Majengo/ Pumwani	0	0	1	0	0	1
Kariobangi	0	3	0	0	0	3
Dandora	1	0	0	0	0	1
Kangemi	0	2	0	2	0	4
Grand total	**29**	**28**	**7**	**6**	**2**	**72**
Percentage Distribution	**40.3%**	**38.9%**	**9.7%**	**8.3%**	**2.8%**	**100%**

As shown in Table 1, Pentecostals FBEs distribution was 40.3 percent and Catholics had 38.9 percent. The non-believers in God had a contribution of 2.8 percent.

Pentecostals and Catholics are most prevalent in the region as they provide services such as healthcare, education, water points and shelter to improve

livelihoods of the slum poor. Wasantha (2015) posit Hinduism and Buddhism have

large flocks that support the poor in the slums but were not included in the study it was not in the population.

5.2 Descriptive Statistics for Macro Environment

The paper examined twenty-two descriptive statements using a five-point Likert type scale. The outcome was as shown in Table 2.

Table 2: Descriptive Statistics for Macro Environment

Descriptive Statements for Macro Environment	N	Mean	Std. dev	CV %
Economic				
Unemployment rates have been reduced in slums	113	4.10	0.906	22.1
It is much easier to start a business if you have access to cheap credit	113	3.92	1.019	26.0
Tax cuts by the government on essential products and service reduce the cost of doing business	112	3.73	1.155	30.9
There is equitable distribution of economic resources	113	3.63	1.120	30.9
It is easier to start small business today than 5 years back	113	3.62	1.305	36.0
High interest rates on loans limit raising sufficient resources for business growth	112	3.54	1.162	32.8
Social cultural				
We experience better relationships and trust	113	4.21	0.749	17.8
Beneficiaries are socially empowered	114	4.07	1.028	25.3
There are good healthcare services	113	3.77	0.982	26.1
There are basic amenities to majority of the people	114	3.63	1.099	30.3
There is reduced mental health stigma	111	3.63	1.017	28.0
There is reduced high risk behavior	111	3.53	1.242	35.2
There is access to food aid in times of famine	112	3.52	1.266	36.0
Social-cultural beliefs influence poverty	112	3.45	1.146	33.2
Disasters such as fire are quickly controlled	111	3.11	1.310	42.1
Technological				
There are changes in technology for efficiency	113	4.01	1.004	25.1
There is increased number of internet users	113	3.77	1.232	32.7

Descriptive Statements for Macro Environment	N	Mean	Std. dev	CV %
There is access to appropriate technology for quality products	112	3.63	1.208	33.2
Political				
Changes in political scenes affect FBEs activities	112	3.88	1.137	29.3
There are human rights protection policies	110	3.70	1.130	30.5
There is national leadership support for FBEs	111	3.08	1.315	42.7
FBEs are exempted from paying tax	110	2.45	1.399	57.0
Grand Mean & Std. dev		**3.64**	**1.133**	**32.0**

Note N is number of observations, SD is standard deviation, CV is coefficient of variation

Where N is below 115, it indicates that information was missing or subjects did not answer.

The study mean scores for the 22 items on the macro environment factors of economic, social cultural, technological and political were above 3 apart from exempt from paying tax which had the highest coefficient variation of 57 percent. This implies that most respondents did not regard FBE exemption from paying tax to be a decisive factor of adding success to beneficiary poverty reduction as it appeared was of little effect. The measurement of extent to which better relationships and trust was experienced had the high mean score of 4.21 and the lowest coefficient variation of 17.8 percent. This analysis implies that relationships and trust are strong ingredients that positively influence BPR.

Further, the extent to which unemployment rates had been reduced within the slums recorded a mean score of 4.10 with a coefficient variation of 22.1 percent. This implies that through the effects of macro environment, FBEs had reduced unemployment and increased employment rates amongst beneficiaries within the slums under study. Response whether it was easier to start a business if one had access to cheap credit had mean score of 3.92 with a moderately low coefficient variation of 26 percent. This finding implies that to a large extent cheap credit promotes business startups for BPR.

The statement that tax cuts by the government on essential products and services reduce the cost of doing business had high mean score of 3.73 with low coefficient variation of 30.9 percent. This finding indicates approval that tax cuts by government on essential goods and services promotes savings, which may be channeled to business for wealth creation. The low coefficient variation may imply that tax exemptions may flow positive benefits to FBEs for BPR.

Likewise, the measurement for equitable distribution of economic resources scored a mean of 3.63 meaning most respondents agreed equitable distribution of economic resources was practiced by the FBEs to spread incomes for beneficiary poverty reduction. This concurs with findings that SMEs contribute to the distribution of incomes, as they are located in most parts of the country.

