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STRATEGIC MANAGEMENT PRACTICES AND BUSINESS SUCCESS AT SOME SELECTED BANKS IN MOGADISHU – SOMALIA

Zakariye Yusuf Hussein¹

¹ Faculty Administrator, University of Somalia (UNISO)

Said Abdi Mohamud²

² Dean Faculty of Business Administration University of Somalia (UNISO)

ABSTRACT

Strategic management and its implementation have become the primary focal point in many concerns because of its part in generating economic wealth. Although, there are many advantages to employ strategic management, there are still many organizations that resist using it, since some of them may think this procedure is simply useful for larger organizations and they did not recognize that it's also very helpful for any establishment. The aim of this survey was to make strategic management practices specifically strategic planning, strategic execution, strategic evaluation and their influence on an organization's success in Somalia. The study adopted the descriptive research design. The prey population for this study was 184, Simple random sampling was taken up so as to give each item in the population an equal chance of being chosen. The sample was chosen from the population target of 184 possible respondents by taking a 67 sample of the target population. This researcher employed quantitative data collection method whereby data are pulled together by the use of closed ended questionnaires which are self-dispensed. The data collected were analyzed utilizing the software called Statistical Package for the Social Sciences (SPSS) version 20 and the results presented in terms of frequency distribution and shares. A correlation model was used to define the relationship between strategic planning, strategic execution, strategic evaluation as the independent variables and business success as the dependent variable. Thither was a strong positive and highly significant correlation between Strategic Planning and Business success with ($r = .510, P > 0.05$), There was a strong positive and highly significant correlation between Strategic Implementation and Business success ($r = .531, P < 0.05$) and also There was besides a strong positive and highly significant correlation between Strategic Evaluation and Business success ($r = .595, P < 0.01$). The survey concludes that strategic management practices have a confident relationship with business success. The survey recommended that using A business company sets strategic planning and preventing strategic which many collapse their business. Every business success has strategic management, strategic management and organizational productivity are relationship the business companies increase and controlling strategic management to achieve their goal or organizational productivity. Any organization has a strategic planning department that the minimization of the effective risk management.

KEYWORDS: - Strategic Management, Strategic Planning, Strategic Implementation and Business Success

INTRODUCTION

Strategic management practice is mainly linked with Ansoff (1980). The concept of strategic management practice first emerged when practitioners of corporate strategic planning realized a step was missing between the SWOT analysis of the Harvard model and the evolution of strategies. That measure was the identification of strategic topics. Strategic issue management approaches are processed components or bits of the larger strategic planning process (Lawal, Elizabeth and Oludayo, 2012).

This advance is mainly associated with Ansoff (1980) and focuses attention on the identification and solution of strategic issues - "forthcoming developments, either within or outside the constitution, which are likely to cause an important impact on the power of the enterprise to meet its objectives." Many houses now include a strategic issue identification step as part of full-blown strategy revision exercises, and also equally part of less comprehensive annual strategic reviews (King 1982).

Nevertheless, annual revision has proved impractical. Thus, most firms undertaking comprehensive strategy revisions several years apart (typically five) and in the interim are focusing their annual strategic planning procedures on the identification and resolution of a few key strategic topics that emerge from SWOT analyses, environmental scans (Hambrick 1982, Pflaum and Delmont 1987).

The stock of strategic management originated from strategy, which in the simplest concept considered as a consolidate idea that links purpose and action (White, C, 2004). The beginning of strategic management dates back to as early as the 19th century, when Henry Fayola suggests that "the planning should be used as a technique to improve the effectiveness of file rooms performance", Likewise, Wilson and Essien (2012) state that, strategic management is a "process of formulating, implementing, and evaluating, strategies to achieve long-term goals and sustain competitive advantages". Therefore, in the current competitive and economic world, many companies use strategic management as a signifying can't structure to create the business environment more manageable (Hunger and Wheelen 2008). In parliamentary law to carry out the defined strategy effectively and to enhance the development of the troupe, the strategic decisions should be removed in a faster way and the response should be high (Joyce and Woods 2003). Moreover, many researchers state that one of the most reasons for having an unsuccessful strategic management refers to the failure of implementing the strategy. (Pournasir, 2013).

In Africa, despite these research studies has targeted to investigate the impact of the wider topic of

strategic management on organizational growth and development in Nigeria existing studies in Nigeria, aimed at human resource development related subjects in this study were on strategic planning an off shoot of strategic management of these works in Nigeria, none accessed the impact of strategic management of designing along the manufacturing sub - sector of the economic system. To this result, this work seeks to empirically examine how strategic management can be used by manufacturing firms in Anambra State to effectively derive plans for development and evolution. (Ilesanmi, 2011, 2007).

As a result of the prolonged period of conflict, all systems of control had broken down. The current regime is making endeavors to rebuild the systems of internal control so there is no research made by the individual societies and their strategic management there is some improvement in adherence to systems of restraint in contrast to the recent past, although, a lot more needs to be done to beef up the overall systems of internal control (Farah, 2012). So this study investigated the impact of strategic management and business success in Mogadishu-Somalia. (Mohamud et al., 2015).

