Effect of Strategic Management Practices on the Performance of Non-Governmental Organizations: Case of Shabelle Relief & Development Organization (Shardo) Mogadishu Somalia

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ABSTRACT
Organization need to have set objectives and goals for sustainability and profitability. These can only be achieved through strategic management practices. Mission, vision and goal setting in an organization can only give an organization a desired goal to be achieved. This proposal therefore seeks to identify the effect of strategic management practices on the performance of an organization. The study general objective is to assess the effect of strategic management practices on the performance of Shabelle Relief & Development Organization (SHARDO) Mogadishu Somalia. The study specifically sought to achieve this objective through the investigating the effect of strategic direction on performance of Shabelle Relief & Development Organization (SHARDO) Mogadishu Somalia, examine the effect of strategic innovation on the performance of Shabelle Relief & Development Organization (SHARDO) Mogadishu Somalia and identify the effect of organization culture on the performance of Shabelle Relief & Development Organization (SHARDO) Mogadishu Somalia. The study used descriptive research design. The study targeted a population of 128 employees of Shabelle Relief & Development Organization in Mogadishu Somalia. The study sample size was 91 employees of Shabelle Relief & Development Organization in Mogadishu Somalia. Both secondary data and primary data were used in the study. Primary data collected with the aid of questionnaire was edited, analyzed quantitatively using SPSS version 24. Inferential statistics was done with regression analysis model where the researcher tested the correlation between strategy implementation and performances of NGO’s. From the findings, the four independent variables collectively accounted for 77.4% of the variations in organization performance at SHARDO. The study further indicated that organization culture, strategic communication and strategic innovation had a positive and significant effect on organization performance at SHARDO.

Introduction
The existence of NGOs dates back as far as early 1807, the time British government put an end to slave trade. This led to formation of a number of organized and non-profit activities to address issues of slavery. It was during this period that today’s major world NGOs were formed. For instance, ICRC, founded in 1864, has become one of the leading humanitarian organizations in conflict areas. The American Friends Service Committee in 1917; Save the Children came into being in 1919, and then Oxfam in 1942. There main purpose was to address the issues of victims of war. However, after World War II, many service-oriented organizations such as Salvation Army, YMCA, and YWCA that preferred neutrality than political confrontation emerged to give aid and postwar reconstruction.

In early 1960’s and 70’s, NGOs expanded their roles as lobbyists and campaigners to bring into attention to the causes human sufferings. During this period, Amnesty International, MSF, Christian Aid and Oxfam came into existence to advocate for the oppressed in the society and critics of states, multilateral organizations and their positions on war and violence on human.

Their role in responding to man-made emergencies or natural disasters with humanitarian assistance began to take shape. But, it was not until late 1980s that international humanitarian NGOs, stated to provide humanitarian aid, this significantly changed the role of NGOs (Fitzduff, Church, 2004)

In terms of funding, many NGOs are externally-funded, while others are locally funded. The new attention given to NGOs at this time brought large quantities of aid resources, efforts at building the capacity of NGOs to scale up their work, and led ultimately to important changes in mainstream development thinking and practice, including new ideas about participation, empowerment, gender, and a range of people centered approaches to poverty reduction work. For example, Cernea (1988: 8) argued that NGOs embodied “a philosophy that recognizes the centrality of people in development policies,” and that this along with some other factors gave them “ comparative advantages” over government. As the first wave of academic literature on NGOs began to emerge, in the 1990s (such as Clark, 1990, Korten, 1991, Fowler, 1997) questions about NGOs performance and accountability began to emerge, later, theoretically detailed research on
NGOs stated to take a center stage within the field of development studies (e.g., Hilhorst, 2003; Igoe & Kelsall, 2005). Ever since NGOs have received fierce criticism on accountability and performance (Tvedt, 1998).

In Kenya the spirit self-help movement “harambee” is well-documented a structure built on kinship and neighborhood ties, this idea was mooted and was incorporated by late President Kenyatta as part of a reconstruction campaign to build a new infrastructure after Independence. In the field of humanitarian action and response, there have also been strong criticisms of NGOs that have failed to live up to expectations in providing assistance in emergency situations, with their critics pointing to institutional self-interest by individual NGOs, a lack of coordination leading to duplication of effort, limited understanding of local circumstances among international NGOs and a naive approach to the underlying causes of conflict and instability.

In Kenya, the public NGOs have experienced redundancies, cost cutting, closure of operations and challenges due to political interference from governments. These factors have encouraged and forced NGOs to formulate and implement effective business strategies as they are viewed as enabler of organization growth as it streamlines internal operations and stimulate access to business opportunities and markets; enhance business-related efficiencies, increase productivity and sustainability. Management strategies in all the sectors of NGOs have been undertaken since 2002 with the goal of improving service delivery, increasing efficiency, expanding service and channel offering and meeting the demands of citizens for quality services in a manner that is consistent with their range of financial, environmental, and social concerns, (Awuondo & Abdikadir, 2013).

