

**RESPONSE STRATEGIES OF THE UNITED NATIONS AGENCIES
IN SOMALIA TO CHANGES IN THE MACRO-ENVIRONMENT**

MOHAMED ABDIMALIK ABDIWAHID

**A RESEARCH PROJECT SUBMITTED IN PARTIAL
FULLFILLMENTS OF THE REQUIREMENTS FOR THE AWARD
OF THE DEGREE OF MASTER OF BUSINESS ADMINSTATION,
SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI**

NOVEMBER, 2014

DECLARATION

DECLARATION BY THE STUDENT

This research project is my original work and has not been submitted to any other examination body. No part of this research should be reproduced without my consent or that of the University of Nairobi.

Signature: _____

Date: _____

NAME: MOHAMED ABDIMALIK

REG. NO.: D61/68862/2011

DECLARATION BY THE SUPERVISOR

The research project has been submitted for approval as the University of Nairobi supervisor.

Signature: _____

Date: _____

PROF. MARTIN OGUTU

Department of Business Administration

School of Business, University of Nairobi

ACKNOWLEDGEMENTS

My special gratitude goes to almighty Allah for giving me the strength and wisdom to pursue this course. Special thanks to my mother Dahabo Sheikh and my uncle Ali Sheikh Mohamed who indeed inspired me for guidance and moral support throughout this MBA program.

I am very grateful to my supervisor Prof. Martin Ogutu for his guidance, support and commitment throughout this study. Finally, to the school of business, University of Nairobi; I thank you for all you did for me in my pursuit for the master of business administration course in strategic.

Thank you all.

DEDICATION

This study is dedicated to my father Abdimalik for upbringing and taking me to school the first day. Thank you for your tireless and unconditional effort throughout my education I wish you were around to witness my dream being fulfilled. My Allah blesses you abundantly.

ABSTRACT

This research seeks to investigate the influence of the changes in macro- environment on the UN agencies in Somalia and response strategies employed. The macro-environment of an organization is what affects the organizations ability to function properly. It is vital that an organization is aware its macro-environments and conducts the proper research to maintain a proper balance of its environments to function optimally. The Environment is hostile, unpredictable, and uncertain place. In order to survive, strategies have to be crafted to respond to changes in macro-environment. This study investigates whether UN agencies in Somali had adopted response strategies, the extent to which these strategies had been implemented to respond changes in the macro-environment. The study employed a cross-sectional research design. The study targeted all UN agencies in Somalia using semi-structured questionnaire to collect primary data. The collected data was examined and checked for completeness and accuracy. Quantitative techniques were used to analyze the closed-ended questions where a computer program (SPSS) software was used. Qualitative techniques were used to analyze the open ended questions. The response was from 14 respondents who returned questionnaires fully answered giving us a response rate 82.4% which was very good for the study according to Mugenda and Mugenda (2003). Most of the respondents of the study were senior managers in the respective UN agencies. The study was guided by the following research objectives: To determine the macro-environmental changes affecting the United Nations in Somalia and finally, to establish the response strategies adopted by United Nations in Somalia to cope with the macro-environmental changes. From the findings of the study it was concluded that the best organizations are able to respond quickly to environmental changes and capitalize on them. In reacting to changes in the macro-environment, organizations should still be driven by an overarching vision, mission, and strategy which provide clarity in how to react to change with tactics that are adaptive and responsive.

TABLE OF CONTENTS

DECLARATION	ii
ACKNOWLEDGEMENTS	iii
DEDICATION	iv
ABSTRACT	v
LIST OF TABLES	viii
LIST OF FIGURES	ix
ABBREVIATIONS AND ACRONYMS	x
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the study	1
1.1.1 Response strategies.....	3
1.1.2 Macro-environment	4
1.1.3 United Nations Agencies in Somalia	6
1.2 Research Problem	7
1.3 Research Objectives	9
1.4 Value of the study	9
CHAPTER TWO: LITERATURE REVIEW	10
2.1 Introduction.....	10
2.2 Theoretical Underpinning	10
2.2.1 Strategic Fit.....	11
2.2.2 Resource dependency theory	13
2.3 Concept of Strategy.....	14
2.4 Organizations and Environment	16
2.5 Macro-Environment.....	16
2.6 Response Strategies.....	18
CHAPTER THREE: RESEARCH METHODOLOGY	20
3.1 Introduction.....	20
3.2 Research Design.....	20
3.3 Data Collection	21
3.4 Data Analysis	22
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSIONS	23
4.1 Introduction.....	23
4.2 Participation rate	23
4.3 Demographic background data	23

4.4 Macro-environmental changes	27
4.4.1 Economic Forces	27
4.4.2 Political changes.....	28
4.4.3 Legal changes.....	29
4.4.4 Ecological changes	29
4.4.5 Technological changes	30
4.4.6 Social changes.....	31
4.5 Changes in the Macro-environment	32
4.6 Response Strategies.....	34
4.7 Inferential statistics	37
4.7.1 Correlation Analysis	37
4.7.2 Regression Analysis.....	38
4.8 Discussion of Findings.....	40
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS ..	43
5.1 Introduction.....	43
5.2 Summary of the findings.....	43
5.3 Conclusion	45
5.4 Limitations of the study	46
5.5 Recommendations	46
5.6 Implications of the Study on Policy, Theory and Practice	48
5.7 Suggestions for further research	49
REFERENCES	50
APPENDICES	56
Appendix I: List of UN Agencies in Somalia	56
Appendix II: Letter of introduction.....	58
Appendix III: Questionnaire	59

LIST OF TABLES

Table 4.1:	Economic changes	27
Table 4.2:	Political changes	28
Table 4.3:	Legal changes	29
Table 4.4:	Ecological changes	30
Table 4.5:	Technological changes.....	30
Table 4.6:	Social changes.....	32
Table 4.7:	Changes in the macro-environment	33
Table 4.8 :	Response Strategies	35
Table 4.9:	Correlation coefficient	38
Table 4.10:	Model Summary	39
Table 4.11:	Regression coefficients	39

LIST OF FIGURES

Figure 4.1: Gender of the respondents	24
Figure 4.2: Academic qualification.....	24
Figure 4.3: Position held in the current organization.....	25
Figure 4.4: Duration worked in the current organization	26

ABBREVIATIONS AND ACRONYMS

FAO	Food & Agriculture Organization
GIS	Geographic Information System
GPS	Global Positioning System
ICAO	International Civil Aviation Organization
ICRC	International Committee of the Red Cross
ILO	International Labor Organization
IOM	International Organization for Migration
NGO	Non- Governmental Organization
OUA	Organization of African Unity
OFDA	Office of U.S. Foreign Disaster Assistance Organization
PESTEL	Political, economic, socio-cultural, technological, ecological and legal
RDT	Resource Dependency Theory
SWOT	Strengths, Weaknesses, Opportunities, and Threats
UN	United Nations
UNAIDS	United Nations Program on HIV and AIDS
UNDP	United Nations Development Program
UNESCO	United Nations Educational, Scientific and Cultural
UNFPA	United Nations Population Fund
UNHAPITAT	United Nation Human settlements Program
UNHCR	United Nations high commissioner for refugees
UNICEF	United Nations Children's Fund
UNITAF	Unified Task Force

UNOCHA	United Nations Office for the Coordination of
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office for Project Services
UNOSOM	United Nations Operation in Somalia
UNSOM	United Nations assistance Mission in Somalia
USA	United States of America
WFP	World Food Program
WHO	World Health Organization

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Response strategies have been a key concept in strategic management. However it was only recently embraced when the concept became very necessary in the non-profit sector to cope with unprecedented challenges resulting from major macro-environmental changes. Survival and success in turbulent environment by the United Nations agencies in Somalia depends on appropriate response strategies deployed to the changes in political, economic, social, cultural, technological, ecological and legal frameworks that influence their operations. This is usually necessitated by the desire by any organization to have consistency and success in its operations over time. Thus the interest by the UN agencies operating in Somalia in pursuing successful operations within their particular locations by adopting appropriate strategies in their particular circumstances.

In 1991, a civil war broke out in Somalia. The United Nations, in cooperation with the Organization of African Unity (OAU) and other organizations, sought to resolve the conflict... The United Nations also became engaged in providing humanitarian aid, in cooperation with relief organizations. In the same year, Somalia was described by the US Office of Foreign Disaster Assistance (OFDA) as "the worst humanitarian disaster in the world." Africa watch and physician for human rights (1992). In 2009, Foreign Policy Magazine called it "the most dangerous place in the world." Jeffrey Gettleman, (2009). In the intervening 18 years, the violence in Somalia was portrayed in the Western media as a regression to a primordial, even timeless conflict based on eternal tribal hatreds. In 1992,

the New York Times wrote: "Instead of fighting with traditional spears and shields, the clans have more recently conducted their feuds with mortars and machine guns." One UN official even opined: "We could end up with Africa the way it was before the colonialists came, divided up into tribal enclaves." Jane Perlez (1992), but the history of political violence in Somalia is not given to such oversimplification.

