

**STRATEGIC CHOICE AND ORGANIZATIONAL PERFORMANCE OF HUMANITARIAN NON-
GOVERNMENTAL ORGANIZATIONS IN NAIROBI COUNTY**

BY

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DECLARATION

I, the undersigned, declare that this research project is my original work and has not been submitted for a degree in this or any other university.

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SUPERVISOR

The research project has been submitted for examination with my approval as the university supervisor.

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DEDICATION

I dedicate this project to God Almighty my creator, my strong pillar, my source of inspiration, wisdom, knowledge and understanding. He has been the source of my strength throughout this program and on His wings only have I soared. I also dedicate this work to my husband; Andrew Masila whose kindness has seen me through this program. To my children; Amanda (Tanu) and Ethan Muuo who have been affected in every way possible by this quest. Thank you. My love for you all can never be quantified. God bless you.

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ABBREVIATIONS AND ACRONYMS

DNGO	Development Non-Governmental Organization
EHRP	Emergency Humanitarian Response Plan
HNGO	Humanitarian Non-Governmental Organization
NDOC	National Disaster Operation Council
NGO	Non-Governmental Organization
SPSS	Statistical Package for Social Sciences
TMT	Top Management Team

ABSTRACT

The objective of the study was to determine the influence of strategic choice on performance of humanitarian non-governmental organizations in Nairobi County. The primary data used in the study was collected from the top management of humanitarian non-governmental organizations (HNGOs) operating in Nairobi County. The questionnaires were administered through “drop-and-pick-later” method allow respondents’ adequate time to answer the questions. Both descriptive analysis and inferential analysis were used. Analysis was done using SPSS. The researcher administered 33 semi-structured questionnaires to the top management of humanitarian non-governmental organizations in Nairobi County and received 31 properly filled questionnaires giving response rate of 93.9% and a none response of 6.1%. All the strategic choices (strategic alignment, sub-contracting, diversification, funding liberation and donor education) produced a positive effect on the performance of humanitarian non-governmental organizations. Sub-Contracting, Diversification, Funding Liberalization and Donor Education on the performance of was found out to influence the performance of humanitarian non-governmental organizations in a statistically significant way. However, the effect of Strategic Alignment was not found to be statistically significant. The study concluded that there was a strong relationship (R-value = 0.829) between performance and strategic choices of humanitarian non-governmental organizations in Nairobi County. Further, strategic choices were found to influence 68.8% of the total variance in the performance of humanitarian non-governmental organizations. The study therefore recommends that the management of humanitarian non-governmental organizations in Nairobi County should invest more in the formulation and implementation of strategies such as sub-contracting, diversification, funding liberation and donor education as they influence organizational performance positively and in a significant manner. The scope of this study was limited to the effect of strategic choices on the performance of humanitarian non-governmental organizations in Nairobi County. This implies that the findings cannot be adequately generalised to humanitarian non-governmental organizations outside the Nairobi County. In future, a similar study should be done including humanitarian non-governmental organizations located outside of Nairobi County as this might yield different results.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Organizations continually face the challenge of exercising choices among alternatives (Christensen et al., 2015). A strategic choice is concerned with decision making on the strategic direction that an organization desires to take. Strategic choices therefore, bring forth the need for deliberate decision making. Organizations must make strategic decisions which are aligned to the organization's aspirations and objectives, with various protagonists on the subject of strategic choice agreeing that one of its major outcomes is excellent organizational performance. Carton (2004) defines performance as the accomplishment of a given task or goal measured against preset standards of satisfaction in accuracy, completeness, cost and speed.

Using the postulations of contingency and dynamic capability theories by Fiedler (1964) and Teece et al. (1997) respectively, the study seeks to draw a relationship between the concepts of strategic choice and organizational performance in the context of humanitarian non-governmental organizations (HNGOs) in Nairobi County. Whereas the former posits that strategic choices of an organization depend on its unique circumstances, the latter argues that for an organization to yield sustainably superior organizational performance, it has to accumulate diverse process and resource capabilities.

The study draws motivation from the increasingly changing organizational environment of the HNGOs, most of which have their head offices in Nairobi County, from where their top management teams are domiciled. The core business of HNGOs is to save lives, reduce suffering, and maintain human dignity to groups like refugees, the homeless, and victims of natural disasters, war and famines.

Against the backdrop of reducing reliability of traditional donor funding, alongside increase in the humanitarian risks including terrorism and political strife, it cannot be business as usual. The traditional exclusive reliance on donor funding is no longer sustainable, calling for a change in strategic choices with respect to sustainable organizational performance. Hence, there is need for cumulative empirical evidence despite the existing theoretical predictions.

Non-governmental organizations can be classified into two categories, namely: humanitarian and development (NGOs). Whereas the former offer assistance in form of material and logistics to the people in need and normally short-term help, the latter offer support in form of financial aid by agencies to support economic, environmental, social, and political development of developing countries (National Disaster Operation Council, 2018). Against the backdrop of reducing reliability of traditional donor funding, alongside increase in the humanitarian risks including terrorism and political strife, the HNGOs are have had to take a paradigm shift in terms of strategic choices.

1.1.1 Strategic Choice

Strategic choices underpin organizations strategic intent and direction and provide a road map for actualizing organizational objectives. The decision making process gives rise to strategic choices which impact all aspects of the organization's value chain. Different aspects of an organization's operations require different strategic approaches. When for example resource streams experience a cut-back, contingency theory can guide strategic choices (Christensen, Raynor & McDonald, 2015; Simerly et al., 2000).

Top management's ability to come up with and implement strategic initiatives that capitalize on the environmental opportunities, while protecting the organization against external threats, is key to organizational success. Great emphasis should therefore, be put on the factors that affect strategic choice. A large body of research work has been done focusing on the determinants and process of strategic decision making, with particular attention on the role of top management teams and senior executives in shaping organizational outcomes (Simerly et al., 2000). According to Kreidler (2013), whereas some studies have used the Miles and Snow (1978) framework to operationalize the concept of strategic choice, the indicators are more skewed to the for-profit organizations.

The other strategic choices typical of organizations identified by Kreidler (2013) are perseverance where the organization continues to operate against acutely adverse dynamics and diversification where an organization opts to venture into new opportunities. Commercialization is a type of strategy where an organization develops for-profit units to supplement traditional donor funding, funding liberation where the organization reduces the extent of limitations on sources of funding.

Some organizations use geostrategic arbitrage where they take advantage of their strategic location as a strategy, specialization where an organization focuses on a more specific category of the humanitarian activities, donor education where the organization sensitizes the key stakeholders on its operations and the need for their support, and finally compromise where an organization opts to bow out of a deal to settle for an alternative. This strategic choice framework by organizations has also been cited by Rungtusanatham (2003) as well as Minear and Guillo (2002), and is more specific to the humanitarian aid context which the current study will be based.