In Tanzania and other neighbouring countries, performance of NGOs has continuously been unimpressive due to lack of stakeholders’ involvement. This has thus called for studies into the possible causes of this unsatisfactory performance NGOs and the methods in which this performance can be revived. The studies found out that the most notable cause for poor performance among the NGOs is the lack of strategies thus the leading to poor management and performance. Aspects like corruption, mending in to current political situations in a country and lack of focused goals has seen many NGOs within the region failing to fully achieve their intended goals and thus failing to be sustainable. This has also resulted to withdrawal of funding from the funding sources. (Diamond & Khemani 2011, Muleri, 2011)

Somalia is located in the Horn of Africa, adjacent to the Arabian Peninsula. The current administration is making efforts to rebuild the systems of internal control so there is no research made by the private companies and their strategic management there is some improvement in adherence to systems of control in contrast to the recent past, although, a lot more needs to be done to strengthen the overall systems of internal control (Farah, 2012). Strategic management processes have been practiced in Somali based firms but not with much required results as attested by (Griffin, 2006). Productivity has not been fully realized and much is required to fully have strategic goals and objectives direct the functions within Somali based firms.

In his study The Relationship between Strategic Management and Organizational Performance in Mogadishu-Somalia Mohamud G. y et all (2015) identified that Somali based firms never took into consideration the importance of strategic management in realizing greater performance results. They further stated that Somali based firms need to fully integrate strategic management practices in their functions, implement and monitor inorder to fully realize performance.

**Role of NGOs**

NGOs assumes a wide range of activities, their roles can be explored by examining three main components: implementer, catalyst, and partner (Lewis, 2007). The implementer role is concerned with the mobilization of resources to provide goods and services to people who need them. Service delivery is carried out by NGOs across a wide range of fields such as healthcare, microfinance, agricultural extension, emergency relief, and human rights. This role has increased NGOs prominence since the late 1980s.

NGOs are both secular and “faith based” organizations. Some NGOs may be charitable and paternalistic, while others were formed with the aim to pursue drastic or to empower the society. Morris-Suzuki (2000) noted that “NGOs may pursue change, but they can equally work to maintain existing social and political systems.” Their efforts to inspire, facilitate has contributed greatly to the promotion of social transformation in the society. This effort is usually directed towards individuals or groups in local communities, or among other actors in development such as government, business or donors. It may include grassroots organizing and group formation, gender and empowerment work, lobbying and advocacy work, and attempts to influence wider policy processes through innovation, and policy entrepreneurship. The role of partner reflects the growing trend for NGOs to work with government, donors and the private sector on joint activities, such as providing specific inputs within a broader multiagency program or project, or undertaking socially responsible business initiatives.

From the late 1980s, NGOs has presumed a far bigger role in development than the earlier ones. When they were first discovered, they were recognized and regarded by international community as a solution to development problems caused by inefficient government. In terms of public services provision, NGOs have gained much acceptance a cost-effective alternative to public sector service delivery.

The impact of Non-Governmental Organizations (NGOs) to our economy and social development cannot be understated. The increasing demand for their services and proper management of projects is overwhelming. However, these organizations are facing numerous challenges such as competition, diverse culture, and demand for information from donors, customers and volunteers. There is therefore need to review their operational strategies for them gain a competitive edge over others.

Stafford et al (2013) states that for an organization to achieve its specific goals and fulfill its mission, it must have strong control and a persistent dedication over a given period of time.

This implies that without good strategies, performance would be compromised. The use of innovation, culture, direction and communication strategies can be powerful cogency tool to help them open up these exhilarating opportunities for them achieve their missions and goals in an effective way. As Ansoff (1987) states that “organizational performance can achieved when all the parts of an organization work together to achieve desired results”.

However, less research has been done on the service and
performance of NGOs sector. It is therefore, important that management appreciate the potential of these strategies and seek newer ways of solving a problem, enhances employees’ intrinsic motivation to perform (Park and Kim, 2009) This study seeks to determine the effect on implementation of innovation strategy, direction strategy, strategic culture and communication strategy on performance of non-governmental organization and provide relevant findings on the effects of above strategies on performance of non-governmental organization.

**Objective of the study**

i. To investigate the effect of strategic direction on performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia

ii. To examine the effect of strategic innovation on the performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia

iii. To establish the effect of strategic communication on the performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia

iv. To identify the effect of organization culture on the performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia

**Literature Review**

**Theoretical Framework**

A theory is defined as a set of interrelated concepts, definitions, and propositions that present a systematic view of phenomena by specifying relations among variables with the purpose of explaining or predicting the Phenomena. This study was based on Contingency Theory

**Stewardship Theory**

The theory is based on the definition of a steward as a person who is interested in doing a good job in order to be a good steward of the corporate assets. This however depends on enabling structure and environment to do a good job by facilitating effective decision and action. Ambiguity, role conflict, and lack of empowering structures are thus seen by stewardship theory as factors that hamper effective action. In this regard, the steward is not a manager in the sense employed in agency theory, as one who is responsible but not trusted. Instead, the steward’s role is seen as a caretaker or an individual for whom the prosperity of the firm is internalized as something good. (Licker, 2007)

The theory has thus been framed as the organizational behavior counterweight to rational action theories of management since it holds that there is no conflict of interest between managers and owners, and that the goal of governance is, precisely, to find the mechanisms and structure that facilitate the most effective coordination between the two parties (Wells 2002). It also holds that there is no inherent problem of executive control, meaning that organizational managers tend to be benign in their actions (Pastoriza & Arinio 2006). The theory thus proposes that effective structures will assist the stewards to attain superior performance by their corporations to the extent that the CEO exercises complete authority over the corporation and that their role is unambiguous and unchallenged.