The root causes of the Somali crisis are more modern in origin. They can be traced to at least three 20th century phenomena: colonialism, Cold War international relations, and the Barre dictatorship. The interaction of these modern forces in the post-colonial state ushered in the clan conflict of the 1980s and the chaos of the 1990s-2000s. Thus, to understand the present crisis we should look to what preceded it. Over the past two decades the nature of the Somali crises and the international context within which it is occurring has been constantly changing. It has mutated from civil war in 1980s through state collapse, clan factionalism and warlordism in the 1990s to a globalized ideological conflict in the first decade of the new millennium. In this time international environment has also changed which impacts directly on the crises and international responses to it according to (Bradbury, Healy, 2010). The United Nations Operation in Somalia (UNOSOM I) was the first part of a united nations sponsored effort to provide, facilitate and secure humanitarian relief in Somalia as well as to monitor the first UN-brokered ceasefire of Somali conflict in early 1990s.

Strategies are formulated after considering various factors external and internal to the organization. This research will focus only on response strategies to macro environments of UN agencies that have major impacts to them. Towards this end a PESTEL analysis

will be done to the macro environment of a chosen company. PESTEL analysis is an overview analysis of the environment that the business is in. In PESTEL analysis, recent trend in the field of strategic management advocates the inclusion of a further two factors namely, Environmental factors and Legal factors. All combined the macro environment factors analysis will be known as PESTEL.

1.1.1 Response strategies

Strategic response involves changes in the firm's strategic behaviors to assure success in transforming future environment (Ansoff & MacDonnell, 1990). Ansoff & MacDonnell felt that in developing strategy, it was essential to systematically anticipate future environmental challenges to an organization, and draw up appropriate strategic plans for responding to these challenges. He also recognized, however, that if some organizations were faced with conditions of great turbulence, others still operated in relatively stable conditions. Consequently, although strategy formulation had to take environmental turbulence into account, one strategy could certainly not be made to fit every industry.

Response strategies are viewed by many strategy scholars as strategic fit or stretch. In search of strategic alignment, organizations develop and deploy strategies by identifying opportunities in the environment by adapting resources so as to gain competitive advantage. On other words, strategic stretch involves the organization using its own resources to yield new opportunities. Claire (2008), states that any organization to achieve strategic fit, its strategic position in the external environment must be clear in order to respond to these changes.

1.1.2 Macro-environment

Generally, the Macro-environment consists of factors that are beyond the firm's control but which affect its operations and the outcome of its mission. This environment is made of political, economic, socio-cultural, technological, ecological and legal frameworks (PESTEL) that prevail around the location of any operational enterprise. The macro-environment is dynamic and keeps changing. While an organization may strive to control the components/elements of its micro-environment (internal environment) an organization may not control the macro-environment (external environment) within which it operates. Rather, it may only attempt to influence the general industry environment as well as adjust and conform to the pressures that do prevail externally to it. Since the external environment is uncontrollable, the firm has to match its operations to the external environment in order to survive and succeed. In business, it is usually easier to adapt or to fit into the general flow of external pressures rather than strive to oppose them.

Whatever the nature of business is, a firm is embedded in complex network of relations with various other organizations. Therefore strategists' awareness of current and important developments will help shape a firm's strategy and determine its position and competitiveness. The macro- environment for an organization is therefore nothing else but the world in which operates. The macro influences are often very complex in practice so strategists will refer to industry associations or external consultants for information, yet strategists need to build strategic decisions on their own perception of key factors in the macro-environment.

A thorough analysis of the macro environment, help ensure that they have fully addressed the current and future operating environment for the organization. Such analysis is known as (PESTEL) analysis, is an acronym that stands for the political, economical, social, technological, environmental and legal factors that are beyond the firms control but must still be considered as sources of competitive advantage. Environment is such a dominant factor that most organizations are unable to influence it, all they can is to keep costs down, learn to be good as possible at changes in the environment and respond as rapidly as possible to such changes according to Johnson & Scholes, (1997).

The macro-environment is literally the big wide world in which organizations operate. Organizations do not and cannot exist in splendid isolation from other organizations or individuals around them, it's therefore clear that the external environment of any organization is a large and complex place according to Claire, (2008).The word environment in this case refers to much more than the ecological green issues that the environmentally friendly and reducing carbon foot prints can be part of an organization's strategy. According to Claire (2008), environment here is more appropriately interpreted as the external context in which organizations find themselves undertaking their activities.

Each organization has unique external environment which has unique impacts on the organization due to the fact that organizations are located in different places and are involved in different activities. In addition to this unique context, individual organizations all have their own distinctive view of the world surrounding them, leading them to interpret what is happening in the external environment correctly or incorrectly

depending on their ability to understand the external forces affecting them. This begins to suggest how crucial it's for organization to undertake external environmental analysis and to gain a correct understanding on the external environment impact.

1.1.3 United Nations Agencies in Somalia

The United States in November 1992 offered to organize and lead an operation to ensure the delivery of humanitarian assistance. The Security Council accepted the offer and authorized the use of "all necessary means" to establish a secure environment for the relief effort. The Unified Task Force (UNITAF), made up of contingents from 24 countries led by the United States, quickly secured all major relief centers, and by year's end humanitarian aid was again flowing. UNOSOM remained responsible for protecting the delivery of assistance and for political efforts to end the war.

Since that time there are many United Nations agencies at work in Somalia coordinating overall humanitarian efforts. Some of those main organizations include; the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Program (UNDP), UNICEF, Office of the United Nations High Commissioner for Refugees (UNHCR), World Food Program (WFP), World Health Organization (WHO), United Nations Population Fund (UNFPA), UNHAPITAT, International Labor Organization (ILO), International Organization for Migration (IOM), UNOPS, UNESCO and UNOCHA In addition, more than 30 NGOs were working in Somalia as "implementing partners" of the United Nations. Moreover, ICRC continued to provide assistance under the most difficult of situations. There were also many international and local NGOs that work with the United Nations.

1.2 Research Problem

Effective strategic management of an organization will not only identify and monitor significant changes within the environment, but will also strive to adjust and reconfigure the strategies adopted by the organization. The UN agencies do have documented policies and procedures that guide their operations. Those guidelines cannot successfully propel the agencies in achieving their intended goals in isolation or devoid of cognizance of the prevailing developmental changes in their environment(s). In the absence of this realization by any current organization, there would be the obvious risk of an organization plunging itself in the unending turbulence that characterizes the modern day corporate organizational environment.

Most organizations will find themselves responding to the turbulent and erratic nature of the environment within which they operate either deliberately/ intentionally (organizational initiative/ proactive) or as a result of the demands of the prevailing circumstances (reactive). The difference between these two approaches is that a proactive approach takes place either before or during the experience of a change that develops in the environment. On the contrary, a reactive approach is taken by an organization as a result of the effects that come with a change in the environment either during the change or after the change has manifested itself.

Previous studies on organizational change management have observed that each organization operates in an organization – specific environment that may not be fully comparable to other organizations. However, to the best of knowledge of the researcher

to this study, the researcher is not aware of a research study that has focused on the change management strategies adopted by the UN agencies operating in Somalia, and their impact to the effectiveness and efficiency of the agencies as far as the survival and the thriving of the agencies is concerned. It is extremely dynamic and complex and particularly so for Somalia where the security has been undergoing drastic changes since last ten years.

Similar studies undertaken locally include Kubai (2010), who investigated strategic responses by Kenya Airways to changing environment; Kimani, (2010), who studied strategic responses by Nation Media Group (NMG) to changes in the external environment; Irungu (2012) studied Strategic Responses by Kenyan airlines to the changes in the price of aviation fuel. These studies established that indeed organizations respond to the changes in the environment in various ways. Due to contextual differences in the above organizations, responses adopted may be different. This research endeavored to bring out the responses adopted by United Nations agencies in Somalia and sought to narrow the knowledge gap of this area of study.

With the background highlighted above, it is important for this study to answer the following study questions; which response strategies has United Nations agencies adopted to respond the changes in macro environment? What extent have UN agencies' strategies succeeded in strategically responding to the various aspects of the macro – environment within which they operate? And what is the macro-environment factors influencing United Nations in Somalia.

1.3 Research Objectives

- i. To determine the macro-environmental changes affecting the United Nations in Somalia.
- ii. To establish the response strategies adopted by United Nations in Somalia to cope with the macro-environmental changes.

1.4 Value of the study

This study provides useful insights into strategy and further provides framework for UN agencies on response strategies they employ to respond the changes in the macro environment. The results of this study will be instrumental to the government and policy makers to better understand the strategies adopted by United Nations to respond the changes in the external environment.

The results of this study will add to the body of knowledge to the scholarly world. The study will also open more opportunities for further research in the area of strategic responses and the changes in the macro-environment in United Nations. Lastly, the study will be helpful to researchers and other organization as this will help them evaluate their current strategies and plan for the future. The study has provided a reference point for further research into the aspects of responding to the growing complexity of the environmental turbulence.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents the literature that has been done by other scholars on the theory on strategic concept, macro environment changes and strategic responses. It looks at how organizations adapt to their ever changing environment by way of response strategies which come about when organizations match their strategies to the environment in which they operate.

2.2 Theoretical Underpinning

According to Boote and Beile, (2005), theory is way of making sense of disturbing situation theories represent tentative solutions to problems. The power of a theory is its ability to connect events into a unified web. What give a theory its power are not the declarative statements it consist of but rather the relationship among those statements.