1.1.2 Organizational Performance

Organizational performance has been explained by Stephenson (2005) as that which relates to the efficient function, effective working, financial stability and need of the organization. Performance of an organization is its ability to meet short term objectives by utilizing resources prudently. Availing products and services that cater to the needs of customers is called effectiveness whereas meeting organizational objectives with available budgets and resources is efficiency. According to Schulz and Blecken (2010) organizational productivity, effectiveness and industry rating are the performance measures widely.

Others such as Gillman (2010) have explained major factors that affect performance which include management, organizational culture and coordination. The balance score card is also a tool that is used to measure organizational performance. Kaplan and Norton (1992) define the balance score card as a set of measures that gives management a quick and integrated organizational view. It encompasses financial metrics which are historical in nature but complements financial measures with measures on internal processes, customer satisfaction, and the organization's innovation and improvement activities.

Some protagonists such as Anhier (2000) argue that since organizational performance is about result measurement, altering the process to adjust the output, boost efficiency or effectiveness, one of the most common challenges in the firm is how to measure performance, and especially corporate performance in a humanitarian context. The current study will use the effectiveness and efficiency indicators such as operational costs, response time, project completion period, and number of humanitarian aid

beneficiaries. This is because the indicators are more tailored to the humanitarian aid context.

1.2 Research Problem

Organizational performance is key to the achievement of both short and long term objectives of an organization. Performance excellence is however an outcome of sound choice of strategies from the various strategic options (Husseina et al., 2014). Even though strategic planning has become the norm today, majority of organizations end up with poor strategic choices that eventually impact their corporate performance adversely. Others such as Simerly and Mingfang (2000) also support this argument and assert that strategic choices of an organization are critical antecedents of corporate performance.

According to Karanja et al. (2015) humanitarian aid in Nairobi County has been riddled by performance challenges as a result of inappropriate strategic choices by the relevant organizations, the bulk of which are humanitarian NGOs. This being as a result of several challenges HNGOs are facing that hinder their effective operations in Nairobi County. Kyomugisha (2016) concurs with this argument and posits that lack of proper coordination among the HNGOs is one of the major challenges. The main objective of the HNGOs in Nairobi County is to respond to the humanitarian challenges especially in slum areas where most disasters are bound to happen. Use of inappropriate strategic choices among the HNGOs has led to duplication of efforts and projects in the County. This has caused great wastage of resources, inability to reach those in need of humanitarian aid on time as well as not being able to meet organizational goals and those of the donors. Despite all these challenges very little effort if any towards ensuring use of suitable strategic choices to improve corporate performance.

Acknowledging the management challenges facing humanitarian organizations world over with respect to strategic choices and performance, attempts have been made by prior studies to unravel the dilemma. In spite of this, there are still conceptual, contextual, and methodological gaps. For example, Karanja et al. (2015) focused on the determinants of effective logistics coordination among humanitarian organizations in Kenya. The study however overly assumed that all determinants of logistics coordination were also the same determinants of strategic choice. This inconsistency presents a conceptual gap.

Similar gaps in knowledge have also been cited in the studies by Samii and Van Wassenhove (2003), as well as Cordoba (2010). Conceptual gaps in knowledge also occur due to the incongruence between the findings of Samii and Van Wassenhove (2003), as well as Cordoba (2010) who, even though, had similar conceptual focus, reported significantly varying results. The current study adduced further empirical evidence on the same concepts, thereby adding to the existing research stream, and probably agreement with either of the opposing prior results.

Contextual gaps arise as a result of the geographical, industry, sectorial focus of the previous studies. For instance, Ceptureanu (2017) investigated the effects of strategic choice on organizational performance for Romanian family-owned Small and Medium sized Enterprises (SMEs). Even though the study focused on relationship between strategic choice and organizational performance, the Kenyan organizations is unique in terms of the determinants of strategic choice, and hence performance. Moreover, the study focused on a for-profit context (SMEs) whose objectives are

often quite different from those of the humanitarian organizations. This study focused on the same variables, but with a focus on Kenya, and humanitarian firms.

Methodological gaps emanate from the inherent limitations of the methodology used in prior studies. Junqueira et al. (2016) focused on the effect of strategic choices and management control systems on organizational performance. Being a conceptual review, the study only did a critical review of literature on the two concepts and identified opportunities for further research. By nature, conceptual reviews are not empirical and hence no primary analysis is undertaken. The current study has, therefore, seeks to undertake an empirical review on the two concepts to identify their relationship in the humanitarian organizations in Nairobi County.

Whereas attempts have been made by previous studies to investigate the humanitarian activities, and specifically their performance and its antecedents, a few areas remain unexamined. Some of the studies applied different dimensions of performance; others were done in foreign contexts, while others used study designs that could not enhance measurement of association between variables. This critique presents conceptual, contextual, and methodological gaps. The current study seeks to answer the question, what is the influence of strategic choice on organizational performance of humanitarian non-governmental organizations in Nairobi County?

1.3 Research Objective

The objective of the study was to determine the influence of strategic choice on performance of humanitarian non-governmental organizations in Nairobi County.

1.4 Value of the study

The study provided empirical evidence on the association between strategic choice and corporate performance among the HNGOs in Nairobi County. The findings then juxtaposed against the predictions of contingency and dynamic capabilities theories. This consequently helped refining the theories and charted direction for further research on this phenomenon. Accordingly, the findings of the study provided a pointer as to the future research priority based on the current objectives.

The government of Kenya through the relevant agencies such as the department of special programs and other humanitarian related agencies at both the national and devolved governments found the study an invaluable source of information for charting policy direction in order to enhance the organizational performance of the HNGOs. Consequently, a more effective HNGOs system translated to effective response to humanitarian disasters, thereby relieving the government of this responsibility so that it can focus on other core duties such as provision of security and defense.

The findings of the study also provided new insight on the efficacy of strategic choices with regard to achievement of superior performance for the various HNGOs in Nairobi County. Accordingly, the top management team (TMT) of the various organizations found the study an important source of information not only for strategic choices but also on strategic action in light of achieving superior organizational performance.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews the work of other scholars in regard to the concepts of strategic choice and organizational performance. It entails theories on which the study is founded, past empirical studies and the conceptual framework. This helps in developing the literature and application of abstract theories which may lack contextual orientation. Various studies have been conducted in the recent times to assess the relationship between the variables in the current study.

Majority of the studies are based in the developed nation contexts, whose economies are advanced. Even though these studies offer relevant information helpful in understanding the association between strategic choice and organizational performance, various gaps in knowledge still prevail. For example, some of the studies have used selected indicators of the variables, of which some have certain weaknesses. Most have focused on for-profit organizations and others on governmental contexts, yet the non-governmental organizations forming the focus of the current study have unique characteristics.