On starting a small business today than five years back had an average mean of 3.62 and high coefficient of variation 36 percent. The high coefficient variation is an indication that the environment for starting new small business had not improved compared to previous periods. High interest rates on loans limits finances for business growth had low mean of 3.54 with high coefficient of variation 32.8 percent. The low mean implies that interest on loans, limits raising sufficient resources for business growth. The high coefficient of variation 32.8 may imply that expensive loans affect business expansion as few beneficiaries take risks to borrow. This means that FBEs have to find cheap sources of credit for lending to beneficiaries to grow business. This also indicates that lack of financing is a major impediment to BPR within the slums of Nairobi.

The social cultural factor mean score for beneficiaries' social empowerment was 4.07. This means that with interventions, beneficiaries are assisted to manage their own destinies, have self-confidence and live happy lives. This means that beneficiaries could be able to address discourses that trap them in poverty for better social change. The measurement for good health care facilities had a mean score of 3.77 with a coefficient variation of 26.1 percent. The moderate mean score and moderate coefficient of variation may imply that on average the beneficiaries had access to good health care thus safe from diseases like malaria and typhoid which are rampant within the slums of Nairobi, Kenya. However, this finding could be a wakeup call for authorities to focus on this crucial sector for better health services to the slums dwellers for better living.

On basic amenities to majority of the people, the mean was 3.63 and coefficient variation of 30.3 percent meaning that essential services such as running water and toilets exist in some parts of the slums.

This outcome implies that beneficiaries through FBEs had access to basic needs for happy living. However, the high coefficient variation implies that the services do not reach the majority. This is a commendable deviation from the flying toilets scenario as had been commonly observed in Kibera slum. Similarly, the measure for reduced mental health stigma had a mean score of 3.63 while that of reduced high-risk behavior scored a mean of 3.53 and access to food aid at mean score of 3.52. This implies that most respondents agreed there was reduction in mental health stigma, high-risk behavior and there is access to food.

Additionally, the social cultural factor lead indicator was better relationships and trust. This had a mean score of 4.21 with a low coefficient variation of 17.8 percent implying that relationships and trust influence BPR. This also means that the hosting of cultural events by FBES for beneficiaries promotes trust and better relationships thus peaceful living and society cohesiveness. However, the measurement for social cultural beliefs in influencing poverty had the low mean of 3.45 with a high coefficient of variation 33.2 percent. The high co-efficient variation of 33.2 percent may imply that cultural influence adversely affects the growth of business enterprises, which prompts a further debate on this aspect This depicts that cultural beliefs positively and negatively influence beneficiary poverty reduction depending on the slum. This finding implies that social cultural inclinations of individuals shape their entrepreneurial behaviour positively or negatively.

Disasters control scored a low mean of 3.11, with high coefficient of variation 42.1 percent. This implies that FBEs have a limited mechanism to combat disasters. The finding shows that there are no capacities within the slums to quickly control disasters. Thus, there is need for

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government to assist more in disaster management within the slums of Nairobi, Kenya.

The technology factor for efficiency had a high mean score of 4.01 with a low coefficient variation of 25.1 percent. That for increased internet users scored a mean of 3.77 with access to appropriate technology for quality products having the lowest mean of 3.63. The responses on technology factor indicators have all high mean scores implying that technology was embraced to bring efficiency in the delivery of social value by FBEs as the use of internet was observed to have had an upward trend.

The technology indicator had the highest mean scoring 4.01 with a low coefficient variation of 25.1 percent. This probably explains why beneficiaries are able to produce high quality products to markets for instance weaved shoes and baskets. In effect, it may be an indication that beneficiaries are now better informed for business decisions using the internet platforms such as electronic application of business permits and mobile telephone money payments and transfers for ease of incomes thus contributing positively to beneficiary poverty reduction within the slums of Nairobi. This is in agreement Ramayah *et al.* (2013) posit that technology when adopted brings superior outcomes in performance of an enterprise than the application of traditional methods, which slows growth.

The descriptive finding on political environment scenes affecting activities of the FBEs had the highest mean score of 3.88 with a coefficient variation of 29.3 percent. The high mean and low coefficient of variation percentage implies that changes in political scenes indeed affect operations of FBEs within the slums. Okeyo (2013) concurs political scenes affect SMEs operations. Analysis for human rights protection policies scored

a mean of 3.70 and moderately low coefficient of variation 30.5 percent. The finding is indication human protection policies exist.