The theoretical framework therefore, has implications on every decision made in the research process (LeCompte, Klinger, Campbell, and Menck, 2003). The starting point in developing a research project according to Boote and Beile(2004) is to identify the methodology and methods that is utilized in the research project and then justify their choice.

2.2.1 Strategic Fit

According to Chorn (1991), the principle of strategic "fit" considers the degree of alignment that exists between competitive situation, strategy, organization culture and leadership. In this sense, alignment refers to the "appropriateness" of the various elements to one another. Research in the USA, Europe and Australia has revealed that superior performance (measured in a variety of ways) is associated with high degrees of alignment between the four elements mentioned above. Accordingly, it makes good sense to explore this principle of strategic fit more closely.

Strategic fit is an ideal state which should be continually strived for, but is rarely achieved. Although an organization may achieve perfect alignment at a specific point in time; the dynamic nature of competitive situations and organizations makes this a moving target. Fit is, therefore, achieving strategic fit, now or in the future and managing the interdependences that exist between situations, strategy and culture is the primary task of management.

The concept of fit has theoretical roots in contingency perspectives found in both the strategy and organization theory literatures (Ginsberg & Venkatraman, 1985). Miles and Snow (1994: 12) suggest that 'the process of achieving fit begins, conceptually at least; by aligning the company to its market place this process of alignment defines the company's strategy.

The strategic fit theory has theoretical roots in contingency perspectives found in both the strategy and organization theory literatures (Ginsberg et al, 1985). Miles et al(1994)

suggest that ‘the process of achieving fit begins, conceptually at least by aligning the company to its marketplace ... this process of alignment defines the company’s strategy.’ This assertion is true to the extent that organizations exist to satisfy existing gaps or demands in the market arena. As such, an effective organizational strategy would be one that is responsive to the fluctuations of the demands of the market without which the organization would exist to serve no one’s interest in the market.

Chorn (1991) argued that strategic fit theory considers the degree of alignment that exists between competitive situation, strategy, structure, and organizational culture and leadership style. The model of strategic fit seems to suggest a somewhat deterministic approach. Strategic fit is an ideal state which should be continually strived for, but is rarely achieved. Although an organization may achieve perfect alignment at a specific point in time, the dynamic nature of competitive situations and organizations makes this a moving target. Fit is, therefore, somewhat elusive/ non-permanent.

A new perspective on the appropriateness of the strategic orientations that guide decision makers in their efforts aimed at enhancing organizational effectiveness is warranted. The fact that a firm operates in multiple international contexts necessitates the movement away from a standardized strategic orientation throughout international markets. The effectiveness of a firm is based on its ability to strategically fit its strategy to specific markets. While tactical adaptations are made continuously throughout a firm’s operations, often a standardized strategic orientation pervades, resulting in a singular strategy influencing tactical elements. Thus, flexibility and adaptability at the highest

level of strategy is a key to international effectiveness. When firms do not adapt to local conditions, failure often results.

2.2.2 Resource dependency theory

The focus of the resource based model of competition advantage is on the relationship an organization's resources and its performance (Furrer, Thomas H& Goussevskaia A. (2008). The resource based view sees above average profitability as coming from the effective deployment of superior or unique resources that allow firms to have lower costs or better products, rather than from tactical maneuvering or product market positioning (Fahy, 2000). Such resources include tangible assets such as plant and equipment; intangible assets, such as patents and brands and capabilities, such as the skills, knowledge and aptitudes of individuals and groups (Amit & Schoemaker, 1993; Hall, 1993; Wernerfelt, 1995).

Resource dependence theory (RDT) has become one of the most influential theories in organizational theory and strategic management, (Hillma, Withers & Collins, 2009). RDT characterizes the corporation as an open system, dependent on contingencies in the external environment (Pfeffer & Salancik, 1978). Pfeffer and Salancik (1978) also state that to understand the behavior of an organization you must understand the context of that behavior, that is, the ecology of the organization.

Hax and Majluf (1996) stated the essence of resource dependency theory is that; competitive advantage is created when resources and capabilities that are owned exclusively by the firm are applied to developing unique competencies. Moreover, the resulting advantage can be sustained due to the lack of substitution and imitation

capabilities by the firm competitors .Therefore, depending on the circumstances and how they change these firm specific assets can be either a boon or a curse. Perhaps the main criticism of this approach comes from population ecologists who argue that because these competencies takes so long to develop and environments change so quickly, any beneficial match between an organization's competencies and its environment is likely to be accidental rather than the result of deliberate or foresight full actions by managers.

2.3 Concept of Strategy

Hax and Majluf (1996), Strategy can be seen as a multidimensional concept that embraces all of the critical activities of the firm, providing it with a sense of unity, direction and purpose, as well as facilitating the necessary changes induced by its environment. One perspective, the central thrust in strategy is to achieve a long time sustainable advantage over the key competitors of the organization in the industry in it operates.

This dimension of strategy is behind most of the modern methodological approaches used to support the search for a favorable competitive position. It recognizes that competitive advantage results from a thorough understanding of external and internal forces the organization. Strategy is needed for organizations to obtain a viable match between their external environment and their internal environment, but as continuously and actively adapting the organization to respond the changes in the macro-environment. From this unifying point of view, strategy becomes a fundamental framework through which an organization can assert its vital continuity, while at the sometime; it forcefully facilitates its adaptation to a changing environment.

According to Thompson, Strickland (1998), Strategy is the 'game plan' management has for positioning the organization in its chosen market arena, competing successfully, and pleasing organization and achieving good business performance. Strategy consists of the whole array of competitive moves and business approaches that both tightly fit a company own particular situation and is discernibly different from Strategies of rivals. Strategy provides a roadmap to operate by, a prescription for doing business, absent a strategy manager have no framework for weaving many different action initiatives into a cohesive whole, no plan for uniting cross-departments operations into a team effort.

Strategy is the sustained pattern of resource allocation by which companies align themselves effectively to their external environment. Hence a useful place to start is to consider the macro-environmental context in which an industry finds itself. This is a period of unparalleled change, driven by factors such as political, economical, social, technological and legal frameworks. Each of these factors individually would call for a considered response from the players in the industry.

The general situation of the external environment would guide an organization as to what extent to which it does invest into its operations and even the form of its investment. Thus, in any undertaking by an organization, it is always of paramount importance for it to have a careful consideration of the possible implication of the impact of the various aspects of the external environment on the decisions and the courses of action that it may wish to implement. Finally, the concept of strategy points to the relevance of resource allocation as the most critical in strategic management. The alignment between strategic objectives and programs on the one hand, and the allocation of the human, financial,

technological, and physical resources of the organization on the other hand are required in order to assure strategic consistency.

2.4 Organizations and Environment

Understanding the environment is an essential element of the development of Strategy (Lynch, 1997). The environment refers to the immediate surroundings of the organization. It contains variables that affect the firm's operations. Without these variables, it is impossible for firms to exist and so we might say that firms are environment dependent (Ansoff et al, 1990).

Kotler and Burnes (1998) argued that the external environment forces are forcing organizations to change. These forces of change as they observed, are driven by the consumers or the market. Johnson & Scholes (1999) observed that organizations exist in the context of a complex environment and as a result, they develop strategies in view of their capability for survival, growth and development. They also observed that the change in environment give rise to opportunities for organizations but also exerts threats on it. Suave (2002), argued that the environment is a critical factor for any organization's survival and success. The forces of the external environment, as he observed, are so dynamic and interactive that their impact of other element.

2.5 Macro-Environment

The macro-environment of an organization is what affects the organizations ability to function properly. It is vital that an organization is aware of these external environments

and conducts the proper research to maintain a proper balance of these external environments to function optimally. The Environment is hostile, unpredictable, and uncertain place (Burnes, 2004). An understanding of the political, economic, social, technological, ecological factors and legal influences (PESTEL) can provide an overall picture of the variety of forces at work around an organization (Johnson & Scholes, 2002; Byars, 1991).

According to Thompson, Strickland & Gamble (2008), managers are not prepared to act wisely in steering a company in a different direction or altering its strategy until they have a deep understanding of the pertinent factors surrounding the company's situation. Insightful diagnosis of organization's external and internal environment is a pre requisite for managers to succeed in crafting a strategy that is excellent fit with the company advantage and holds good prospect for boosting company performance. All organizations operate in a macro-environment shaped by influences emanating from the economy at large, population demographics, societal values and lifestyles; governmental legislation and regulation; technological factors; closer to home industry and competitive arena in which the organization operates.

Organizations' microenvironment includes all relevant factors and influences outside the organizations boundaries; by relevant we mean important enough to have a bearing on the decisions the organization ultimately makes about its direction objectives, strategy and business model. Organizations in most all industries have to craft strategies that are responsive to environmental regulations according to (Thompson et al 2008). Successful strategies are those where the organization adapts to environment. Organizations that fail

to adapt to their environment are unlikely to survive in the long run and tend like dinosaurs to disappear.

2.6 Response Strategies

Response strategies are increasingly important in today's dynamic environment. Rapid technological change, easier entry by foreign competitors, and the accelerating breakdown of traditional industry boundaries subject organization to new, unpredictable competitive forces (Hofer and Schendel, 1978). Organizations operating in dynamic market contexts, often deal with these contingencies by implementing strategies that permit quick reconfiguration and redeployment of assets to deal with environmental changes.