Most of the studies on the concept of strategic choice and organizational performance have used porter's theory of competitive advantage and other theories for competitive advantage like resource based view to relate these two variables. This study was anchored on the postulations of contingency theory founded by Fiedler (1964) and dynamic capability theory founded by Teece, Pisano, and Shuen (1997). The two theories are discussed in detail below.

2.2 Theoretical Foundation

Theories are different schools of thought which provide a reasoned thinking on how things unfold in society. They give meaning and explanations as to how and why things happen the way they do. They are used here to explain how the variables relate. The predictions of each theory with respect to the behavior of the study variables, as well as its major weakness, have also been articulated in this section. The theories underpinning the study are contingency and dynamic capability theories.

Contingency theory postulates that strategic choices of the top management team of an organization depends on the circumstances surrounding the choices. Dynamic capability theory, on the other hand, holds that for an organization to perform well, it has to accumulate diverse strengths in terms of assets, systems, and processes. Despite their wide use in literature, each of the studies has inherent weaknesses, both of which have been discussed.

2.2.1 Contingency Theory

Founded by Fiedler (1964) contingency theory argues that the strategic choices of top management team of an organization depends on both the manager's personality and the circumstances surrounding the choices to be made. The elements considered contingent according to this theoretical framework are those that moderate the effect of a specific organizational characteristic with regards to its performance (Donaldson, 1995). At the center of contingency theory is concept of the situation, identified by three factors: manager-staff relationship demonstrated by the general overtone of the group and the feelings of loyalty, trust and faith the group has towards the manager; task structure which is related to how clear the tasks are and the means to accomplish

them; and the position power which relates to the amount of reward-punishment authority the manager has over the members of staff (Forsyth, 2006).

Contingency theory has proven over time to be a reliable and valid approach for effectiveness in leadership and strategic choices because it has solid grounds on empirical research. Researchers who have followed Fiedler (1964) postulations have also validated contingency theory in different contexts, with studies on strategic choice consistently agreeing that the choices made by top managers are contingent upon situations. Contingency theory has also been proved to have 'predictive powers' in establishing different leadership styles, and hence strategic choices that can be most effective in different contexts. Moreover, contingency theory suggests not expecting leaders to make choices that would be equally effective in all situations and therefore organizations should consider leaders in optimal situations according to their leadership style. Although contingency theory has much strength, it mainly falls short in the sense that it doesn't explain why managers with certain leadership styles and choosing certain strategies are effective in some situations but not others.

Contingency theory also does not satisfactorily explain what should be done about a leader/situation mismatch in the workplace so as improve performance of organizations (Forsyth, 2006). The current study therefore used the postulations of contingency theory to determine the relationship between strategic choices of organizations and their performance in the context of humanitarian non-governmental organizations in Kenya.

2.2.2 Dynamic Capability Theory

The theory was founded by Teece, Pisano, and Shuen (1997) and it postulates that if abilities of a firm are multifaceted, it would form the foundation for superior performance (Helfat et al., 2007). The proponents of this theory argue that among other attributes, a company ought to advance its competences in a dynamic setting by utilizing peripheral company-specific proficiencies (K'Obonyo et al., 2011), and which is actually the logic of strategic choice. Based on the foregoing theoretical argument, Lenssen et al. (2013) and Berdine et al. (2008) have come to a conclusion that it is evident that the company-specific resource positions and evolutionary pathways outline the company's administrative and organizational developments which subsequently explain performance of such organization.

The weakness of dynamic capabilities theory is that it overly assumes that there exists an equilibrium point of dynamic capabilities and that such a point ought to be the preoccupation of a prudent corporate strategist. This assumption is not ideal since organizational performance is relative and cannot be assumed to be constant. Organizational action patterns inevitably involve simplification, selecting and uncertainty leading to inherent blind spots in every kind of strategic action. As a result fully flexible organizational capabilities might not be achievable and continuous adaptation to every kind of environmental change cannot be possible (Wohlgemuth, 2016). This observation has previously been made by Bamgbade (2017) and West et al. (2012). The prediction of this theory is that organizations tended to develop dynamic capabilities and continuously reconfigure them according to the changing environmental dynamics with a view to enhancing their performance. These theoretical predictions of dynamic capabilities theory was used to determine the

relationship between strategic choices and organizational performance of humanitarian non-governmental organizations in Nairobi County.

2.3 Strategic Choice and Organizational Performance

Scholarly interest on the relationship between strategic choices and organizational performance has developed over the past two decades. Christensen and Raynor (2003) for instance determined that the concept of strategic choice is central to strategy since it involves a process whereby a decision or decisions are taken to choose a particular option or direction from various alternatives to pursue a given degree of performance. This proposition is consistent with others such as Christensen, Raynor and McDonald (2015) who established that strategic choice is deliberate on winning and is concerned with creating and sustaining growth and other indicators of organizational performance.

A study by Wheelen and Hunger (2012) concluded that strategic actions are within the realm of strategy implementation, and that the performance of an organization is critically dependent on how well its chosen strategies are implemented but not of how great the strategy is. They further found that strategy implementation addressed the who, where, when and how of reaching desired levels of organizational performance. A similar determination was arrived at by Simerly and Mingfang (2000) who established that effective strategic choices and action were key antecedents of organizational performance. Nevertheless, neither of the two studies has focused on the relationship between strategic choices and organizational performance in the Kenyan context.

A study by Carton (2004) determined strategy implementation was the process through which strategic choices were translated into strategic actions in order to steer the organization in the desired performance. Strategic choice is the heart of strategy as it is concerned with strategy implementation; it is the glue that binds the ambitious aspirations of organization and organization performance together. How well the strategic choices are reduced into strategic actions dictates the outcome of an organization performance. However, the study had a stronger orientation towards strategy implementation rather than strategic choice. A study by Viravaidya et al. (2001) titled “Strategies to Strengthen NGO Capacity in Resource Mobilization through Business Activities” concluded that NGOs can no longer rely solely on traditional goodwill and generosity of others to cover their costs.

Some of the diversification strategic choices suggested by this study include; reaching out to new donors, redesigning program activities to include a cost-recovery component and making money through commercial ventures. The study however concentrated more on the financial performance of NGOs in general and did not address non-financial components of performance that was the focus of this study. A study by Husseina et al. (2014) focused on strategic choice, distinctive competence, and organizational performance. Even though the moderating role of distinctive competence was included in the analytical model with the Mile and Snow (1978) typology used to operationalize the concept of strategic choice, the study established that there were two major patterns in the distribution of perceived strategic choices both within and across industries: the numerical dominance of defenders and prospectors in three of the four industries, and the influence of government regulation in the air transportation industry.

