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
The study general objective was 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, examine the effect of strategic innovation, establish the effect of strategic communication and identify the effect of organization culture on the performance 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.

Key terms: Strategic Direction, Vision, Mission, Goal, Objective, Strategic Innovation, Employee competencies, Competitive advantage, Strategic Communication, Public relations, Organization Culture, Goal setting, Values

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 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 neighboring 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).

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 sough to determine the effect on implementation of innovation strategy, direction strategy, strategic culture and communication strategy on performance of non-governmental organization and provided relevant findings on the effects of above strategies on performance of non-governmental organization.

**Objective of the study**

- 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
- To identify the effect of organization culture on the performance Shabelle Relief & Development Organization (SHARDO) Mogadishu Somalia

**Research hypothesis**

- $H_0$ strategic direction does not significantly affect the performance of Shabelle Relief & Development Organization (SHARDO) Mogadishu Somalia
- $H_0$ strategic innovation does not affect the performance of Shabelle Relief & Development Organization (SHARDO) Mogadishu Somalia
- $H_0$ strategic communication does not affect the performance of Shabelle Relief & Development Organization (SHARDO) Mogadishu Somalia
- $H_0$ Organization culture does not affect the performance of Shabelle Relief & Development Organization (SHARDO) Mogadishu Somalia

**RELATED LITERATURE**

**Theoretical Framework**

**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).

**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 is 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 stakeholders. The theory holds that the most effective organizational structural design is where the structure fits the contingencies.

Organizational Culture Theory
The study also used the Organizational Culture Theory. The concepts of culture revolve 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 defines 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.

Conceptual Framework

![Conceptual Framework](source: Author (2019))

Independent Variables

- Strategic Direction
  - Vision
  - Mission
  - Goal
  - Objective

- Strategic Innovation
  - Employee competencies
  - Competitive advantage
  - Employee creativity
  - Customer market information

- Strategic Communication
  - Public relations
  - Information Access
  - Strategic control systems
  - Collaborative learning

- Organization Culture
  - Goal setting
  - Values
  - Beliefs
  - Norms
  - Problem solving

Dependent Variable

- Organization performance
  - Employee satisfaction
  - Customer satisfaction
  - Efficiency

Figure 1: Conceptual Framework

Source: Author (2019)
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, &Weniyi, 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).

**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 to 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 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.

**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 Firsatro, 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.

**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 delivery 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**

This 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. Data collected was edited, analyzed quantitatively using SPSS version 24 with a regression analysis model where the researcher tested the correlation between strategy implementation and performances of NGO’s. The following regression model was used to compute the effect of strategic implementation on the performance of non-governmental organizations case of SHARDO in Mogadishu, Somalia. Regression equation was:

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

Where:

- \( Y \) = organization performance (Dependent Variable)
- \( X_1 \) = Strategic Direction. (Independent Variable)
- \( X_2 \) = Strategic Innovation. (Independent Variable)
- \( X_3 \) = Strategic Communication. (Independent Variable)
- \( X_4 \) = Strategic Culture. (Independent Variable)
- \( \varepsilon \) = 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.
- \( \beta_1, \beta_2, \beta_3 \) and \( \beta_4 \) are regression coefficients of the four independent variables.

**RESEARCH FINDINGS**

**Table 1: Strategic Direction**

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization has a Vision statement as a strategic direction indicator</td>
<td>91</td>
<td>3.96</td>
<td>.761</td>
</tr>
<tr>
<td>Mission statement provides the organization with a long term plan for performance</td>
<td>91</td>
<td>3.88</td>
<td>.996</td>
</tr>
<tr>
<td>Goal setting enables the organization achieved its goals in the long run</td>
<td>91</td>
<td>3.64</td>
<td>1.302</td>
</tr>
<tr>
<td>Organization objectives met through realization of all strategic management practices.</td>
<td>91</td>
<td>3.57</td>
<td>1.450</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>91</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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 Effect 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.

<table>
<thead>
<tr>
<th>Table 2: Effect of Strategic Innovation</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee competencies are a desired element within the organization</td>
<td>91</td>
<td>4.21</td>
<td>.624</td>
</tr>
<tr>
<td>The organization thorough innovation gains competitive advantage in the market</td>
<td>91</td>
<td>4.32</td>
<td>.811</td>
</tr>
<tr>
<td>Employee creativity is encouraged and supported as well as incentivized within the organization</td>
<td>91</td>
<td>3.48</td>
<td>.504</td>
</tr>
<tr>
<td>Customer market information provides the organization with information on how to improve customer services delivery as well as improve of products and service</td>
<td>91</td>
<td>4.21</td>
<td>.624</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>91</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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 were 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.