The performance of organizations depends on the fit between the organizations and their external environments. Strategies give an organization a basis on how to act within a market structure to remain competitive, to maximize opportunities and to tactfully counter threats (Mintzberg, 1998). The operating environment involves factor in the immediate competitive situation that provide many of the challenges a particular firm faces in attempting to attract or acquire needed resources or in striving to profitably market its goods and services (Pearce and Robinson, 2004).

Response strategies are ways an organization ensures a fit into the changing environment. (Pearce et al 2004) defined strategic response as the set of decisions and actions that results in the formalization and implementation of plans designed to achieve a firm's objectives. Strategic management literature suggests that a successful firm's strategy

must be favorably aligned with the external environment. Jauch (1988) argued that decisions and actions taken will lead to the development of an effective strategy which will help to achieve organizational objectives. Changing business environments alter the way organizations fundamentally conduct business. Such adaptations made to suit the firm may be referred to as strategic response.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This Chapter presents the research design that was used in the study. It shows the research design, data collection techniques and the methods that were used and the way data collected from the industry was analyzed. This chapter also specifies the framework or blue print for the entire so as to realize the objective of the study that is to determine the response strategies adopted by United Nations agencies in Somalia to cope with changes in the macro-environment.

3.2 Research Design

The study was conducted using a cross-sectional survey design. Mugenda (2003) defines research design as a plan or a blue print of a how a researcher intends to carry-out his research study. Glesne & Alan (1992), Survey research is probably the best method available to social scientists who are interested in collecting data for purposes of describing a population which is too large to observe. According to Brown, Askew, Baker, Denvir and Millett (2003), survey design provides the glue that holds the research project together.

According to Cooper & Schindler (2003), a descriptive study is concerned with finding out the what, where and how of a phenomenon. The main advantage of descriptive design are: it provides opportunity to acquire a lot of information through of area under study, descriptions can be used as an indirect test of a theory or model and some behaviors or situations cannot be studied in any other way. However, a major disadvantage of

descriptive design is that since the setting for the subject under study is completely natural, with all variables present the design cannot identify causes of phenomenon. In other words, the researcher has no control over the variables; he can only report what has happened or what is happening (Kothari 2004). The researcher undertook a survey of all the UN agencies in Somalia; these agencies may either have offices in Somalia or be working through partners.

3.3 Data Collection

Data for carrying out this study was collected using questionnaires. The questionnaires were administered face to face on Program Directors, Program Managers or Senior Officers of the various organizations in Somalia within the UN body. The questionnaire contained a mix of open-ended and closed-ended questions. The questionnaire was administered through personal administration by the researcher. Secondary data was also be used to validate the information arising from primary data. Cooper and Schindler, (2006), prefer face to face interviews as the interviewer can control the interview situation, has higher response rate and is best method to get insights through probing.

Mugenda and Mugenda (2003), note that there are two major sources of data used by respondents namely: primarily and secondary data. Primary data is information gathered directly from respondents. In this study, primary data was collected through questionnaires (appendix) to senior staff of the respondent firms. Follow up by way of personal calls and emails were done to ensure that the organization filled and returned the questionnaires

3.4 Data Analysis

Descriptive statistics was used to analyze the respondent's views about the role of strategic responses in helping the organization cope with changes in the macro-environment and the overall contribution towards enhancing organizational performance. The analysis was quantitative and qualitative using regressions and correlation. With the aid of appropriate software analytical packages data was keyed into computer and analyzed to give out production. The study was faithful to ensure data accuracy, reliability and consistence to deliver on the pre-determined objectives.

The regression analysis was of the form:

$$ME = \beta_0 + X_1 + X_2 + \varepsilon$$

Where:

β_0 regression constant (y-intercept);

X_1 - X_2 are the regression coefficients;

ME-Macro-environment

EF - Environmental factors;

RSA - Response strategies adopted;

ε - Error Term.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSIONS

4.1 Introduction

The purpose of this study was to investigate the response strategies of the United Nations agencies in Somalia to changes in the macro-environment. The results of the analyses are presented per study objective and described in tables where stated. Once the respondents answered the questionnaire, data was then coded and analyzed using statistical packages for social sciences (SPSS).

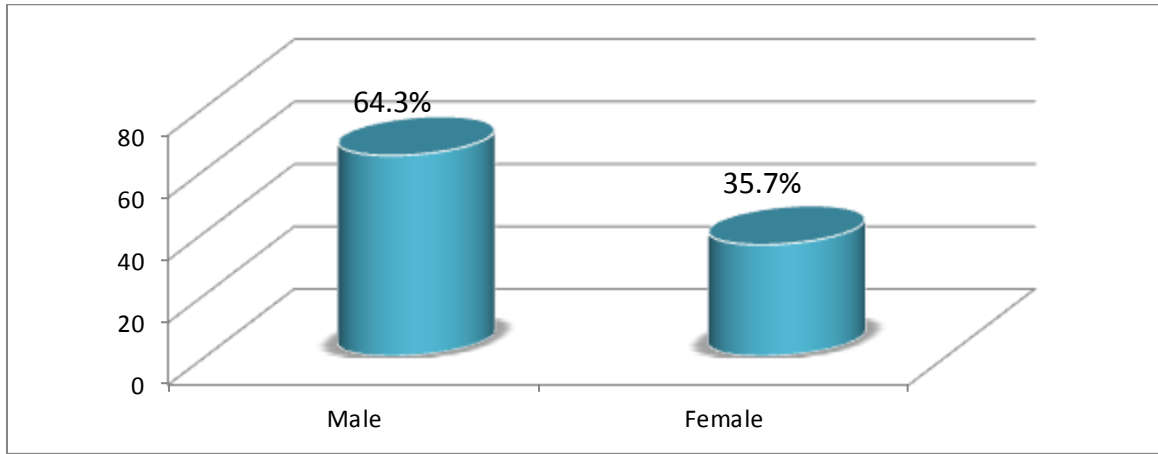
4.2 Participation rate

From the study, 14 respondents out of the 17, making a response rate of 82.4%. According to Mugenda and Mugenda (2003) a 50% response rate is adequate, 60% good and above 70% rated very good. This also concurs with Kothari (2004) assertion that a response rate of 50% is adequate, while a response rate greater than 70% is very good. This implies that based on this assertions; the response rate in this case of 82.4% is very good.

4.3 Demographic background data

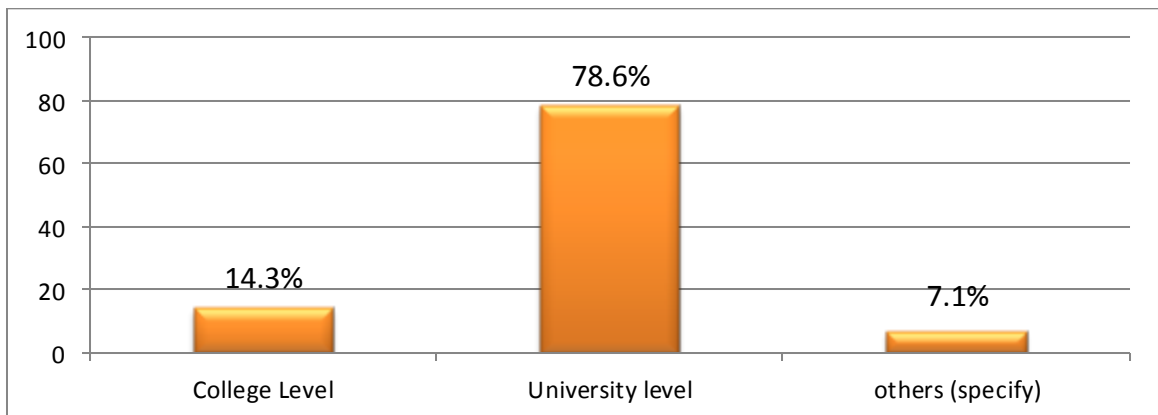
The study sought to establish the demographic information in order to determine whether it had influence response strategies of the United Nations agencies in Somalia to changes in the macro-environment. The demographic information of the respondents included, gender, position held in the organization, academic qualification and the duration worked in the current organization.

Figure 4.1: Gender of the respondents



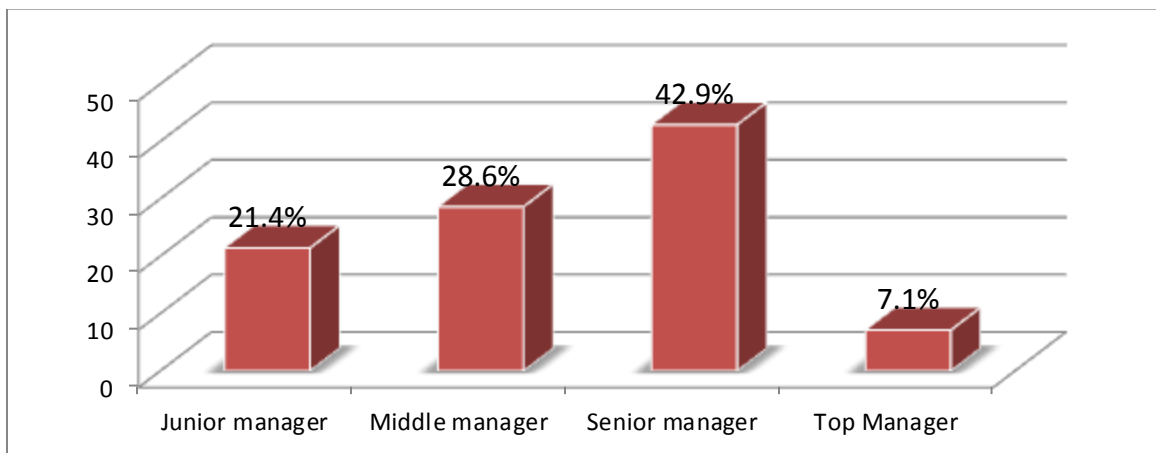
The study found it paramount to determine the respondents' gender in order to ascertain whether there was gender parity in the positions indicated by the respondents. The findings of the study are displayed in figure 4.1 respectively. According to the analysis it was evident that majority of the respondents were male which represented 64.3% while 35.7% were female. It can therefore be deduced that males were the most dominant in Somalia.