The Mile and Snow (1978) typology used in the above study to operationalize strategic choice however generated a nominal scale hence regression model could not be used. The analysis was therefore limited to descriptive design with analysis done at the univariate level. This implies that subsequent research ought to look for alternative framework that can yield higher order measurement scales that can facilitate regression analysis. From the foregoing intellectual debate on the relationship between strategic choice and organizational performance, mixed reactions emerge. Whereas some have attempted to adduce evidence that strategic choice has a strong correlation with organizational performance, others have used limited conceptual and analytical models to the extent that it becomes impossible to draw a relationship.

2.4 Empirical Studies and Knowledge Gaps

Scholarly interest on the relationship between strategic choices and organizational performance has developed over the past two decades. A study by Husseina et al. (2014) focused on strategic choice, distinctive competence, and organizational performance. Even though the moderating role of distinctive competence was included in the analytical model with the Mile and Snow (1978) typology used to operationalize the concept of strategic choice, the study established that there were two major patterns in the distribution of perceived strategic choices both within and across industries: the numerical dominance of defenders and prospectors in three of the four industries, and the influence of government regulation in the air transportation industry. The Mile and Snow (1978) typology used in the above study to operationalize strategic choice however generated a nominal scale hence regression model could not be used. The analysis was therefore limited to descriptive design with analysis done at the univariate level. The current study used a framework that is

more aligned to the humanitarian NGO context, and a likert scale, considered to be an interval scale.

A study by Christensen, Raynor and McDonald (2015) established that strategic choice was deliberate on winning, and concerned with creating and sustaining growth and other indicators of organizational performance. Being a case study, the study results relate exclusively to the organization concerned, with inferential statistics rendered irrelevant. The current study, using a census survey design, used inferential statistics as part of the analytical model.

A study by Wheelen and Hunger (2012) concluded that strategic actions are within the realm of strategy implementation, and that the performance of an organization is critically dependent on how well its chosen strategies are implemented but not of how great the strategy is. They further found that strategy implementation addressed the who, where, when and how of reaching desired levels of organizational performance. A similar determination was arrived at by Simerly and Mingfang (2000) who established that effective strategic choices and action were key antecedents of organizational performance. Nevertheless, neither of the two studies has focused on the relationship between strategic choices and organizational performance in the Kenyan context.

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A study by Ayuya and Ombaka (2016) focused on strategic choice, organizational learning, top management team processes, and firm performance. Being a conceptual review, the study only did a critical review of literature on the two concepts and identified opportunities for further research. By nature, conceptual reviews are not empirical and hence no primary analysis is undertaken. The current study has, therefore, seeks to undertake an empirical review on the two concepts to identify their relationship in the humanitarian organizations in Nairobi County.

Mohammed et al. (2017) focused on the fit between strategic choice and organizational structure and their impact on the effectiveness of an organization: Study of a Set of Medium and Large Institutions in Algeria. However, the SMEs main objective is growth and development, quite different from that of HNGOs, pre-occupation of which is response to humanitarian needs.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology adopted in the study according to its objectives. Research design, the study population, sample frame, data collection method, analysis and presentation techniques have all been discussed in this section. The research design is the plan used to guide the study towards achievement of its objectives. Data collection method refers to the manner in which characteristics of the variables were captured, while data analysis consists of data processing activities undertaken to achieve the study objectives.

The study used a cross-sectional census survey, and the target population is all 33 international humanitarian non-governmental organizations in Nairobi County. Respondents for this study included one top executive from each organization making a total of 33. Data was collected using a questionnaire, while analysis was through the use of Statistical Package for Social Sciences (SPSS), version 23. The analysis was consistent with the objectives.

The method adopted in this study was designed carefully to work well with the area of enquiry. The credibility of findings and conclusions highly depend on the research design, data collection, data management and data analysis. The literature reviews have assisted the researcher to focus on the type of research method that was best suitable for this study.

3.2 Research Design

A research design refers to the blueprint for the collection, measurement and analysis of data. It is the detailed plan of how data was collected and from which subjects and how the data was analyzed in order to come up with a conclusion (Kothari, 2004). There are various research designs including: exploratory, descriptive and explanatory (Saunders et al., 2007). An exploratory study is one that aims at finding out what is happening in a given environmental setting with regard to the phenomenon under study through asking questions; a descriptive study refers to portraying an accurate profile of a phenomenon, persons, situations so as to bring out more information; whereas an explanatory study is one that aims at establishing relationships between study variables (Kothari, 2004).

This study adopted explanatory cross-sectional survey design because the focus was to establish 'how' the various aspects of strategic choice influence organizational performance of humanitarian non-governmental organizations in Nairobi County. A cross-sectional study seeks to measure the relationship of variables at an instant so as to describe the incidence of a phenomenon and how the variables are related (Saunders, et al., 2009). Statistical analysis provided the basis for establishing the probabilistic association between the variables, and drawing of conclusions (Kothari, 2004).

The study made use of both primary and secondary data. Whereas the former was collected using questionnaire, the latter was obtained from the published sources. Questions were designed to cover all the indicators of strategic choice and organizational performance as captured in the conceptual model. Completed

questionnaires were edited, coded and entered into SPSS system. Descriptive statistics and measures of association between the variables was then be used.

3.3 Population of the Study

Polit and hungler (1999) refer to the population as an aggregate or totality of all the objects, subjects or members that conform to a set of specifications. The research population comprised humanitarian non-governmental organizations (HNGOs) operating in Nairobi County. This was a complete list of HNGOs who were enlisted by National Disaster Operations Council (NDOC) as at June 30, 2018. The list of the said organizations is shown in appendix II.

According to National Disaster Operations Council (2018), there were a total of 33 humanitarian non-governmental organizations (HNGOs) operating in Nairobi County as at June 30, 2018. The study targeted all the 33 humanitarian non-governmental organizations (HNGOs) operating in Nairobi County, being a census study. The list of humanitarian non-governmental organizations (HNGOs) from the NDOC (2018) was used because it is an authoritative source, published, and up to date.

The study targets humanitarian non-governmental organizations (HNGOs) due to their significance to the Kenyan humanitarian response framework. This is more so because of the increasing humanitarian crises cases in the country as a result of the terrorist attacks, periodic election related violence, major road carnage, among others. For these organizations to effectively and efficiently perform their duties, sound strategic choices are inevitable.

3.4 Sample Frame

According to (Buskirk, 2008) , context is important in statistics. Knowing from where your data comes gives a clue about what you can do with the data and what inferences you can make from it. A sample frame is therefore made of sampling units, which are the actual units included in the sample. This can be individuals, schools, organizations or neighborhoods depending on what is being measured and how it was measured.