The national leadership support for FBEs had a low mean score of 3.08 and high coefficient variation of 42.7 percent. The low mean score and high coefficient of variation percentage on support from national leadership is an indication of little support by the Government being extended to the FBEs in activities for BPR. This probably implies that poverty reduction policy for the slums is a failure or simply means it is lacking. There is need for FBEs to lobby policy makers fix the inefficient practices and develop policies that stimulate economic growth to create wealth within the slums of Nairobi.

On the other hand, the extent to which FBEs are exempted from paying tax had the lowest mean of 2.45 with the highest coefficient variation of 57 percent. The high coefficient variation implies that FBEs are not exempted from tax and if any, it is practiced to a less extent. This means exemption of FBEs products and services from taxation is practiced to a less extent. There is need for the government to consider implementing the Public Benefit Organization Act 2013 to strengthen FBEs activities in beneficiary poverty reduction.

5.3 The moderating effect of Macro Environment on the relationship between Interventions and Beneficiary Poverty Reduction.

Macro environment was conceptualized by this paper as the moderator in the relationship between interventions and beneficiary poverty reduction. To achieve this, regression analysis was done to test the hypothesis that Macro environment factors have a significant moderating effect on the relationship between interventions and beneficiary poverty reduction by FBEs within the slums of

Nairobi. The result of the analysis follows   Table 3.

Table 3: Relationship between Interventions, Macro Environment and Beneficiary Poverty Reduction by Faith Based Enterprise within the Slums of Nairobi

Model Summary[d]										
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**	**Change Statistics**					**Durbin-Watson**
					R Square Change	**F Change**	**df1**	**df2**	**Sig. F Change**	
1	.472[a]	.223	.213	2.88139	.223	22.057	1	77	.000	
2	.729[b]	.531	.519	2.25287	.308	49.958	1	76	.000	
3	.735[c]	.541	.522	2.24468	.010	1.555	1	75	.216	1.334

ANOVA[a]						
Model		**Sum of Squares**	**Df**	**Mean Square**	**F**	**Sig.**
1	Regression	183.131	1	183.131	22.057	.000[b]
	Residual	639.286	77	8.302		
	Total	822.417	78			
2	Regression	436.686	2	218.343	43.020	.000[c]
	Residual	385.731	76	5.075		
	Total	822.417	78			
3	Regression	444.523	3	148.174	29.408	.000[d]
	Residual	377.894	75	5.039		
	Total	822.417	78			

Coefficients[a]								
Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**	**Collinearity Statistics**	
		B	**Std. Error**	**Beta**			**Tolerance**	**VIF**
1	(Constant)	8.535	2.011		4.245	.000		
	Interventions	.533	.113	.472	4.697	.000	1.000	1.000
2	(Constant)	2.268	1.805		1.257	.213		
	Interventions	-.019	.118	-.017	-.162	.872	.563	1.775
	Macro Environment	.874	.124	.740	7.068	.000	.563	1.775
3	(Constant)	13.807	9.426		1.465	.147		

	Interventions	-.709	.565	-.628	-1.254	.214	.024	40.951
	Macro Environment	.227	.533	.192	.426	.671	.030	33.220
	Interact Intervention ME	.038	.030	1.060	1.247	.216	.008	118.005

a. Predictors: (Constant), Interventions
b. Predictors: (Constant), Interventions, Macro Environment
c. Predictors: (Constant), Interventions, Macro Environment, Interact Intervention ME
d. Dependent Variable: Beneficiary poverty reduction

Results of Model 2, Table 3 provide correlation coefficient as 0.729, which shows strong correlation between interventions of macro environment alone with BPR.

The model equation is given as:

Beneficiary poverty reduction = 2.268 - 0.19interventions + 0.874 micro environment.

Thus, with increase in interventions by 1 unit (percent) would result in the decrease by 0.19 unit in BPR, which is not statistically significant. On the other hand 1 unit (percent) increase in ME would cause an increase of 0.874 units in BPR, which is statistically significant.

Model 3, which additionally includes interaction term is not statistically significant as the p-value for ME was 0.216 > 0.05, though shows strong correlation (0.735) amongst the variables.

The hypothesis that ME factors have a significant moderating effect on the relationship between Interventions and BPR by FBEs within the slums of Nairobi, Kenya was thus not supported and rejected.

5.4 Analysis of qualitative data:

Analysis of Qualitative data on macro environment factors was done using content analysis, identification, grouping themes and sub themes on items for each factor. It was observed that technology indirectly improved security situation within slums. Installation of CCTV cameras in business premises is a case in point that has improved security of the people in slums. On the contrary, mobile phones intensified mistrust levels in families, threatening the institution of marriage due to suspicion particularly by male spouses.