Figure 4.2: Academic qualification



The study sought to find out the respondents' level of education. The findings of the study are displayed in figure 4.2. From the findings, majority (78.6%) had university degrees. In addition, the study revealed that 14.3% had college level of education and the remaining 7.1% indicated other types of academic qualification such as PhD in different area of specialization. Therefore, the analysis of the findings of the study clearly reveals that most participants had university degrees academic qualification and thus in position to understand the response strategies of the United Nations agencies in Somalia to changes in the macro-environment.

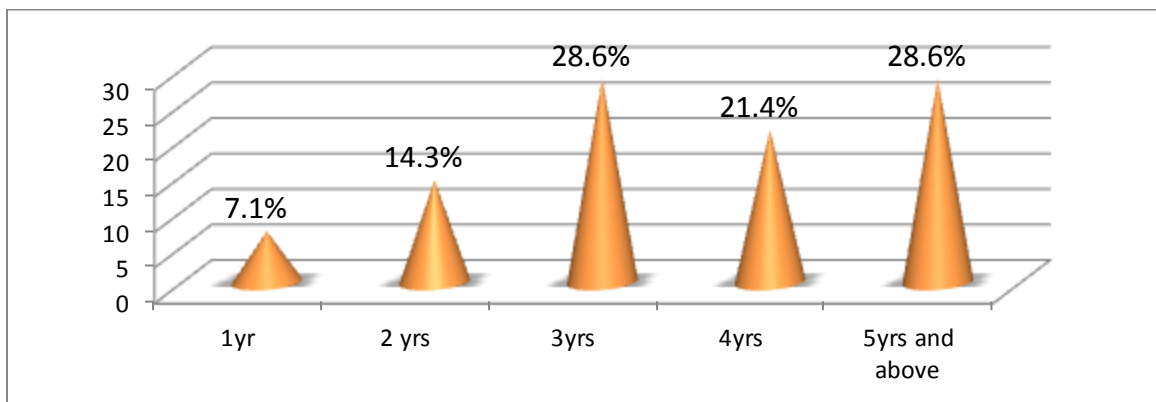
Figure 4.3: Position held in the current organization



The respondents were asked to indicate their respectful position held in the current organization. According to the analysis of the findings, it emerged that majority were from senior management who accounted for 42.9%, followed by 28.6% who indicated that they were from middle management level, 21.4 were from junior management while the remaining 7.1% indicated top management. The findings of the study, therefore reveals that majority of the participants in the study were from senior management. This

implies that the respondents were serving in responsible positions to have access to information, and experience in regard with response strategies of the United Nations agencies in Somalia to changes in the macro-environment. Thus, they were in a position to give a considered opinion on the response strategies of the United Nations agencies in Somalia to changes in the macro-environment. The findings of the study are displayed as in figure 4.3 above.

Figure 4.4: Duration worked in the current organization



The respondents were asked to indicate duration they have served in the current organization. Based on the study findings it emerged out 28.6% recorded 3 and 5 years and above respectively followed by 21.4% who recorded 4 years, 14.3% indicated 2 years while the remaining 7.1% indicated 1 year. This implies that majority had up to 5 years experience in their respectful positions and thus in a position to give views on response strategies of the United Nations agencies in Somalia to changes in the macro-environment. The findings are displayed in figure 4.4 above.

4.4 Macro-environmental changes

The study sought to find out the response strategies to macro-environmental changes in Somalia. The results are shown below.

4.4.1 Economic Forces

The study sought to find out the how economic changes such as inflation rates, foreign exchange rate, unemployment and physical policy effect the operations of UN agencies. The findings are shown in Table 4.1.

Table 4.1: Economic changes

Descriptive Statistics			
Economic Changes	N	Mean	Std. Deviation
Inflation	14	3.21	1.528
Foreign Exchange,	14	2.79	1.369
Unemployment,	14	2.71	1.326
Ministry of finance physical policy	14	3.43	1.785

The researcher also wanted to find out whether the economic forces were either significant or insignificant. The findings of the study revealed that those indicated neutral were on the statements of ministry of finance physical policy which recorded a mean of 3.43 and a standard deviation of 1.785, inflation which recorded a mean of 3.21 and a standard deviation of 1.528 and on foreign exchange which also recorded 2.79 a standard

deviation of 1.369 and also on unemployment which recorded 2.71 and a standard deviation of 1.326.

4.4.2 Political changes

The study sought to find out how political changes such as security, political stability and federalization affect the operations of UN agencies. The findings are shown in Table 4.2.

Table 4.2: Political changes

Descriptive Statistics			
Political changes	N	Mean	Std. Deviation
Security	14	4.21	1.424
Political stability	14	3.71	1.541
Federalization.	14	3.07	1.207

The researcher also sought whether political factors influences the macro environment in Somalia. According to the analysis of the findings it emerged that those indicated important were on security which recorded a mean of 4.21 and a standard deviation of 1.424 and on political stability with a mean of 3.71 and a standard deviation of 1.541. Further the results of the finding revealed that the participants were in a neutral on federalization which recorded a mean of 3.07 and a standard deviation of 1.207.

4.4.3 Legal changes

The study sought to find out how legal changes such as employment/labor laws, other government regulations affect the operations of UN agencies. The findings are shown in Table 4.3.

Table 4.3: Legal changes

Descriptive Statistics			
Legal changes	N	Mean	Std. Deviation
Labor laws	14	3.57	1.505
Other government regulations	13	3.62	1.660

The respondents also required the participants to indicate whether legal factors influence macro-environment in Somalia. The analysis of the findings clearly reveals that those indicated important were on other government regulations with a mean of 3.62 and a standard deviation of 1.660 and also on labor laws which also recorded a mean of 3.57 and a standard deviation of 1.505.

4.4.4 Ecological changes

The study sought to find out how ecological changes such as waste disposal regulations affect the operations of UN agencies. The findings are shown in Table 4.4.

Table 4.4: Ecological changes

Descriptive Statistics

Ecological changes	N	Mean	Std. Deviation
Waste disposal regulations	14	2.57	1.342
Climate change	14	2.57	1.697

The study also sought to find the influence of ecological factors on macro-environment.

The findings of the study clearly reveal that those respondents who indicated to a neutral extent were on waste disposal regulations with a mean of 2.57 and a standard deviation of 1.342 and climatic change with a mean of 2.57 and a standard deviation of 1.697.

4.4.5 Technological changes

The study sought to find out how technological changes such as global positioning system, global information system, and mobile technology for humanitarian affect the operations of UN agencies. The findings are shown in Table 4.5.

Table 4.5: Technological changes

Descriptive Statistics

Technological changes	N	Mean	Std. Deviation
GPS	14	3.93	1.141
GIS platforms for humanitarian assistance Cash transfer Program	14	3.50	1.653
Mobile technology for humanitarian response	14	3.14	1.406

Descriptive Statistics

Technological changes	N	Mean	Std. Deviation
GPS	14	3.93	1.141
GIS platforms for humanitarian assistance Cash transfer Program	14	3.50	1.653
Mobile technology for humanitarian response	14	3.14	1.406

The researcher also wanted to establish the influence of technological factors on macro-environment in Somalia. Those indicated important were on GPS which recorded a mean of 3.93 and a standard deviation of 1.141, GIS platforms for humanitarian with a mean of 3.50 and a standard deviation of 1.653. In addition, those indicated to a neutral extent were revealed on mobile technology for humanitarian response which recorded a mean of 3.14 and a standard deviation of 1.406.

4.4.6 Social changes

The study sought to find out how social changes such as demographic change, clan structure, culture, religion and language affect the operations of UN agencies. The findings are shown in Table 4.6.

Table 4.6: Social changes

Descriptive Statistics

Social changes	N	Mean	Std. Deviation
Demographic change	14	3.79	1.626
Clan structure (4.5 system)	13	3.08	1.320
Culture	14	3.29	1.383
Religion and language.	14	3.57	1.222

The researcher also investigated whether the social changes were significant or insignificant to the macro-environment in Somalia. Those recorded important were on demographic changes with a mean of 3.79 and a standard deviation of 1.626 and also on religion and language. Further the findings revealed that those who were neutral were on culture which recorded a mean of 3.29 and a standard deviation of 1.383 and also on clan structure with a mean of 3.08 and a standard deviation 1.320.