Therefore, the sampling units put into their proper context makes the sample frame. For some studies, the study may entail a large population which may not all be studied. In this case, that portion to be studied as a representative of the whole is called a sample. But for other studies the population may be small enough to warrant inclusion of all in the study (Langkos, 2013).

In this study, the complete list of HNGOs who were enlisted by National Disaster Operations Council (NDOC) as at June 30, 2018 was studied and formed the sample frame. The study respondent was the chief of party (or equivalent) or one top management executive. Since we have a list of 33 international HNGOs in Nairobi County, this gave us a total of 33 respondents.

3.5 Data Collection

Data collection is concerned with the acquisition of data. Methods of data acquisition are determined by the field for study but the weight put on accuracy of data remains the same across the board. The main goal of data collection is to capture quality data or evidence that supported rich data analysis hence leading to credible answers. The selection of an appropriate data collection tool is important and helped reduce the chances of errors during collection. The choice of data collection method depends on

the research problem under study, the research design and the information to be gathered about the variables.

This study made use of primary and secondary data. Primary data was collected using a questionnaire. Questions were designed to cover all the indicators of strategic choice and organizational performance as captured in the conceptual model. The questionnaire contained both open and close-ended questions. The closed-ended questions were used with the aim of providing more structured responses that facilitated quantitative analysis, and drawing of conclusion.

The questionnaire were administered to top management team incorporating Chief of Party or its equivalent and one other member of the top management team that is directly involved in strategy formulation. The questionnaire comprised of three sections. Section A sought to gather general information about the respondents. Section B concentrated on questions covering strategic choice, while section C concentrated on performance.

3.6 Data Analysis

The study utilized first hand data from the chosen respondents whose answer survey questionnaire handed to them. Completed questionnaires were edited, coded and entered into SPSS system. Various diagnostic tests were then conducted to confirm the violations of regression assumptions to be tested. The normal distribution assumption was tested by use of both graphical diagnostics (histograms and probability-probability (p-p) plots).

Below is the regression model to be used;

$$P = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon_6$$

Where

Y= Organizational Performance, X₁= Composite score for Strategic alignment, X₂= Composite score for Sub-contracting, X₃= Composite score for Diversification, X₄ = Composite Score for Funding liberation, X₅ = Composite Score for Donor Education

β_0 = Constant, β_1 β_5 = Coefficients, ε_6 = error term

From the above analytical model, we found R and R². Change in R² assessed how much change in organizational performance was explained by its relationship with the independent variables, F- test assessed overall robustness and significance of the multiple regression model, while t-test to determine significance of strategic choice.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the results of data analysis and discussion of the findings. The objective of the study was to determine the influence of strategic choice on performance of humanitarian non-governmental organizations in Nairobi County.

The Primary data used in the study was collected from the top management of humanitarian non-governmental organizations (HNGOs) operating in Nairobi County.

The response were created from a five point Likert scale; 1 = strongly disagree; 2 = disagree; 3 = neither disagree nor agree; 4 = agree; 5 = strongly agree. The respondents were asked to state their level of agreement.

The questionnaires were administered to the top management team through “drop-and-pick-later” method allow respondents’ adequate time to answer the questions and some via email to the respondents. Both descriptive and inferential data analysis was used. Analysis was done using SPSS.

4.2 Response Rate

A total of 33 semi-structured questionnaires were administered to top management of humanitarian non-governmental organizations (HNGOs) operating in Nairobi County and the researcher receive 31 properly filled questionnaires giving a response rate of 93.9% and a none-response of 6.1%. This was considered an adequate representation of the target population as 80% what Edwards, Clarke and Kwan (2002) recommends.

Table 4.1: Response Rate

Particulars	Responses	Non-Responses	Distributed Questionnaires
Frequencies	31	2	33
Percentages	93.9%	53%	100%

Source: Research Findings (2018).

4.3 Reliability and Multi-collinearity Tests

Reliability test and multi-collinearity test were done to check the internal consistency of the questionnaire and the whether any multi-collinearity existed between the dependent and independent variables.

4.3.1 Reliability Test

To test the internal consistency of questionnaire, reliability test was done with a Cronbach Alpha co-efficient ≥ 0.7 used as an indicator. Results are shown in Table 4.2 below

Table 4.2: Reliability Statistics

Variable name	Number of items	Reliability coefficient
Organizational Performance	9	0.7943
Strategic Alignment	4	0.7439
Sub-Contracting	3	0.7643
Diversification	3	0.7473
Funding Liberalization	3	0.8965
Donor Education	3	0.8556

Source: Research Findings (2018)

Reliability statistics results indicated that the questionnaire used was internally consistent in all the sections. All the variables recorded Cronbach's Alpha coefficients greater than 7 as follows: Organizational Performance ($\alpha=0.737$), Strategic Alignment ($\alpha=0.7439$), Sub-Contracting ($\alpha=0.7643$), Diversification ($\alpha=0.7473$), Funding Liberalization ($\alpha=0.8965$) and Donor Education ($\alpha=0.8556$).

4.2.2 Test of Multi-collinearity

Multi-collinearity tests between the independent variables and the dependent variables. Variance Inflation Factor (VIF) statistics greater than 3 would indicate that the variables being used has multi-collinearity issues. The results of the test are as shown in Table 4.3.

Table 4.3: Test of Multi-collinearity

Variable	VIF	1/VIF
Diversification	1.79	0.559007
Funding Liberalization	1.58	0.633893
Donor Education	1.30	0.769471
Sub-Contracting	1.23	0.812143
Strategic Alignment	1.20	0.830780
Mean VIF	1.42	

Source: Research Findings (2018).

The study found out that all the variables recorded Variance Inflation Factor (VIF) statistics that were less than 3. This implied that no multi-collinearity exists between the independent variables (Diversification, Funding Liberalization, Donor Education, Sub-Contracting and Strategic Alignment) and the dependent variable (Organizational Performance).

4.4 General Information

This section discusses the respondents general information. The general information sought from the respondents included the name of the organization they work for (optional), their position in the organization, the number of years worked in the organization and in the humanitarian sector as a whole and their level of education. The information discussed in the research findings concerns positions held, duration of working in the organization, period worked in the humanitarian sector and level of education. The results are discussed below.

4.4.1 Position Held

The study sought to establish the job positions held by the respondents. The findings of the study are as shown in Table 4.4.