In that respect are various hypotheses about the reasons for such a huge strategic blunder, including some conspiracy speculations: (i) The company intentionally changed the rule in order to upset loyal consumers that will necessitate the yield to the original formula causing sales to increase rapidly, (ii) The retreat was a plan to traverse up the change from sugar-sweetened Coke to cheaper high fructose corn syrup. Here the hypothesis are grounded on the allegations from the U.S. Sugar Trade Association saying that later on the retreat and the restoration to the old formula, corn syrup was still being practiced. Some detractors suggest a link between corn syrup and increased obesity and other health troubles. (iii) The retreat provided cover for the final removal of all coca derivatives from the drink in order to quiet down the temper in the Drug Enforcement Administration (DEA). Although by that time DEA was indeed pressing to get them cultivation of the crop down in South America, there was no direct pressure over Coke to stop applying the plant derivatives. As a reaction to the increasing rumors of conspiracy, the CEO of the company at that time said, "We're not that dumb, and we're not that smartll. Straight or not, a few months later on the retreat, Coke Classicll was outselling both New Coke and rival Pepsi by far. Rapidly, Coca-Cola was number one again. (Jofre, S.2011).

The general aim of this work was investigating strategic management practice and business success at some selected banks in Mogadishu-Somalia

The aims of The Study were to ascertain out the relationship between strategic planning and business success at some selected banks in Mogadishu-Somalia, to find out the relationship between strategic implementation and business success some selected banks in Mogadishu-Somalia, to appraise the relationship between strategic evaluation and business success at some selected banks in Mogadishu-Somalia.

LITERATURE REVIEW

This work looks into the impact of strategic management on organizational performance in Mogadishu-Somalia. To recover out the relationship between strategic management and organizational functioning. The survey was conducted through descriptive and correlation design the researcher used this attack in order to identify and to investigate the relationship between the impact of strategic management and organizational performance in Mogadishu-Somalia using information gained from the questionnaire the correlation design used to establish the kinship between the autonomous and dependent variable through quantifiable results.

To measure the substantial relationship between strategic management and organizational performance and also organizational performance. To evaluate the difficulties connected with carrying out the strategic plans which hinders effective. The purpose of this work is a survey research design which measured two variables: independent and dependent variables. The determinations of the survey exposed that the strategic management affected organizational performance. The research work also demonstrated that no matter how well-structured and organized a plan may be, if not implemented business failure is inevitable (Dr. AREMU, 2014).

To study the cognitive operation of strategic management and its relevance to organizational profitability and competitiveness. To recover out whether strategic management influenced organization market share. The data for this survey were gathered through the governing body of structured questionnaires to a sample of small scale enterprises in Lagos Metropolis. Lagos was chosen for the design of this study because studies have indicated that over sixty percent industries are situated in Lagos (Aboyade, 1968; Lawal, 2002). It, therefore, implies that Lagos could serve every bit a sound illustration of the industrial features of Nigeria. Findings revealed that strategic management practices enhance both organizational profitability and company market share (Dr. Yunus Adeleke Dauda, 2010).

To investigate the current level of strategic management tools and techniques, utilization as well as to explore and identify the impact of management tools on organizational performance in the Czech Republic

This research used the questionnaire technique that belongs to the survey strategy. A self-administered questionnaire is used in this field. It implies that this type of research is completed by respondents. The findings indicate a substantial relationship between non-financial consequences and strategic management tools and techniques utilized (Anna, 2015).

To assess whether strategic issues management activities contribute anything worthwhile to corporate performance by reporting study on the issues management strategies of the Nestle food Nigeria PLC. This work concentrated on the issue of strategic event management on organizational functioning. A Case Study of Nestle Nigeria PLC. 100 Copies of Questionnaire was administered using random sampling techniques for the design of data collection and test-retest was used to find out the reliability of the tool employed. This study has shown in the first tested hypothesis that there is a significant effect of strategic issue management activities on the attainment of organizational performance, the role played by the industry is above 60% compared to other business sector of the nation such as banks, oil and gas and communication (Fashola Muhammed Lawal, 2012).

To observe closely how the application is in practice the theoretical prospect of strategic human resource management for the achievement the organizational performance.

b. To observe if organizations use the scheme of human resource management for the achievement of their carrying out the objectives.

c. To discover the importance of these strategies in the governing body and in their execution. This survey was directed through the aggregation and analysis of various publications in this area. The secondary source, refer various publications that have been created in this area close to empirical studies, various academic debates and analyzes the different findings. The main author is grounded in the collection of data through questionnaires. Performance management can be determined as a systematic process for improving organizational performance by developing the performance of individuals and teams (Armstrong, 2006). According to him, it is a way of getting more serious results from the organization, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standard and competence requirements. Former works have stressed the importance of human resource management in the system. Human resources play a key function in order to be competitive in the marketplace. A proper management of human resources was enable the achievement of the objectives required by the constitution. The structure of the research, to give a better verification assumption or reject it, is as follows: a. Organizations recognize the concepts of organizational operation and strategic

management of human resources. This theoretical knowledge translates in practical execution in these systems. b. The organizational performance will have impacts from strategic management of human resources (CANIA, 2014).