The theory also proposes that decision making structures within the organization should allow the Chief executive sufficient control over the business process in order to enable the chief executive be a real steward thus a centralized and full control management system is proposed by this theory. This situation is attained more readily where the CEO is also chair of the board. Power and authority are concentrated in one person giving no room for doubt as to who has authority or responsibility over a particular matter. Boyd et al (2012) argues that under such a system, the expectations about corporate leadership will be clearer and more consistent both for subordinate managers and for other members of the corporate board and that the organization will enjoy the classic benefits of unity of direction and of strong command and control. Strategies in this aspect thus ensure unity of direction in order to enhance competitive advantage thus sustainable performance of the business organization. (Pastoriza & Arinio 2006)

**Contingency Theory**

Contingency theory is more concerned with organizational structure which entails both the formal and the informal organization of hierarchical and information as well as decision making structures within an organization. The contingency approach to management has its roots in general systems theory and the open systems perspective. This open systems perspective views the complex organization as a set of interdependent parts that, together, constitute a whole which, in turn, is interdependent with the larger environment. The interactive nature of the elements within the organization and between the organization and the environment result in at least two open system characteristics that are central to the contingency approach. The principle of adaptation asserts that the elements within the system adapt to one another to preserve the basic character of the system. In addition, the principle of equifinality holds that a system can reach the same final state from differing initial conditions and by a variety of paths, (Hahn, 2007).

The theory is further based on the works of Lawrence and Lorsch (1967) who observed that uncertain environments require more organic structures with less formalized structures and more decentralized decision making which would eliminate unnecessary bureaucracy thus allowing for easier response to changes in the environment. The theory thus is based on the fact that organizational performance depends on how fast it adapts to the environmental changes in order to remain relevant to its stake holders. The theory holds that the most effective organizational structural design is where the structure fits the contingencies. Fielder (1997) modified the structure to specifically concentrate on the hierarchical relationships in the organization and more precisely the management style such as high control at the top and decentralized systems. The argument of this is that more decentralized systems showed higher innovation, greater employee satisfaction and as a result higher performance as opposed to the high control environment of the stewardship theory.

Moreover, Zeithaml (1998) asserts that organizations are problem-facing and problem-solving entities which develop processes for searching, learning and deciding in an attempt to achieve a satisfactory level of performance under norms of bounded rationality. As a result, organizational decision-makers undertake rational decisions designed to cope with the complexity and uncertainty of their situations, all of which result in deliberate decisions known as strategy. The sets of plans and decisions or strategies used by the managers in the process are thus use to determine the effectiveness of the managers. The theory also holds that there are different levels of fit such as technological, human capital quality management and decision making structures each with different performance levels. This then holds that an organization can move from one level of fit to the other gradually by laying out a strategic map which gives guidelines for the gradual change until it gets its optimum.
level of fit which is the equal performance of all the fit points of the organization. This is the format used by ISO to measure organizational performance and efficiency (Demeester and Grahovac, 2005).

Snow et al (2006) argue that as much as an organization may not attain full fit, it can attain a quasi-fit, that is, a structure that only partially fits the contingencies. The assertion is that this quasi-fit status may still increase performance sufficient to produce some expansion in the contingencies. Thus an organization that is in misfit by being below the fit line can follow a growth path of increasing its organizational size and structure by moving into quasi-fit, rather than full fit. For such an organization in misfit, it may increase its structure sufficiently to move up onto the quasi-fit line. This level of fit produces an increase in the performance of the organization, though less than would be produced if the organization had moved into full fit. Nevertheless, this quasi-fit produces a sufficient increase in performance that the organization has new surplus resources that allow it to grow. This increment of growth propels the organization forward into a new state of misfit, which again can be resolved by the organization increasing its structural level sufficient to attain move back onto the quasi-fit line.

Gregory et al (2005) however argue that over decentralization leads to parallel objectives thus not meeting the organizational objectives. Crandall and Crandal (2011) agree with this sentiment by asserting that some business environments and situations are better handled using the high control leadership structure. As a result Boyd et al (2012) proposes that contingency is the ability of an organization to allow for appropriate use of high control and decentralization based on the prevailing business environment at the time such that a balanced blend of high control and decentralization can be used to ensure optimum performance. Hahn (2007) suggests that contingency theory makes it possible to draw from other management theories. This suggestion conceptualizes a scenario where a firm is faced with decreasing profits and for solving the problem, the management is faced with three possible solutions from three different theoretical foundations such as use of time studies derived from the classical management theory to increase productivity of the workers, or the involvement of workers in improving work methods as given by the behavioral management theory, as well as the establishment of a team of sales and production personnel to coordinate sales and production as proposed for in the systems theory. He then asserts that, rather than doing all three, contingency theory stresses the need to first determine the true cause of the problem and select the action that will offer the best solution. In other words, the solution must fit the problem.