The political environment had negative effect on the lives of people living in slums. Irresponsible leadership and incitement by politicians frustrate the success of Beneficiary poverty reduction activities. Poverty exigencies within the slums of Nairobi are alarming. Research interview participant from Mukuru Promotion Centre accounted that Faith based enterprises may not manage alone the turnaround on poverty without backstops by authorities on exploitations that:

...landlords rent property on land they do not own; politicians and their cartels organize gangs which they pay through controlling services such as water and grants; pimps take young girls and boys into paid sex and traffickers in babies who sell babies for adoption.

6.0 Discussion of Results

The study objective was to determine the moderating effect of Macro environment (ME) on the relationship between interventions and Beneficiary Poverty Reduction (BPR) by FBEs within the slums of Nairobi, Kenya. The discussion of the study results is interpreted in relation to the moderating effect of Macro environment.

Result of model 2 Table 3 show strong intervention of ME alone with BPR providing correlation coefficient as 0.729. On the other hand 1 unit increase in ME would cause increase of 0.874 units in BPR, which is statistically significant. This indicates the viability of the Macro environment moderation in the relationship between interventions and BPR. However, results of the analysis model 3 show Macro Environment p-value was .216, which is >0.05. This implies that the moderation effect of ME on the relationships between interventions and BPR was not statistically significant.

This result contradicts Scribner, Theau, Mason, Schneider, Towvim and Dejong (2011) posit macro environment has positive moderating relationship between enterprise actions and performance. However, Lindley and Walker (1993) assert Macro environment as moderator may positively or negatively affect relationships between enterprise actions and performance.

This argument corroborates Pearce, Robinson and Mital (2012) finding that macro environment as a moderator may negatively affect relationships between the predictor constructs but still its factors exhibit influence in enterprise performance. Further, evidence from the descriptive analysis indicates Macro environment positively contributes to BPR.

7.0 Conclusion

The paper outcome show Macro environment does not have a statistically significant moderating effect on the relationship between interventions and BPR by FBEs within the slums of Nairobi Kenya. However, based on model II results, it links Macro environment to interventions and BPR which corroborates to Pearce et al. (2012). This implies that despite the Macro environment lack of moderation in relationship between interventions and beneficiary poverty reduction, its effect exists. This leads to the suggestion that management teams of FBEs with due diligence need to consider scanning the macro environment for options that can enhance actions to spur beneficiary poverty reduction.

Technology has improved the security situation in the slums particularly with the fitting of CCTV cameras in business premises. However, FBEs lack technology capacities to survive in the competitive changing macro environment for resources. This warrants macro environment undertakings such as social innovation to diffuse technology for competencies in interventions and BPR. Perren and Grant (2001) posit entrepreneurs' competencies gained through suitable skills positively affect enterprise actions.

There is lack of low interest loans for interventions to spur beneficiary poverty reduction. Bradley (2009) posit donor funding and grants to non-profit enterprises is diminishing. There is need to mobilize resources through congregational social networks. The accumulated savings would in turn be utilized to offer beneficiaries repayable small low interest loans to start small business.

8.0 Implications of the study

The finding moderating effect of Macro environment not statistically significant in the relationship between interventions and beneficiary poverty reduction highlights value to theory as it explains need to scan environment information for resources to best management practices. Technology drives all aspects of the economy. To avoid obsolescence, Faith based enterprises should put insights on technology adoption for competencies in actions to enhance beneficiary poverty reduction.

There is lack of shelter within the slums as most of the beneficiaries are confined to makeshift shanties with limited toilet facilities and lack safe hygiene. A legal framework is paramount for housing policy and policy to specifically guide FBEs operations as it is absent. The government need to gazette the Public Benefit Organizations Act (2013) for implementation to strengthen nonprofit actions to reduce poverty.

There is need for policy that guides FBEs to strengthen human resource, financial and technology capabilities to bridge the digital divide. The authorities can strive to strengthen such capacities to effectively reach the poor within the slums. In effect, this may interest development partners in building new funding outfits for poverty reduction.

9.0 Limitations

The study used the descriptive cross-sectional research design. This involved collection of data at a certain point of time. Further research could use the grounded theory as envisaged Strauss and Corbin (1990) for deeper insights.

Secondly, the study was limited to FBEs within specific slums of Nairobi. This excluded FBEs of other towns. A replica of the study could be done with a broader scope covering FBEs in slums of other towns such as Mombasa and Kisumu. In essence, this would widely interrogate the moderating effect of macro environment in the relationship between interventions and beneficiary poverty reduction. Overall, there is need for more of these studies as findings show it impacts positively on society.

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