Table 4.4: Position of the Respondent

Position	Frequency	Percent
Accountant	3	9.7
Assistant Dir For Strategy & Program Effectiveness	1	3.2
Associate Program Manager	1	3.2
Deputy Country Director	2	6.5
Director Program Quality	2	6.5
Finance & Administration Officer	1	3.2
Finance Manager	4	12.9
Human Resource Associate	1	3.2
Human Resource Manager	1	3.2
Logistics Advisor	1	3.2

Logistics Manager	2	6.5
Logistics Officer	1	3.2
Monitoring & Evaluation Manager	1	3.2
Regional Director	2	6.5
Regional Finance Manager	2	6.5
Regional Lab Manager	1	3.2
Regional Logistics Manager	1	3.2
Regional Manager	1	3.2
Senior Logistics Officer	1	3.2
Senior Monitoring & Evaluation Director	1	3.2
Transport & Customs Manager	1	3.2
Total	31	100.0

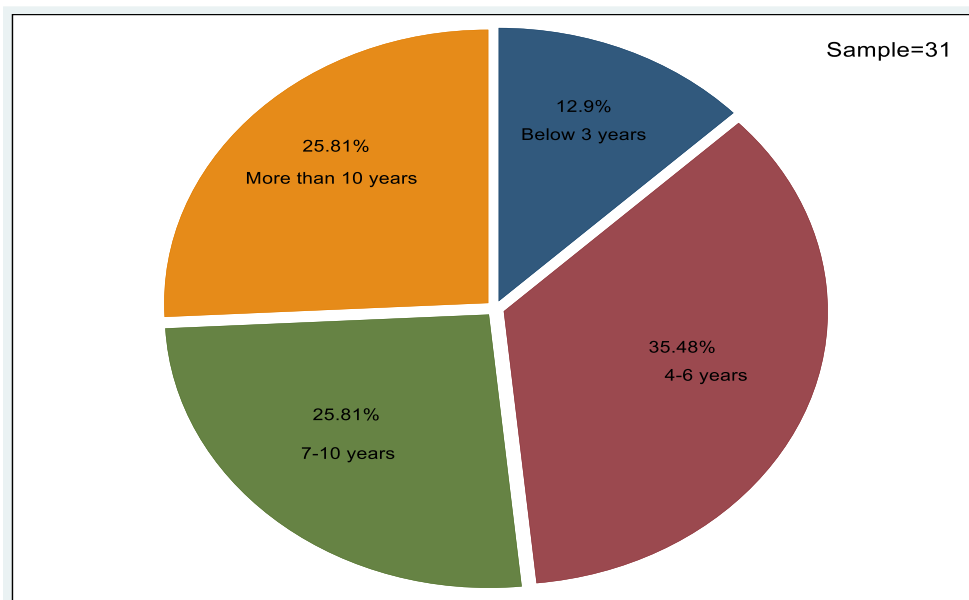
Source: Research Findings (2018)

It was established that respondents held various job positions such as Financial Managers (12.9%), accountants (9.7%), Deputy Country Directors (6.5%), Directors of Programme Quality (6.5%), Logistics Manager (6.5%), Regional Director (6.5%) and regional Financial Managers (6.5%). By virtue of the positions held, the respondents were in a position to understand the researcher's queries.

4.4.2 Duration of Working in the Organization

The respondents were requested to provide details about the duration of time they've worked in their current organization. The results are as shown in Figure 4.1.

Figure 4.1: Duration of Working in the Organization



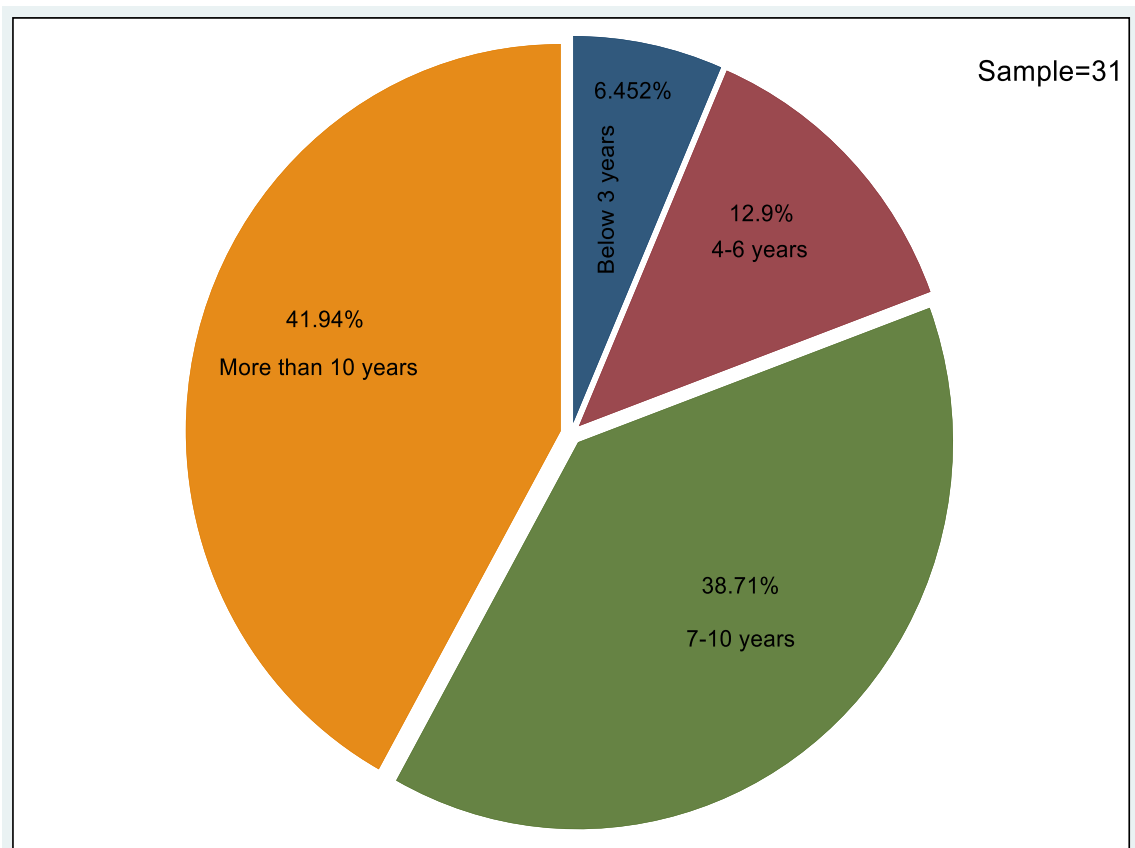
Source: Research Findings (2018).

The results revealed that most (35.48%) of the respondents had been working in their humanitarian non-governmental organizations for 4-6 years followed by those with a working experience of 7-10 years and more than 10 years at 25.81% each. Only 12.9% of the respondents reported to have a working experience of less than 3 years. These results indicated that respondents had adequate experience to understand how humanitarian aid works, the different strategies used in the sector and their influence on performance of humanitarian non-governmental organizations in Nairobi County.