Ketovi (2006) argues that contingency theory advocates for flexibility strategies. Flexibility, according to him, implies that managers are using strategies that enable them to best match their capabilities with the demands of their operating environment. He thus conducted a study which examined how managers used different flexibility strategies to meet environmental demands, demand variability and demand predictability. The results indicated that the plants with high predictability and moderate variability were most successful when they used a reduction strategy while successful plants with low predictability and moderate variability were more successful when they used banking strategy which involved building inventory ahead of demand or an adaptation strategy which to varied output to meet demand. Specialized strategies are thus needed to align management and organizational structure with the required input output model to ensure sustainable performance of the organization.

Organizational Culture Theory

The study also used the Organizational Culture Theory. The concepts of culture involves around two distinct disciplines; anthropology and sociology. These concepts have been recognized and applied to organizational studies since 1980’s (Schein, 1988). From Anthropology perspectives, culture is viewed as a metaphor for organizations. It defines organization as being assemblage of cultures. However, sociology takes a functionalist view and defines culture as something an organization possesses. Despite the separate definitions of organizational culture, there seems to be a consensus.

The most widely applied organizational culture framework is that of Edgar Schein (1988) who adopts the functionalist view. He define culture as a pattern of basic assumptions, invented, discovered, or developed by a given group, as it learns to cope with its problems of internal integration and external adaptation. To that extend, the internal integration have worked well to date in many organization and have been considered valid. It therefore important that this culture is taught to new members joining organization to achieve culture unifications in the organization.

The theory further establishes that there is no single type of organizational culture, the organizational cultures varies from one organization to the other.Hofstede (1980) in his findings illustrates that there are national and regional cultural groupings that can affect behavior of organizations.O’Reilly, Cardick and Newton (1991, 2005) believes that cultures can be differentiated by values organizations embraces and reinforces. Deal and Kennedy (1982) argue a good, well-aligned culture can propel organization to success. However, the wrong culture will stifle its ability to adapt to a fast-changing world. It is prudent that the management try to understand and take steps to create a strong culture that will best support your organization's activities. In line with Edgar Schein arguments, Schein (2005) adds that organization culture theory is a pattern of shared basic assumptions learned by a group as it solves its problems of external adaptation and internal integration that has worked well enough to be considered valid and therefore to be taught to new members as correct way to perceive, feel and think in relation to the problems. Studies (Peters & Waterman, 1982; Aldins& Caldwell, 1991) suggest that efficiency outcomes are associated directly or indirectly with organizational culture. A culture of efficiency, effectiveness, commitment and oneness is robust and would provide positive outcomes in the organization. This theory suggests that organization culture helps an organization create the norms a s a guiding point to efficiency and success.

Conceptual Framework

The overall conceptual model for this study presented below (Figure 2.1), emphasizes the effects of strategic direction, strategic innovation, strategic communication and strategic culture as independent variables and implementation performance of NGO’s, as dependent variable in Kenya. The study sought the role of the four independent variable on the dependent variable.
Strategic direction and performance of NGO’s

Strategic direction is organization’s roadmap to success. NGO’s across the globe offers varied essential services in all areas that affect human life such as education, healthcare, disaster relief, social work, etc., for the overall enhancement of the human condition (Ahmed, 2013). However, these NGO’s face numerous internal management that ranges from strategic planning, budgeting, staffing, leadership as well as external management challenges. Due to these challenges, several scholars argue that there is need for strategic leaders to determine the strategic direction of their respective organizations. Hrebiniak (2013) adds that interrelationship of different key decisions and actions combined with logical flow between different components can enhance performance in NGO’s. According to Hill et al (2007, p 5) designing appropriate organizational structures and control systems to put the organization’s chosen strategy into action”, and follow-up actions (Brenes et al. 2008) effects performance of NGO’s. Lear (2012) suggests that the choice of strategic direction determines the success and survival of organization. He emphasizes that there is need to focus on organization’s long-term vision. However, these NGO’s as stated by Holloway (2012), they are ill equipped, and under financed to respond to ever growing public demands, hence the need for strategic leadership. The strategic leaders have the responsibility to explicitly display and explain the mission statements of their organizations which enables everyone to understand the overall direction of the organization. Bryson (2011) in his findings observed that strategic direction in organization’s setting is very important and stated that strategic planning can help leaders and managers of both public and NGO’s think, learn, and act strategically.

The studies carried out by Hitt & Ireland, (2002), Serfontein, (2010), Lear, (2012), Obiwuru et al, (2011), Seleim et al, (2006), and Bryson, (2011) established that there is a significant positive correlation between strategic direction and NGO’s performance. Carter and Greer (2013) clarifies that it is possible to achieve the triple bottom line performance measures with strategic leadership that provides strategic directions.