4.5 Changes in the Macro-environment

The respondents were asked to indicate the importance of the various environmental changes affecting the UN agencies. The results are shown in Table 4.7.

Table 4.7: Changes in the macro-environment

Descriptive Statistics

Changes in the macro-environment	N	Mean	Std. Deviation
The significance to work toward developing the best fit between the organization and its external environment	14	4.00	1.359
Adoption of change management strategy enable the organization to operate effectively in ever changing environment	14	3.86	1.099
While one does not want to change a strategy continually, Organizations should periodically review their mission and vision statements.	14	3.71	1.204
The strategic planning committee should continue to meet regularly to look at internal progress and external realities. Furthermore, it should be flexible and make changes to the plan as needed	14	3.64	1.598
Accessibility of data that reflect the trends—political, economic, social, and technological—that affect the organization’s beneficiaries, donors, partners, and stakeholders	14	3.64	1.598

The researcher further investigated the significance on changes of the macro-environment by requesting the respondents to agree or disagree on the statements indicated in table.

According to the analysis of the finding, it was revealed that those agreed were on significance to work toward developing the best fit between the organization and its external environment with a mean of 4.00 and a standard deviation of 1.359.

Adoption of change management strategy enable the organization to operate effectively in ever changing environment with a mean of 3.86 and a standard deviation of 3.86, while one does not want to change a strategy continually, Organizations should periodically review their mission and vision statements with a mean of 3.71 and a standard deviation of 1.204. Strategic planning committee should continue to meet regularly to look at internal progress and external realities.

Furthermore, it should be flexible and make changes to the plan as needed with a mean of 3.64 and a standard deviation of 1.598 and also on the accessibility of data that reflect the trends—political, economic, social, and technological—that affect the organization's beneficiaries, donors, partners, and stakeholders with a mean of 3.64 and a standard deviation of 1.598. The findings of the study is in line with (Johnson & scholes, 2002) who argued that an understanding of the political, economic, social, technological, ecological factors and legal influences (PESTEL) can provide an overall picture of the variety of forces at work around an organization.

4.6 Response Strategies

The respondents were requested to indicate the extent response strategies by United Nations agencies in Somalia to changes in the macro-environment in a five point Likert scale. The range was 'very great extent (5)' no extent at all '(1). The scores of 'no extent

at all, ‘and’ less extent;’ have been taken to present a variable which had an impact to a small extent (S.E) (equivalent to mean score of 0 to 2.5 on the continuous Likert scale ;($0 \leq S.E < 2.4$). The scores of ‘neutral extent;’ have been taken to represent a variable that had an impact to a moderate extent (M.E.) (equivalent to a mean score of 2.5 to 3.4 on the continuous Likert scale: $2.5 \leq M.E. < 3.4$). The score of ‘great extent, and very great extent,’ have been taken to represent a variable which had an impact to a large extent (L.E.) (equivalent to a mean score of 3.5 to 5.4 and on a continuous Likert scale; $3.5 \leq L.E. < 5.4$). A standard deviation of >1.5 implies a significant difference on the impact of the variable among respondents.

Table 4.8 : Response Strategies

Descriptive Statistics

Response Strategies	N	Mean	Std. Deviation
Collaboration with the stakeholders	14	4.57	.852
Forming Strategic Alliances	14	4.07	1.072
Organization learning	12	4.08	1.165
Organizational Reengineering	14	4.57	.756
Adoption of innovative Strategies	14	3.71	.914
Proactive Strategies	11	4.09	1.221
Downsizing and Outsourcing	14	3.71	1.204
Adopting focusing Strategies	14	3.79	1.188
Technological forces	14	3.36	1.277
Localization	14	3.71	1.267

Descriptive Statistics

Response Strategies	N	Mean	Std. Deviation
Collaboration with the stakeholders	14	4.57	.852
Forming Strategic Alliances	14	4.07	1.072
Organization learning	12	4.08	1.165
Organizational Reengineering	14	4.57	.756
Adoption of innovative Strategies	14	3.71	.914
Proactive Strategies	11	4.09	1.221
Downsizing and Outsourcing	14	3.71	1.204
Adopting focusing Strategies	14	3.79	1.188
Technological forces	14	3.36	1.277
Localization	14	3.71	1.267

The respondents were required to indicate the influence of response strategies in the macro-environment in a five point likert scale. This was rated using a five point likert scale, whereby no extent at all was given 1 point, less extent 2 points , neutral extent 3 points, great extent 4 points and very great extent was given 5 points. According to the analysis of the findings those indicated to a great extent were on collaboration with the stakeholders with a mean of 4.57 and a standard deviation of .852 and on organizational reengineering who also recorded a mean of 4.57 and a standard deviation of .756. In addition, the findings revealed that those indicated great extent were represented on statements of proactive strategies with a mean of 4.09 and a standard deviation of 1.221,

organization learning with a mean of 4.08 and a standard deviation of 1.165, forming strategic alliances with a mean of 4.07 and a standard deviation of 1.072, adopting focusing strategies with a mean of 3.79 and a standard deviation of 1.188, adoption of innovative with a mean of 3.71 and a standard deviation of .914, strategies downsizing and outsourcing with a mean of 3.71 and a standard deviation of 1.204 and localization which recorded a mean of 3.71 and a standard deviation of 1.267. Moreover, those indicated to a neutral extent were on technological forces with a mean of 3.36 and a standard deviation of 1.277. The findings of the study are in consistent with Mintzberg, (1998) who argued that strategies give an organization a basis on how to act within a market structure to remain competitive, to maximize opportunities and to tactfully counter threats.

4.7 Inferential statistics

This Section presents a discussion of the results of inferential statistics. Correlation analysis was used measure the strength of the relationship between the dependent and independent variables i.e. the relationship between macro-environmental changes, and response strategies. Regression analysis established the relative significance of each of the variables on macro-environment.

4.7.1 Correlation Analysis

The Pearson product-moment correlation coefficient (or Pearson correlation coefficient for short) is a measure of the strength of a linear association between two variables and is denoted by r . The Pearson correlation coefficient, r , can take a range of values from +1 to

-1. A value of 0 indicates that there is no association between the two variables. A value greater than 0 indicates a positive association, that is, as the value of one variable increases so does the value of the other variable. A value less than 0 indicates a negative association, that is, as the value of one variable increases the value of the other variable decreases.

Table 4.9: Correlation coefficient

Correlation coefficient	Response strategies adopted	Environmental factors
Response strategies adopted	1	
Environmental changes	0.8345	1

The study in table 4.9, show that all the predictor variables were shown to have a positive association between them at a significant level of 0.05 and hence included in the analysis. There was strong positive relationship between response strategies adopted and environmental changes (correlation coefficient 0.8345).

4.7.2 Regression Analysis

The following are the results of regression analysis. Analysis in table shows that the coefficient of determination (the percentage variation in the dependent variable being explained by the changes in the independent variables) R² equals 0.843, that is, response strategies adopted and environmental changes explains 84.3% of macro environmental changes in Somalia. The P- value of 0.000 (Less than 0.05) implies that the regression model is significant at the 95% significance level.

Table 4.10: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.918(a)	.843	.805	.51038	.843	1.242	4	96	.000

Predictors: (Constant), Changes in macro-environment

Dependent Variable: Response strategies adopted

Source: Researcher 2014

Table 4.11: Regression coefficients

Model		Un-standardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.903	0.123		7.367	0.000
	Environmental changes	0.056	0.028	0.158	2.021	0.045
	Response strategies Adopted	0.043	0.027	0.101	1.157	0.210

Model	Un-standardized		Standardized		
	Coefficients		Coefficients		
	B	Std. Error	Beta	t	Sig.
1 (Constant)	0.903	0.123		7.367	0.000

a. Independent Variable: Changes in macro-environment

b. Dependent Variable: Response strategies adopted

From the Regression results in table 4.11, the multiple linear regression model finally appear as

$$Y = 0.903 + 0.036 X_1 + 0.034 X_2 + 0.123$$

The multiple linear regression models indicate that all the independent variables have positive coefficient. The regression results above reveal that there is a positive relationship between independent variable (Changes in macro-environment) and dependent variables (response strategies adopted).

4.8 Discussion of Findings

From the findings of the study it was revealed that UN agencies are effected environmental factors and these factors are key to the management of the organizations. Hence the response strategies adopted influenced the organizations' ability to function properly. Several measures were noted on that UN agencies collaborated with stakeholders, formed strategic alliances, adopted organizational learning and

organizational re-engineering and come up with innovative strategies proactive strategies, adopted downsizing and outsourcing strategies, devising and supporting policies on response strategies focusing strategies and technological forces as strategic response to the changes in the macro-environment.

There is significance on changes of the macro-environment. According to the analysis of the finding, it was revealed that those agreed were on significance to work toward developing the best fit between the organization and its external environment. Johnson and Scholes (2003) have noted that in an ever-changing global economy, organizations must find ways for operating by developing new competences as the old advantage and competencies gained is quickly eroded owing to external environmental changes. Therefore its a fact that changes are a necessity in private as well as public sector, every organization must respond to the environment otherwise it would become irrelevant.

The respondents indicated that adoption of change management strategy, enable the organization to operate effectively in ever changing environment Furthermore, they indicated organization should be flexible and make changes to the plan and communicate changes to all the staff. Claire (2008), states that any organization to achieve strategic fit, its strategic position in the external environment must be clear in order to respond to these changes.