4.4.3 Duration of Working in the Humanitarian Sector

The respondents were requested to provide details about the number of years they have worked in the humanitarian sector in general. The results are as shown in Figure 4.2.

Figure 4.2: Duration of Working in the Humanitarian Sector



Source: Research Findings (2018).

The study found out that most (41.94%) of the respondents had been working in the humanitarian sector for more than 10 years followed by 38.71% who had a sectorial working experience of 7-10 years. Those with a 4-6 years' experience in the humanitarian sector represented 12.9% and the respondents reported to have a working experience of less than 3 years were represented by 6.45%.

These results indicated that respondents had adequate experience of the humanitarian sector to understand the influence of strategic choice on performance of humanitarian non-governmental organizations in Nairobi County.

4.4.4 Level of Education

The study further sought to establish the respondents' highest level of education. The results are as tabulated in Table 4.3.

Table 4.5: Level of Education

Category	Frequency	Percent
Bachelors	7	22.58
Masters	21	67.74
Other	3	9.68
Total	31	100.00

Source: Research Findings (2018).

The established that majority (67.74%) of the respondents had a masters level of education as their highest level of education followed by 22.58% who had a bachelors level of education. None of the respondents had the highest level of education in the diploma level or PhD. Further, 9.68% of the respondents reported that have other levels of education which was mainly professional qualifications such as CPA, CISA and CIPS.

4.5 Strategic Choice

The study further sought to determine the extent to which various strategic choices (strategic alignment, sub-contracting, diversification, funding liberation and donor education) influencing the performance of humanitarian non-governmental organizations in Nairobi County. The mean scores recorded were interpreted using the following interpretation scale:

- 1.00 - 1.49: Strongly Disagree
 1.50 - 2.49: Disagree;
 2.50 - 3.49: Neither Disagree nor Agree;
 3.50 - 4.49: Agree;
 4.50 - 5.00: Strongly Agree.

The results are tabulated in Table 4.6.

Table 4.6: Strategic Choice

Item	Mean	Std. Deviation
Strategic Alignment		
Our organization continuously conducts external environmental analysis	3.81	0.946
Our organization continuously conducts internal environmental analysis	3.87	0.922
Our organization continuously changes humanitarian response strategies to cope with environmental dynamics	4.03	0.795
Our organization has recently undergone structure change	4.10	1.136
Mean	3.95	0.950
Sub-Contracting		
Our organization outsources some non-core functions	4.03	1.278
Our organization is intends to outsource more functions in the near future	2.84	1.068
Our organization is currently a party to some sub-contracting arrangement	3.55	1.502
Mean	3.47	1.282

Diversification		
Our organization has some income generating activities	2.65	1.664
Our organization has diverse humanitarian focuses	4.42	0.923
Our organization has diverse income generating activities	2.55	1.524
Mean	3.20	1.370
Funding Liberation		
Our organization has diverse finance streams	3.77	1.117
Our organization is open to different sources of financing	4.00	1.095
Our organization currently has different finance prospects	3.77	0.920
Mean	3.85	1.044
Donor Education		
Our organization occasionally conducts donor sensitization programs	4.10	1.165
Our organization values donor education as strategy for resource mobilization	4.29	0.824
Our donors normally attend sensitization programs to understand our strategies and resource requirements	4.10	0.908
Mean	4.16	0.966
Aggregate Mean	3.74	1.112

Source: Research Findings (2018).

The study found out that overall, the respondents agreed that strategic choices have been implemented by humanitarian non-governmental organizations to a great extent as shown by the mean score of 3.74($SD= 1.112$). Donor Education was the most agreed upon strategic choice with a mean score of 4.16($SD= 0.966$) followed by Strategic Alignment with a mean score of 3.95($SD= 0.950$) and then Funding Liberation with a mean score of 3.85($SD= 1.044$). Sub-Contracting and

Diversification were the least agreed upon statement with a mean scores of 3.47($SD=1.282$) and 3.20($SD= 1.370$) respectively.

Under donor education, the respondents agreed that HNGOs values donor education as a strategy for resource mobilization ($M=4.29$, $SD= 0.824$); HNGOs occasionally conducts donor sensitization programs ($M=4.10$, $SD= 1.165$) and that donors normally attend sensitization programs to understand our strategies and resource requirements ($M=4.10$, $SD= 0.908$).

Under Strategic Alignment, the respondents agreed that their HNGOs have recently undergone structure change ($M=4.10$, $SD= 1.136$) and followed the statement that HNGOs continuously changes humanitarian response strategies to cope with environmental dynamics ($M=4.03$, $SD= 0.795$) and then the statement that HNGOs continuously conducts internal environmental analysis ($M=3.87$, $SD= 0.922$).

In regard to Funding Liberation, respondents agreed most on the statement that HNGOs are open to different sources of financing ($M=4.00$, $SD= 1.095$) followed by the statement that HNGOs currently have different finance prospects ($M=3.77$, $SD= 0.920$) and then the statement that HNGOs have diverse finance streams ($M=3.77$, $SD= 1.117$).

In regard to Sub-Contracting, the respondents agreed that HNGOs outsources some non-core functions ($M=3.77$, $SD= 1.117$) followed by the statement that HNGOs are currently a party to some sub-contracting arrangement. However, they were neutral on whether HNGOs intends to outsource more functions in the near future ($M=2.84$, $SD= 1.068$).

Although Diversification was the least used strategic choice, the respondents strongly agreed HNGOs have diverse humanitarian focuses ($M=4.42$, $SD= 0.923$). However, they were neutral on the statements that HNGOs have some income generating activities ($M=2.65$, $SD= 1.664$) and that HNGOs have diverse income generating activities ($M=2.55$, $SD= 1.524$).

4.6 Organizational Performance

The respondents were further requested to indicate the extent of their agreement in regard to various parameters of organisational performance. The mean scores recorded were interpreted using the following interpretation scale:

- 1.00 - 1.49: Strongly Disagree
- 1.50 - 2.49: Disagree;
- 2.50 - 3.49: Neither Disagree nor Agree;
- 3.50 - 4.49: Agree;
- 4.50 - 5.00: Strongly Agree.

The results are tabulated in Table 4.7.

Table 4.7: Organizational Performance

Item	Mean	Std. Deviation
Operational Costs		
Our organization has experienced operational cost reduction due to strategic changes over the last one year	4.00	0.966
Our organization is operational cost sensitive	4.45	0.568
Our organization is keen on reducing cost of operations going forward	4.68	0.599
Mean	4.38	0.711
Response Time		
Our organization has reduced humanitarian response time in the recent past due to strategic changes	3.45	1.524
Our organization hopes to further reduce humanitarian response time in the recent past due to strategic changes	3.29	1.371
Mean	3.37	1.447
Project Completion Period		
Our organization has reduced the completion time for most projects recently due to strategic changes	2.55	1.338
Our organization looks forward to reduce further project completion time in future	2.84	1.508
Mean	2.69	1.423
Number of Beneficiaries		
Our organization has increased the number of beneficiaries to humanitarian aid in the recent past due to strategic changes	3.97	1.426
Our organization intends to increase the number of beneficiaries to humanitarian aid in the recent past due to strategic changes	4.71	0.783
Mean	4.34	1.104
Aggregate Mean	3.77	1.120

Source: Research Findings (2018).