Strategic innovation and performance of NGO’s

Strategic innovation is a multi-functional approach that brings together all the creative assets, capabilities and disciplines of the organization to work together to generate breakthrough ideas that drives organization’s growth. Being a holistic, and systematic approach focused on generating beyond-incremental, break through or discontinuous innovations. Innovation strategic helps organization to create a difference in the value deliverer to consumers, customers, partners and the organization. A strategic innovation is all about how to tore-imagine growth strategy or how to renew innovation portfolio using a discipline yet creative process. There is need therefore, for the NGO management to take advantage of their sources of competitive advantage by consolidating corporate-wide technologies and skills into competencies that empower their respective organizations to adapt quickly to changing opportunities to enhance their performance by reinventing or redesigning its strategies that help it to drive its business growth, generate value for the organization, its customers, and create competitive advantage. Empirical evidence has revealed that by providing employees with opportunities to explore, investigate and experiment, creates an entrepreneurial organization culture that fosters innovative behavior (Amabile, Okinuwe, &Wenyi, 1996;
Woodman, Anderson, Hester, & Stringer 1993; Sackmann, 2003, 2006; Ulwick, 2002; and, Judge & Allan, 2007). In an entrepreneurial culture, members of the organization identify opportunities and risks based on their perceptions on internal and external organizational environment, to integrate available resources, and bring in other individuals to enable them to undertake creative and innovative ventures (Sternberg, Kaufman & Pretz, 2003; Mumford & Licuanan, 2004; Chen, 2007).

Damanpour (1991) notes internal communication as helpful to organizational innovativeness, while McDermott (1999) emphasizes that it is important to develop existing knowledge communities to facilitate information sharing. A sharing culture makes interaction, communication, and knowledge transfer possible (Damanpour, 1991; Ahmed, 1998; McDermott, 1999; Menzelet et al., 2008), which in turn, encourages exploratory behavior and learning. The culture of an organization is expected to be supportive of and consistent with the strategy being implemented (Johnson & Scholes, 1999).

Various studies have revealed that firms that embrace innovation strategy are more successful than those who do not (O’Regan, Ghobadian, & Gallear, 2005). Innovation enhances strategy effectiveness to maximize both value and growth. Such desirable outcomes are made possible by the enhanced execution and greater exploitation of employee creativity that innovation facilitates.

Strategic innovation is a guideline that makes a firm contemplate about why they innovate before trying to venture into innovation and a firm that does not make innovation a priority, jeopardizes growth and prosperity. Strategic innovation has financial implications and growth of a new product or service. It is a conduit through which ideas of strategic roles and a new product or service pass, thereby defining the strategic mission of new products or services. Lendel and Varmus (2011) posit that, strategic innovation is a formative strategies that shapes the approaches to aim, and ways to enhance and improve the innovative potential of a firm. It is believed that strategic helps top management to follow the activities of their competitors, to reach customer market information, to use firm resources effectively by making efficient investments in research and development (Oke, Walumbwa, & Myers, 2012). Organizations conduct their activities under internal and external contingencies. And, from contingency perspective, to manage uncertainties, organizations may try to improve their performance by applying effective strategies (Donaldson, 2001).

**Strategic Communication and performance of NGO’s**

Atkinson (2006) posits that effective communication in an organization leads to a clear understanding of roles and responsibilities of all stakeholders. Parmigiani & Holloway (2011) suggest that unit managers and employees should be encouraged embrace collocation. The collocation improves communication which ultimately leads to improvement in both quality service delivery and growth in the organization. This can be achieved through effective strategic control systems that facilitate information flow across organizational boundaries. According to Tourish (2005) two way communication that permits critical feedback as well as the willingness of employees to implement a strategy vital to organizational success.

The Kenya Red Cross does not use much of traditional communication methods such as advertising. It realized that to keep its brand on the national and international radar, has to device a superior public relations to keep highlighting its various humanitarian projects in the media. This has enabled it to maintain a high level of visibility in both national and international media. In 2005, Kenya Red Cross received the internationally recognized SGS Certification, the highest achievement of excellence for a Non-Governmental Organization. This certification placed the organization on a par with the best in the world at providing world-class services through transparency, accountability, integrity, good governance, leadership and management. This was possible through its integrated communication strategies that through it was able to break through media coverage and make the organization’s name or brand heard be remembered. Through these consistent messages an organization is more likely to be known and looked upon favorably by key stakeholders/donors.