Accessibility of data that reflect the trends—political, economic, social, and technological that affects the organization’s beneficiaries, donors, partners, and stakeholders are also very important. The findings of the study is in line with (Johnson & scholes, 2002) who argued that an understanding of the political, economic, social,

technological, ecological factors and legal influences (PESTEL) can provide an overall picture of the variety of forces at work around an organization.

Response strategy requires organizations to change their strategy to match the environment and also to redesign their internal capability to match this strategy. If an organization's strategy is not matched to its environment, then a strategy gap arises. Porter (1985), argues that the environment is important in providing initial insight that underpins competitive advantage, the inputs needed to act on it to keep progressing. For organization to survive in today's ever changing environment, it must maintain a strategic fit with both internal and external environment.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The main purpose of this study was to investigate response strategies of the United Nations agencies in Somalia to changes in the macro-environment. This section is an attempt to articulate the summary of the findings based on the problem statement and purpose of the study. In addition, there are recommendations made by the researcher based on the findings of the study.

5.2 Summary of the findings

The main objective of this study was to investigate response strategies of the United Nations agencies in Somalia to changes in the macro-environment specifically focusing on macro-environmental changes and response strategies. The researcher sought to establish the demographic background data of the respondents. According to the analysis of the findings it emerged under the gender of the respondent's males accounted 64.5% who comprised the majority than their female counterparts. It was also revealed that 78.6% had university degrees. Most participants were senior managers accounted for 42.9%.

The researcher also investigated response strategies adopted by United Nations agencies in Somalia to changes in macro-environment. The findings of the study revealed those indicated to a great extent were on collaboration with the stakeholders, organizational reengineering, statements of proactive strategies, organization learning, forming strategic alliances, adopting focusing strategies, adoption of innovative, strategies downsizing and

outsourcing, and localization of those strategies. The researcher also found of paramount importance to determine on whether the economic forces were either significant or insignificant.

The findings of the study revealed that those indicated neutral were on the statements of ministry of finance physical policy, inflation and on foreign exchange and also on unemployment. It also emerged out on political factors, security and political stability was important. In addition, it was revealed that on legal factors, labor laws and other government regulations were important to influence of macro-environment in Somalia. However, on ecological factors, most respondents indicated to a moderately important on waste disposal regulations and climatic changes. Moreover, on the technological factors, GIS platforms for humanitarian and GPS, most respondents indicated important while on mobile technology for humanitarian response, the participants were to a moderate extent.

The findings further indicated on the social changes, the respondents indicated important on demographic changes and religion and language. In addition, the findings revealed that those who were to a moderate extent were on culture and clan structure. On the changes in the macro-environment, those agreed were on significance to work toward developing the best fit between the organization and its macro-environment, adoption of change management strategy enable the organization to operate effectively in ever changing environment, change a strategy continually, Organizations should periodically review their mission and vision statements, planning committee should continue to meet regularly to look at internal progress and external realities. Furthermore, it should be flexible and make changes to the plan as needed, accessibility of data that reflect the

trends—political, economic, social, and technological—that affect the organization’s beneficiaries, donors, partners, and stakeholders respectively.

5.3 Conclusion

From the findings of the study it was concluded that UN agencies are effected environmental changes and that these changes are key to the management of the organizations hence the response strategies adopted influenced the organizations’ ability to function properly. The study also concludes that UN agencies collaborated with stakeholders, formed strategic alliances, adopted organizational learning and organizational re-engineering and come up with innovative strategies proactive strategies, adopted downsizing and outsourcing strategies focusing strategies and technological forces as strategic response to the changes in the macro-environment.

The multiple linear regression models indicated that all the variables had a positive coefficient thus concluding that there is a positive relationship between independent variable (Changes in macro-environmental environment) and dependent variables (Response strategies adopted). Hence it is concluded that an understanding of the political, economic, social, technological, ecological factors and legal influences can provide an overall picture of the variety of forces at work around an organization.

5.4 Limitations of the study

During the study the researcher encountered quite a number of challenges related to the research and most particularly during the process of data collection. Accessibility of UN offices was a challenge due to the current security trends both in Kenya and Somalia. Other limitation, the researcher conducted this research under both time and finance constraints. In addition the researcher found out that most of the respondents were busy throughout and had to continuously be reminded and even persuaded to provide the required information.

During the research lack of cooperation is undoubtedly the greatest challenge that was witnessed by the researcher. Respondents were naturally suspicious and uneasy when directed to cooperate in a study that they were not aware of its consequence. To further calm and set at ease the respondents, the researcher explained the nature of the study and its intended purpose and that it was purely an academic undertaking and that information divulged would be held in confidentiality by the researcher

5.5 Recommendations

From the study findings and conclusions, it is clear that the researcher investigated changes in macro-environment and the appropriate response strategies used to deal with these changes, more often though at no stringent guidelines. This study therefore, recommends UN agencies have to continuously scan the environment and be able to respond accordingly in order to achieve a strategic fit between the organization and environment. The study also found that UN agencies are effected environmental changes

and that these changes are key to the management of the organizations hence the response strategies adopted influenced the organizations' ability to function properly; the study thus recommends that UN agencies must devise strategies in order to cope up with the changes in the macro-environment.

The study also found that adoption of change management strategy enable the organization to operate effectively in ever changing environment, change a strategy continually; the study thus recommends that organizations should periodically review their mission and vision statements, strategic planning committee should continue to meet regularly to look at internal progress and external realities that affect the organization's beneficiaries, donors, partners, and stakeholders respectively.

The study also recommends that The United Nations should develop, build and strengthen the necessary institutions that will help to ensure good governance. This should include technical assistance, capacity building, provision of equipment and materials, and other required forms of support. Also need to develop An overall policy and legal framework for macro-environment that effect the overall performance of the organization. Finally, in reacting to changes in your external environment, UN agencies should still be driven by an overarching vision, mission, and strategy which provide clarity in how to react to change with tactics that are adaptive and responsive.

5.6 Implications of the Study on Policy, Theory and Practice

This study has highlighted the relevance of response strategies and changes in the macro-environment to better understand the dynamics being experienced by UN agencies in Somalia. It has further highlighted the complex nature of the problem and the difficulty in making conclusive statements about success or failure in the rapidly changing macro – environment in Somalia. However the study is important to the UN and NGOs and also other government organizations as it helps them understand the response strategies and enable them adapt new policies and approaches of response strategies and establishing policy development for new ways of smoothly putting strategy in to place in order to curb the changes in the macro-environment.

In the theoretical perspective, the study sought to acquire knowledge on actions that make the whole process of response strategies successful while understanding the macro-environmental factors affecting business survival. This implies that findings drawn from this study will add value to theory by highlighting the importance of understanding the macro-environment of the organizational as political changes, social and economic changes, technology and the legal framework governing the United Nations. An insight of these relationships results into development of advanced situational strategies to manage the organizations.

This study helps in establishing response strategies and determines how to respond the changes in the organisation's macro-environment. The results of the study contribute to the research practice by being a source of reference material for future researchers on other related topics and also help other academicians who undertake the same topic in

their future studies. The suggestions on the areas for further research on the response strategies in the UN and NGO sector will give comparative analysis and form a basis for researching more flexible and advanced ways of improving profitability and relevance of UN and other NGOs in Somalia and beyond.

5.7 Suggestions for further research

The main purpose of this study was to investigate response strategies of the United Nations agencies in Somalia to changes in the macro-environment with specific reference to 17 UN agencies in Somalia. To my knowledge, many organizations are currently looking for response strategies and this study can act as a catalyst to give leads in areas of interest.

The study has revealed that macro-environmental changes have strongly influenced the UN agencies in Somalia. However, the study did not look into how the response strategies adopted by UN agencies have contributed to the entire organizational performance. This factor explains 84.3% of response strategies to macro environmental changes in Somalia. A further research is therefore recommended to find the other factors accounted for 15.7% with an aim of investigating the other response strategies adopted by UN agencies in response to macro-environmental changes.

REFERENCES

- Africa Watch and Physicians for Human Rights, (March 26, 1992) *Somalia No Mercy in Mogadishu: The Human Cost of the Conflict & the Struggle for Relief*.
- Amit, R and Schoemaker P.J. (1993) *Strategic assets and organizational rents*; Journal of management studies.
- Amy J Hillma, Michael C. Withers and Brain J. Collins (2009) , Resource Dependency Theory: A review. Journal of Management.SAGE.
- Amy, J. Hillma, Michael, C.Withers& Brain, J. Collins (2009).*Resource Dependency Theory: A review*. Journal of Management.
- Ansof, H. I. and McDonnellJ.E. (1990).*Implementing Strategic Management*, 2nd EditionPrentice Hall.
- Boote, D. N., &Beile, P. (2004, April).*The quality of dissertation literature reviews: A missing link in research preparation*. Paper presented at the annual meeting of the American Educational Research Association, San Diego, CA.
- Boote, D. N., &Beile, P. (2005)*Scholars before researchers: On the centrality of the dissertation literature review in research preparation*. *Educational Researcher*, 34(6), 3-15.

Burnes B. (2004). *Managing Change*. 4th Edition, Prentice Hall.

Byars (1991), *Strategic planning; Case studies* 3rd Edition. Harper Collins.