To examine the relationship between strategic planning and firm performance in a developing a quantitative analytical approach was employed in an attempt to empirically determine the relationship between the variables of interest by applying appropriate statistical data techniques. Country's context (Kenya). The study design was used. It had been foretold that most or all companies being surveyed do embrace and use the concept of strategic preparation. This turned to be true as all the 31 firms that responded indicated. During the basic stages of the interviews probing questions were put forward and responses revealed that actually all firms did/do strategic planning and the difference only arose on the extent and rigor of taking it (Robert Arasa, 2012).

METHODOLOGY

Lucey (2002) defined research plan as a plan for selecting the sources and types of information utilized to answer research inquiries. The research design employed in this study was Descriptive research design. Descriptive research design facilitates the understanding of the characteristics associated with a dependent population (Cooper &Schindler, 2006). It took the observation, description of variables as given out in the population with the basic goal being the accumulation of information about phenomena or variables within a population through the use of questionnaires. It possesses a broad, inclusive coverage and calls for empirical research.

Descriptive research design needs some reason of the nature of the problem, which in this study is the relationship between strategic management and Business success: a case study of premium bank in Mogadishu -Somalia.

The aim of this type of design was to depict the state of the variables; estimate the dimension of the population that suffer similar or different characteristics; discovery of associations among different variables; discovery and measurement of cause and effect relationships among variables (Cooper & Schindler, 2006).

A population is a collective whole of people, creatures, plants, or other items that researchers collect information from. Before collecting any information, it is important that researchers clearly define the

population, including a description of the members. The designed descriptive should designate the population for which the problem was analyzed. The prey population is "the full aggregation of respondents that meet the designated set of criteria" (Burns & Grove 1997).

Thus, The prey population of this study was 184 from Dahabshil Bank, a Salam Somali Bank, and Premier Bank as indicated in the below table.

After compiling the questionnaire forms from the respondents, the researcher was prepared forms or data for depth psychology. According to Welman and Kruger (2004), data are analyzed by means of statistical techniques in order to investigate variables and their effects.

According to De Vos et al (2001), descriptive statistics enable the researcher to present collected information in a consistent and organized course. For analyzing data; the researcher was performed sequencing activities such editing, tabulation and coding. And so, the researcher was organized, interpret and present the accumulated information by using SEM based on SPSS for data analysis.

Moreover, data analysis began with the descriptive data from the respondent members surveyed. Cronbach's alpha coefficient analysis was taken prior to the concluding analysis. The reaction rates of the survey were calculated along the base of the number of study sample who actually answered. Appropriate steps were carried during the data aggregation process to address the potential for a low response rate, which is a limitation of any survey study. The researcher was reported the demographics and key attributes, using a descriptive analysis of all independent and dependent variables in the field.

The analysis tested, the study questions that specifically direct the relationship between strategic management and Business success from the survey answers, the researcher identified trends in the categories of interest (the workplace itself, pay, coworker relations, supervisory support, and opportunity for advancement) and whether any relationship exists with overall business success.

CORRELATION

Table Correlation

		Correlations			
		Strategic Planning	Strategic Implementation	Strategic Evaluation	Business success
Strategic Planning	Pearson Correlation	1	.339*	.405	.510**
	Sig. (2-tailed)		.023	.006	.000
	N	67	67	67	67
Strategic Implementation	Pearson Correlation	.339*	1	.367*	.531
	Sig. (2-tailed)	.023		.013	.000
	N	67	67	67	67
Strategic Evaluation	Pearson Correlation	.405	.367*	1	.595**
	Sig. (2-tailed)	.006	.013		.000
	N	67	67	67	67
Business success	Pearson Correlation	.510**	.531	.595**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	67	67	67	67
		**. Correlation is significant at the 0.01 level (2-tailed).			

CONCLUSIONS

This study investigated strategic management practices and business success at some selected banks in Mogadishu, Somalia Special private banks such as Premier bank, dahabshil bank and Salam Somali bank in Mogadishu, Somalia and used a questionnaire that 60 respondents filled in the questionnaire on this subject.

The outcomes of the objectives became very good both strategic planning and strategic performance on business success of these tropes.

RECOMMENDATION

These parts of the study are recommendations the strategic management and business success for the issues researched and dissected in the based chapter four findings.

- A business company sets strategic planning and preventing strategic which many collapse their business.
- Every business success has strategic management, strategic management and organizational productivity are relationship the business companies increase and controlling strategic management to achieve their goal or organizational productivity.
- Any organization have a strategic planning department that the minimization of the effective risk management of the organization and eased to

accomplish their goals or productivity to the governing body.

- The business companies in Somalia are important to performance of strategic and simplify to solving of the strategic and reached their goals of the companies.
- The fellowships suffer a multiple management schemes that are enforced by the governing body and simply too preventive to the strategic and achieved effectiveness and efficiency of their destinations.

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