Organizations have therefore increasingly put considerable effort into protecting their image by rigorously aligning and controlling all communication campaigns and all other contact points with stakeholders (Gray, 1998). Organizations also realized that messages in various media can complement one another, leading to a greater communication impact than any one single message can achieve. Because of the increasing costs of traditional mass media advertising and the opportunities afforded by the internet, many organizations have therefore re-examined their media Organizations have also become more creative in looking beyond corporate advertising to other media for communicating with stakeholders. Many organizations today use a range of media, including corporate blogs and internet communication such as websites, banners and sponsored online communities. The NGO’s are now devising communication strategies that involve the media whenever they want to sponsor a certain issue in the community to gain more trust from the public and donors. The importance of communication to the corporate world is to gain reputation. Reputation defines organization and motivates its people, this is seen as an asset and organization must strive to preserve Rahul Jacob (1995). According to (Joungwha Choia and Yoonhyeung Choi, 2009) a well-managed, sustainable and consistence communication policy is more effective and can reap long term benefits for the organization if approached with strategic integrity than one that disseminate disorderly and inconsistence messages.

In terms of communicating performance, the author believes we should evaluate and take into consideration: transparency-NGOs should operate open information policies, based on the presumption of disclosure, and make information easily accessible to relevant collaborators; ethical fundraising-NGOs responsibility to check that fundraising claims are ambitious but realistic, within the limits of what they can achieve; and for last, this framework defends the existence of a collaborative learning within the NGO sector (Jacobs, 2011), to form a collective effort to continually improve.Rapert et al. (2002) notes that with frequent communication between marketing and top management, increases strategic consensus which are rewarded with higher levels of marketing and organizational performance.

**Organization Culture and performance of NGO’s**

The organizational culture is what determines the way members of an organization interact with one another in the organization and outsiders (Malhotra, 2011). It is a set of values, beliefs, and norms shared by employees in an organization (Amstrong& Baron, 2006; Daft, 2010). In terms of the functionality, strategic culture affects directly the design and operation of the organization and hence how an
organization performs. According to Sun (2008) strategic culture defines organizational culture as the “set of theory” of important values, beliefs, and understandings that members share in common, which help managers to make decision and arrange activities of the organization.

However, in asserting the influences of organizational culture on performance of NGO’s, it is imperative to note that while some cultures are strictly enforced in some organizations, some organizations do not acknowledge the presence of organizational culture (Denison and Mishra, 1995; Johnson, 1966; Allaire and Firsroiu, 1984). It is therefore, important to understand the traits of organizational culture, which forms the basis in which managers maximize their influences on employees to enhance performance. Brown (1995) posits that strategic culture is a powerful tool for improving business performance, as it can be harnessed as a competitive advantage against the company’s competitors.

According to Hellriegel et al (2001) strategic culture that permits individual satisfaction and problems solving with minimum supervision is potential enabler of organizational performance. In this environment, employees will always know what is expected of them at all times (Sun, 2008). Martins (2000) agrees that strategic culture creates a competitive edge stability in an organization.

The ability to formulate strategic culture for an organization to be able to articulate, adopt and share its vision across all levels of employees determines the performance of NGO’s. Empirical evidence has shown that a well-entrenched strategic organizational culture empowers employees in performing their tasks to achieve the set goals gives. A case in point is Covenant University in Nigeria where students and staff adopted the core values and achieved positive productivity. According to Webometrics University ranking (2015), Covenant University was ranked as best as the best university in Nigeria, and West Africa. This in line with Sun (2008) argument that strategic culture is management’s tool used by managers to control and direct employee’s behavior, thereby building their commitment to the organization and its goals to enhance effective organizational performance. In asserting the influence organizational culture on performance, it is imperative to understand that some organizations do not acknowledge the presence of organizational culture (Denison and Mishra, 1995; Johnson, 1966; Allaire and Firsroiu, 1984). This demonstrates that to achieve a sense of belonging in NGO’s world, can be hard due diversity of its employees coupled with poor communications, lack of individual confidence and discrimination (Clarke & Ramalingam, 2008).

**Organization performance**

Performance measurement is the process of quantifying the efficiency and effectiveness of an action, an umbrella concept that integrates familiar business improvement methodologies with technology. Performance measurement encompasses the complete management planning and control cycle. (Horvath & Seither 2010). Amaratunga (2011) explains performance measurement as a process of assessing progress towards achieving pre-determined goals including information on the efficiency with which resources are transformed into goals and services, the quality of those outputs and outcomes, and the effectiveness of the organizational operations in terms of their specific contributions to organizational objectives. Performance measures for an NGO could be both financial and Non-financial measures. These can range from resource generation unit to program management unit as attested by Epstein & McFarlan, (2011).

However Non-governmental organization will mainly aim at improving service deliver to solve existing problems rather than gaining profits for its sustainability. Majority of non-governmental organization depend on funding as a source of their income and thus strategically placed to provide services rather than making profit. While providing services to the target clients, performance measurement in NGOs will mainly be based on sustainability, efficient service delivery as well as employee and customer satisfaction (Amaratunga 2011).

**Methodology**

The study was descriptive in nature. According to Mugenda (2015), descriptive design attempts to provide further insight into the research problem by describing the variables of interest. Descriptive research is meant to enhance a systematic description that is as accurate valid and reliable as possible. This design was selected because it explains and discusses the phenomena. The study will focused on Shabelle Relief & Development Organization in Mogadishu Somalia. The area has been selected because of its accessibility to the researcher. The target population of this study will be 128 employees of Shabelle Relief & Development Organization in Mogadishu Somalia (SHARDO, 2017).