<table>
<thead>
<tr>
<th>Table 3: Effect of Strategic Communication</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public relations activities are encouraged within the organization</td>
<td>91</td>
<td>4.70</td>
<td>.961</td>
</tr>
<tr>
<td>Both customers and employees have free access to organization information</td>
<td>91</td>
<td>4.46</td>
<td>.896</td>
</tr>
<tr>
<td>The organization has strategic control systems tenable it attain its set objectives</td>
<td>91</td>
<td>4.03</td>
<td>.802</td>
</tr>
<tr>
<td>Collaborative learning is encouraged within the organization to foster learning and good communication as well as coordination within the organization.</td>
<td>91</td>
<td>4.30</td>
<td>1.450</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>91</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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 were encouraged within the organization, mean=4.70, both customers and employees had free access to organization information, mean=4.46. The organization had strategic control systems to enable it attain its set objectives, mean=4.03. and that Collaborative learning was encouraged within the organization to foster learning and good communication as well as coordination within the organization with mean=4.30.

**Table 4: Effect of Organization Culture**

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both individuals and the organization have Goal setting tasks</td>
<td>91</td>
<td>4.54</td>
<td>.660</td>
</tr>
<tr>
<td>that aligns the desired goal to be achieved within the organization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Good governance and positive values are encouraged within the</td>
<td>91</td>
<td>4.48</td>
<td>.502</td>
</tr>
<tr>
<td>organization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All employees within the organization have similar beliefs</td>
<td>91</td>
<td>4.12</td>
<td>.918</td>
</tr>
<tr>
<td>towards achieving set objectives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization has set norms by which all employees must</td>
<td>91</td>
<td>3.62</td>
<td>1.589</td>
</tr>
<tr>
<td>operate within the organization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>91</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Effect of organization culture on the performance of Shabelle relief & development organization (SHARDO) Mogadishu Somalia was measured using four variables and findings tabulated in table 4. 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.

**Table 5: Organization performance**

<table>
<thead>
<tr>
<th></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</td>
<td>91</td>
<td>4.62</td>
<td>.934</td>
</tr>
<tr>
<td>management practices</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization performance can be realized through set goals,</td>
<td>91</td>
<td>4.65</td>
<td>1.276</td>
</tr>
<tr>
<td>mission vision statement and objectives.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>91</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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.

Regression analysis

Table 6: 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>.886a</td>
<td>.774</td>
<td>.769</td>
<td>.34612</td>
</tr>
</tbody>
</table>

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

Table 7: ANOVA

ANOVAa

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>8.799</td>
<td>4</td>
<td>2.199</td>
<td>173.697</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>1.089</td>
<td>86</td>
<td>.01266</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9.888</td>
<td>90</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

Table 8: Regression Coefficients

Coefficients4

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(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>1.447</td>
</tr>
<tr>
<td>strategic innovation</td>
<td>.701</td>
<td>.193</td>
<td>.873</td>
<td>5.402</td>
</tr>
<tr>
<td>strategic communication</td>
<td>.820</td>
<td>.132</td>
<td>.483</td>
<td>3.734</td>
</tr>
<tr>
<td>organization culture</td>
<td>.790</td>
<td>.132</td>
<td>-.738</td>
<td>-</td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: organization performance

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

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

From 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 above indicate that \( Y = 0.968 + 0.144X_{1} + 0.701X_{2} + 0.820X_{3} + 0.790X_{4} + \epsilon \).

From the standardized Beta;
\( \beta_1 = 0.144 \); strategic direction results in 0.144 increase in organization performance at SHARDO.
\( \beta_2 = 0.701 \); Showed that an increase strategic innovation results in 0.701 increase in organization performance at SHARDO other factors held constant.
β₃ = .820; Showed that an increase in strategic communication results in 0.820 increase in organization performance at SHARDO if other factors held constant and lastly

β₄ = .790; Showed that an increase in organization culture results in 0.790 increase organization performance at SHARDO if other factors held constant.

The study further indicated that organization culture, strategic communication and strategic innovation had a positive and significant effect on organization performance at SHARDO with p=<0.05

CONCLUSIONS
The study concluded that strategic direction, strategic innovation, strategic communication and 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 and strategic communication greatly performs well.

RECOMMENDATIONS
The study revealed that, strategic directions are 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 recommended that SHARDO should invest and ensure that strategic direction is well in 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 recommended 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 recommended 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 investigating the effect of strategic direction, to examine the effect of strategic innovation, to establish the effect of strategic communication and to identify the effect of organization culture on the performance of Shabelle Relief & Development Organization (SHARDO) Mogadishu Somalia. It was 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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