Claire, (2008). *Understanding Strategic Management*. Pearson Education limited

Cooper, D.R, and Schindler, P.S. (2006). *Business Research Methods*. 14th Edition. McGraw Hill.

Cooper, D.R, and Schindler, P.S. (2003). *Business Research Methods*. 8th Edition. McGraw Hill.

Denvir, H. & Millett, A. (2003) *Isthe national Numeracy Strategy Research-Based?* British Journal of Educational Studies, 46(4), 362-385.

Fahy; J. (2000). *The resource based view of the firm: some stumbling blocks on the road to understanding sustainable competitive advantage*. Journal of European Industrial training.

Furrer O., Thomas H., Goussevskaia A. (2008) *'The Structure and Evolution of the Strategic Management Field: A Content Analysis of 26 Years of Strategic Management Research'*, *International Journal of Management Reviews* 10: 1–23.

Ginsberg, A. & Venkatraman N. (1985). *Contingency Perspectives of Organizational Strategy: A critical review of the empirical research*. Academy of Management. Longman.

- Glesne, C. & Peshkin. (1992). *Becoming qualitative researchers: An introduction*. White Plains, NY: Longman.
- Hall, R. (1993) *A framework linking intangible resources and Capabilities to sustainable competitive advantage*. Strategic Management Journal.
- Hax, C. A. and Majluf, (1996), *The strategy concept and process*, 2nd edition, Prentice-Hall: Upper Saddle River NJ, USA.
- Hofer, C.W. & Schendel, D. (1978) *Strategy Formulation: Analytical Concepts*, St. Paul, MN: West .
- Irungu E.N (2012). *Strategic responses by Kenyan airlines to the changes in the price of aviation fuel*. Unpublished MBA Project, University of Nairobi.
- J. Pfeffer and G. Salancik, *The External Control of Organization*, Harper & Row, 1978, pp 39-61y.
- Jane Perlez (1992). *Barrier to Somali Unity: Clan Rivalry*. "New York Times,
- Jeffrey Gettleman, (March/April 2009). *The Most Dangerous Place in the World*. Foreign Policy.
- Johnson, G. & Scholes, K (1991), *Exploring Corporate Strategy*, 4TH edition. Prentice Hall.
- Johnson, G. & Scholes, K (1999). *Exploring Corporate Strategy*, 5th Edition, Prentice Hall, USA.

- Johnson, G. and Scholes, K. (2002). *Exploring Corporate Strategy*. 6th Edition
PrenticeHall, New Delhi.
- Johnson, G. and Scholes, K. (2003). *Exploring Corporate Strategy*. 6th Edition
PrenticeHall, London.
- Kimani, P.M. (2010). *Strategic Responses by Nation Media Group (NMG) to changes in the External Environment*. Unpublished MBA Project, University of Nairobi
- Kotler&Burnes, (1998). *Marketing Management: Analysis, Planning, implementation and control*. Prentice hall, India.
- Kothari, C.R (2004). *Research Methodology: Methods and techniques*. New Age Internatioal, New Delhi.
- Kubai, E. (2010). *Strategic Responses by Kenya Airways to Changing Environment*. Unpublished MBA Project, University of Nairobi.
- LeCompte, M. D., Klinger, J. K., Campbell S. A., &Menke, D. W. (2003). *Editor's introduction. Review of Educational Research*, 73(2), 123-124
- Lynch Robert, (1997). *Corporate Strategy*, Pitman Publisher London.
- Lawrence R. Jauch, William F. Glueck (1988). *Business Poilcy and Strategic Management*. MacGraw-Hill.

- M. Bradbury and S. Healy, (2010). *Endless war: a brief history of the Somali Conflict*.
- Miles, R. E, and .C.C. Snow, (1994). *Fit, failure and the hall of fame*. New York: MCGrew-Hill.
- Mintzberg, H. (1998). *Generic Strategies: toward a comprehensive Framework, Advances in Strategic Management, Vol5 JAI Press, Greenwich, CT, page 1-67*.
- Mugenda, A.G&Mugenda, O.M (2003).*Research Methods, quantitative and qualitative approaches*. Acts Press, Press, Nairobi.
- Norman H. Chorn (1991). *The alignment theory: Creating strategic fit*. (Article) Volume 29.
- Pearce, J.A. & Robinson, R.B. (2004).*Strategic Management: Strategy formulation an implementation*.
- Porter M, (1985).*Competitiveadvantage; Creating and sustaining superior performance*, Free Press, New York.
- Suave, L. (2002). *Environmental Education: Possibilities and Constraints*, UNESCO, Canada.
- Thompson, Strickland, Gamble (2008) *Crafting and executing strategy.The quest for competitive advantage concepts and cases* 16th edition, Mcgraw Hill.
- Wernelfelt, B. (1995). *The resource based or the firm: Ten years after Strategic ManagementJournal*.

APPENDICES

Appendix I: List of UN Agencies in Somalia

United Nations Development Program (UNDP)

World Health Organization (WHO)

World Food Program (WFP)

United Nations high commissioner for refugees (UNCHR)

United Nations Program on HIV and AIDS (UNAIDS)

United Nations Population Fund (UNFPA)

United Nation Human settlements Program (UNHAPITAT)

Food & Agriculture Organization (FAO)

United Nations Office for Project Services (UNOPS)

International Organization for Migration (IOM)

International Labor Organization (ILO)

United Nations Children's Fund (UNICEF)

United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)

United Nations Office on Drugs and Crime (UNODC)

UN Women

United Nations Assistance Mission in Somalia (UNSOM)

International Civil Aviation Organization (ICAO)

Appendix II: Letter of introduction

Mohamed Abdimalik

School of Business

University of Nairobi

P.O. Box 30197

Nairobi

RE: INTRODUCTION LETTER FOR MOHAMED ABDIMALIK-REG.NO

D61/68862/2011

Dear respondent;

I am a post graduate student at University of Nairobi pursuing a course leading to a master degree in business administration. In order to fulfil the degree requirement, I am conducting a survey on “response strategies of united nations agencies in Somalia to the changes in the macro-environment” as a senior staff in your organization; you are kindly requested to accord me a few minutes of your time fill in the questionnaire herein enclosed.

The information obtained will exclusively be used for academic purposes only and the findings of the study shall upon your request, be made available to you. Thank you in advance for your valued contribution to y academic pursuit.

Best regards,

Mohamed Abdimalik

MBA Student, University of Nairobi

Appendix III: Questionnaire

This questionnaire has been designed to gather information in relation to the strategic responses by United Nations agencies in Somalia to the changes in macro- environment, Information given by the respondents will be treated in confidence and will be used only for academic purposes.

PART A: PERSONAL INFORMATION OF RESPONDENTS

1. Name of employee
(Optional).....
2. Age bracket of respondent? 1- 30 years and below () 2- 31-40 years () 3- 41-50 () 4- 50 years and above ()
3. Gender of respondent? 1- Male () 2-Female ()
4. Academic qualifications? 1- Secondary level () 2- College Level () 3- University level () 4 Other (Specify).....
5. Position held in the organization? 1- Junior manager () 2- Middle manager () 3-Senior manager () 4-Top Manager () 5- Other (Specify).....
6. How long have you worked with this Organization? 1- 1yr () 2- 2yrs () 3yrs () 4-4yrs () 5-5yrs and above ()

PART B: RESPONSE STRATEGIES

1. Kindly indicate to what extent your organization adopts the following response strategies due to environmental changes.

(1-No extent at all and 5 Very Great extent).

Response strategies	1	2	3	4	5
Collaboration with the stakeholders					
Forming Strategic Alliances					
Organization learning					
Organizational Reengineering					
Adoption of innovative Strategies					
Proactive Strategies					
Downsizing and Outsourcing					
Adopting focusing Strategies					
Technological forces					
Localization					

PART C: ENVIRONMENTAL FACTORS

2. Please indicate to what extent have each of the following macro-environmental forces changed for your organization.

(1 Not important and 5- Very important)

Environmental Changes					
Economic Changes	1	2	3	4	5
Inflation					
Foreign Exchange,					
Unemployment,					
Ministry of finance physical policy					
Political changes					
Security					
Political stability					
Federalization.					
Legal changes					
Labor laws					
Other government regulations					

Ecological changes					
Waste disposal regulations					
Climate change					
Technological forces					
GPS					
GIS platforms for humanitarian assistance Cash transfer Program					
Mobile technology for humanitarian response					
Social factors					
Demographic change					
Clan structure (4.5 system)					
Culture					

Religion and language.					
------------------------	--	--	--	--	--

3. To what extent do you agree with the following statements concerning your organization's response strategies to the environmental changes?

(1 Means strongly disagree 2-disagree 3-neutral 4- agree 5-strongly agree)

	1	2	3	4	5
Changes in the macro environment					
The significance to work toward developing the best fit between the organization and its external environment					
Adoption of change management strategy enable the organization to operate effectively in ever changing environment					
While one does not want to change a strategy continually, Organizations should periodically review their mission and vision statements.					
The strategic planning committee should continue to meet regularly to look at internal progress and external realities. Furthermore, it should be flexible and make changes to the plan					

as needed					
Accessibility of data that reflect the trends—political, economic, social, and technological—that affect the organization’s beneficiaries, donors, partners, and stakeholders					