Stratified sampling technique was used in this study. The researcher used the following Neyman allocation sample formulae to calculate the sample size:

\[ n = \frac{N}{1 + N(e^2)} \]

Whereby, N is the target population, n is the sample size and e is the level of precision in this study, 95% level of confidence will be used which gives 0.05 chance of deviation from the actual. Therefore;

\[ n = \frac{128}{1 + 128(0.05)^2} \]
\[ n = \frac{128}{1 + 128(0.0025)} \]
\[ n = \frac{128}{1 + 0.32} \]
\[ n = 128 / 1.32 \]
\[ n = 96.96 \] thus 97

The following regression model will be used to compute the effect of strategic implementation on the performance of non-governmental organizations case of SHARDO in Mogadishu, Somalia.

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \]

Where:

Y = organization performance (Dependent Variable)
X1 = Strategic Direction. (Independent Variable)
X2 = Strategic Innovation. (Independent Variable)
X3 = Strategic Communication. (Independent Variable)
X4 = Strategic Culture. (Independent Variable)
\( \epsilon \) = Error - The nearer the error term is close to zero the better the estimated regression model.

\( \beta_0 \) = Constant - the levels of performance when all independent variables are zero.
\( \beta_1, \beta_2, \) and \( \beta_3 \) and \( \beta_4 \) are regression coefficients of the four independent variables.

**Research Findings**

1. Effect of strategic direction on performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia
The researcher sought to determine the Effect of strategic direction on performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia. Respondents were expected to agree or negate to the statement on the eEffect of strategic direction on performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia. Respondents agreed to the statements that The organization has a Vision statement as a strategic direction indicator with mean of 3.96 sd= 0.761, Mission statement provides the organization with a long term plan for performance with mean of 3.88 sd=0.996, Goal setting enables the organization achieved its goals in the long run with mean of 3.64 sd=1.302 and Organization objectives met through realization of all strategic management practices with a mean of 3.57 sd=1.450.

### 2. Effect of strategic innovation on the performance Shabelle relief & development organization (SHARDO) Mogadishu Somalia

The study sought to examine the effect of strategic innovation on the performance Shabelle relief & development organization (SHARDO) Mogadishu Somalia It was measured using four sub variables. Based on the findings in table 2, it was clear that employee competencies are a desired element within the organization with mean of 4.21 sd= 0.624. The organization thorough innovation gains competitive advantage in the market with mean of 4.32, Sd=0.811.According to the respondents it is evident that, it is important that employee creativity is encouraged and supported as well as incentivized within the organization with mean of 3.48, Sd =0.504. Respondents also agreed that customer market information provides the organization with information on how to improve customer services delivery as well as improve of products and service with mean of 4.21 Sd=0.624

### 3. Effect of strategic communication on Shabelle relief & development organization (SHARDO) Mogadishu Somalia

The study also sought to investigate the effect of strategic communication on Shabelle relief & development organization (SHARDO) Mogadishu Somalia. The study sought to identify this effect with regards to four sub variables. The findings indicated that respondents agreed to the statement that public relations activities are encouraged within the organization, mean=4.70, Both customers and employees have free access to organization information, mean=4.46. The organization has strategic control systems tenable it attain its set objectives, mean=4.03, and that Collaborative learning is encouraged within the organization to foster learning and good communication as well as coordination within the organization with mean=4.30

### 4. Effect of organization culture on the performance Shabelle relief & development organization (SHARDO) Mogadishu Somalia

The study sought to identify the performance Shabelle relief & development organization (SHARDO) Mogadishu Somalia was measured using four variables and findings tabulated in table 4.6. The findings indicated that, at SHARDO both individuals and the organization have Goal setting tasks that aligns the desired goal to be achieved within the organization, mean=4.54, good governance and positive values are encouraged within the organization, mean=4.48, All employees within the organization have similar beliefs towards achieving set objectives, mean=4.12, and also that the organization has set norms by which all employees must operate within .mean=3.62.

### 5. Organization performance

The study also sought to identify the performance of SHARDO. Using four variables the findings indicated that respondents agreed to the statements that strategic management practices provides employee satisfaction, mean=3.97, customer satisfaction can be achieved through proper management mean=4.56, efficiency and productivity can be realized through strategic management practices mean=4.62, and organization performance can be realized.
through set goals, mission vision statement and objectives mean=4.65

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic management practices provides employee satisfaction</td>
<td>91</td>
<td>3.97</td>
<td>456</td>
</tr>
<tr>
<td>Customer satisfaction can be achieved through proper management</td>
<td>91</td>
<td>4.56</td>
<td>862</td>
</tr>
<tr>
<td>Efficiency and productivity can be realized through strategic management practices</td>
<td>91</td>
<td>4.62</td>
<td>934</td>
</tr>
<tr>
<td>Organization performance can be realized through set goals, mission vision statement and objectives.</td>
<td>91</td>
<td>4.65</td>
<td>1.276</td>
</tr>
</tbody>
</table>

Table 5.

6. Regression analysis

Regression analysis was undertaken with respect to examine the effect of strategic management practices on the performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia. The independent variable was strategic direction, strategic innovation, strategic communication and organization culture. Multiple linear regression analysis was used to analyze the relationship between a single dependent variable and several independent variables (William 2009).

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.866</td>
<td>.774</td>
<td>.769</td>
<td>.34612</td>
</tr>
</tbody>
</table>

Predictors: (Constant), strategic direction, strategic innovation, strategic communication and organization culture.

The model summary shows the ratio of variation in the response variable, in this case organization performance that can be attributed to the predictor variables in the model; it is called the coefficient of determination. Therefore from the model summary table 6; the four independent variables correctly accounted for about 77.4% of the variations in organization performance (R square=.774) and the remaining, 22.6% can be attributed to other factors not mentioned in the model.

7. ANOVA

<table>
<thead>
<tr>
<th>ANOVA*</th>
<th>Sum of Squares</th>
<th>Mean Square</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regressions</td>
<td>71,991</td>
<td>2,199</td>
<td>.73699</td>
</tr>
<tr>
<td>Residual</td>
<td>1,089</td>
<td>86</td>
<td>.01266</td>
</tr>
<tr>
<td>Total</td>
<td>72,080</td>
<td>90</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: organization performance
b. Predictors: (Constant), strategic direction, strategic innovation, strategic communication and organization culture.

This study used ANOVA to establish the significance of the regression model with a significant error level of .05. The model was statistically significant in predicting organization performance in given that the regression model had a probability of less than 0.05% of giving a wrong prediction hence high reliability of the result.

8. Regression Coefficients

\[ Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \]

Where \( Y \) = organization performance
\( \alpha \) = Constant
\( X_1 \) = strategic direction
\( X_2 \) = strategic innovation
\( X_3 \) = strategic communication
\( X_4 \) = organization culture.
\( \epsilon \) = error term
\( \beta_1, \beta_2, \beta_3, \beta_4 \) = Regression coefficient

From the table above where \( Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \). The coefficients in table 7.4 above indicate that \( Y = 0.9668 + 0.144X_1 + 0.701X_2 + 0.820X_3 + 0.790X_4 \)

From the standardized Beta:
\( \beta_1 = .144; \) strategic direction results in 0.144 increase in organization performance at SHARDO.
\( \beta_2 = .701; \) Shows that an increase strategic innovation results in 0.701 increase in organization performance at SHARDO.
\( \beta_3 = .820; \) Shows that an increase in strategic direction results in 0.820 increase in organization performance at SHARDO.
\( \beta_4 = .790; \) Shows that an increase in organization culture results in 0.790 increase organization performance at SHARDO.

The study further indicated that organization culture, strategic communication, strategic innovation had a positive ad significant effect on organization performance at SHARDO with \( p<0.05 \).

Table 8. Regression Coefficients.

<table>
<thead>
<tr>
<th>Coefficients*</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.968</td>
<td>.251</td>
<td>.725</td>
<td>.472</td>
</tr>
<tr>
<td>strategic direction</td>
<td>.144</td>
<td>.221</td>
<td>.265</td>
<td>.144</td>
</tr>
<tr>
<td>strategic innovation</td>
<td>.701</td>
<td>.193</td>
<td>.873</td>
<td>.540 .000</td>
</tr>
<tr>
<td>strategic communication</td>
<td>.820</td>
<td>.132</td>
<td>.483</td>
<td>.374 .000</td>
</tr>
<tr>
<td>organization culture</td>
<td>.790</td>
<td>.132</td>
<td>-.738</td>
<td>-.672 .000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: organization performance

Conclusions

The study concluded that strategic direction, strategic innovation, strategic communication

Organization culture affects organization performance. The study concluded that strategic direction affects organization performance. The study revealed that the organization with strategic direction, strategic innovation, strategic communication greatly performs well

Recommendations

The study revealed that, strategic directions an essential aspect in organization performance Companies compete to produce products and services that retain for sustainability. To achieve these organizations need to have well-structured strategic direction for guidance. The study therefore recommends SHARDO should invest and ensure that strategic direction is well I place to increase productivity and performance. Strategic innovation can be a good attribute for a well-organized firm. Therefore SHARDO should consider encouraging ad motivating innovations for sustainability. The study also recommends that strategic communication should be improved and encouraged to improve performance. Employees should have good communication skills as well as well-structured communication channels.

The study further recommends that, organization culture should embraced and support given.

Areas for Further Study

This study focused on the effect of strategic management practices on the performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia. The study looked at the four variables including to investigate
the effect of strategic direction on performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia, to examine the effect of strategic innovation on the performance Shabelle relief & development organization (SHARDO) Mogadishu Somalia, to establish the effect of strategic communication on the Shabelle relief & development organization (SHARDO) Mogadishu Somalia. It is recommended that a further study be carried out on other factors such as organizational structure, financial and organizational resources etc. that might have influence on performance of non-governmental organizations.

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