The organisational performance of humanitarian non-governmental organizations was rated to a great extent as indicated by a mean score 3.77 ($SD= 1.120$). The most agreed upon performance parameter was Operational Costs with a mean score of 4.38 ($SD= 0.711$). According to the respondents, HNGOs have experienced operational cost reduction due to strategic changes over the last one year; they are operational cost sensitive and they are keen on reducing cost of operations going forward. The second most agreed on performance parameter was number of beneficiaries with a mean score of 4.34 ($SD= 1.104$). On this, the respondents agreed that HNGOs intends to increase the number of beneficiaries to humanitarian aid and that the HNGOs have increased the number of beneficiaries to humanitarian aid in the recent past due to strategic changes.

Response Time was the third most rated performance parameter where it recorded a mean score of 3.37 ($SD= 1.447$). The respondents observed that HNGOs have reduced humanitarian response time in the recent past due to strategic changes and that they hope to further reduce humanitarian response time in the recent past due to strategic changes.

Project Completion Period was the least rated with a mean score of 2.69 ($SD= 1.423$). The respondents observed that strategic choices have not helped HNGOs to reduce the completion time for most projects to a great extent and that HNGOs look forward to reduce further project completion time in future.

4.7 Regression Analysis

Regression analysis was done to determine the influence of strategic choice on performance of humanitarian non-governmental organizations in Nairobi County. The results are as discussed under the model summary, analysis of variance and regression co-efficients. The model summary results are as tabulated in Table 4.8.

Table 4.8: Model Summary

Dependent variable: Organizational Performance	Coefficient	Std. Error	t	Significance
Strategic Alignment	0.0142483	.0403491	0.35	0.724
Sub-Contracting	0.0955375	.0315251	3.03	0.003
Diversification	0.0771562	.0333544	2.31	0.021
Funding Liberalization	0.0639381	.030867	2.07	0.039
Donor Education	0.1954916	.0354122	5.52	0.000
Constant	4.0603822	.2517522	16.13	0.000
F(5, 30) = 7.24		P-value of F-statistic <0.001		
R = 0.829	R-squared=0.688	Adjusted R-squared=0.593		

Source: Research Findings (2018)

The study found out that there was a strong relationship (R-value = 0.829) between performance and strategic choices of humanitarian non-governmental organizations in Nairobi County. The R Squared value of 0.688 revealed that strategic choices influence 68.8% of the total variance in the organizational performance. The p-value of F-statistic<0.001 indicated that the regression model used in the study was fit for the data that was collected. The model was therefore suitable for predicting the performance of humanitarian non-governmental organizations.

At 95% confidence interval, all the strategic choices produced a positive co-efficients implying that Strategic Alignment ($\beta= 0.0142$), Sub-Contracting ($\beta= 0.0955$), Diversification ($\beta= 0.0772$), Funding Liberalization ($\beta= 0.0639$) and Donor Education ($\beta= 0.1955$) a positive effect on the performance of humanitarian non-governmental organizations. The effect of Sub-Contracting (t-value = 3.03, p-value= 0.003), Diversification (t-value = 2.31, p-value= 0.021), Funding Liberalization (t-value = 2.07, p-value= 0.039) and Donor Education (t-value = 5.52, p-value= 0.000) on the performance was found out to be statistically significant as evidenced by the high t-values and p-values that were less than 0.05.

The following analytical equation was generated:

$$Y = 4.060 + 0.0142X_1 + 0.0955X_2 + 0.0772X_3 + 0.0639X_4 + 0.1955X_5$$

Where,

Y – Organisational Performance (Dependent variable)

X₁ - Strategic Alignment

X₂- Sub-Contracting

X₃- Diversification

X₄- Funding Liberalization

X₅- Donor Education

The above analytical equation shows that the performance of humanitarian non-governmental organizations in Nairobi County would be would be 4.060 in the absence of strategic choices. Increasing implementation of strategic choices would improve the organizational performance.

4.8 Discussion of findings

The study established that there is a strong relationship between strategic choice and performance of HNGOs in Nairobi County. This is demonstrated by the high correlation coefficient of 82.9%. Among the strategic choices that were chosen for study in this research paper, donor education was the most agreed upon strategic choice adopted by HNGOs in Nairobi County and it's the one that has the strongest positive effect on performance. The second best strategic choice adopted with a high positive contribution to performance was sub-contracting in which case the organizations studied agreed to be outsourcing some noncore organizational services. Third was diversification with most organizations agreeing that they had diverse humanitarian focuses with diverse funding sources. They however did not agree that they had or considered engaging in income generating activities as a source of financing. The strategic choice that scored least was funding liberalization and strategic alignment respectively.

The most agreed upon performance parameters as a result of strategic choice were reduction of operational costs with a mean score of 4.38 and increased number of beneficiaries reached with a mean score of 4.34 out of 5. According to the respondents, HNGOs have experience a reduction in cost of operation due and increased number of beneficiaries in the past year due to use of the discussed strategic choices. The other parameter was response time with a relatively fair mean score of 3.37. By use of the strategic choices, the HNGOs have been able to reach those in need of humanitarian aid early enough.

The list agreed upon performance parameter was project completion time with a mean of 2.69. The respondents observed that the strategic choices have not helped the organizations to be able to complete their projects within the set period of time or sooner. But they did agree that they intend to reduce the project completion time in future.

Overall, strategic choices contributed to 68.8% of the performance of HNGOs in Nairobi County. This is as shown by the R squared value from the regression analysis. Therefore, formulation and implementation of strategic choices is key for improved performance of HNGOs in Nairobi County.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the study findings. The chapter also presents the conclusions of the study, and recommendations for policy and practice and suggestions for further research in relation to the effects each strategic choices on performance of HNGOs in Nairobi County.

5.2 Summary of the Study

The general objective of the study was to determine the influence of strategic choice on performance of humanitarian non-governmental organizations in Nairobi County. Descriptive statistics and inferential statistics were used to analyze the quantitative data. A list of 33 HNGOs who were enlisted by National Disaster Operations Council (NDOC) as at June 30, 2018 formed the population of the study and were studied. The researcher administered 33 semi-structured questionnaires to the top management of humanitarian non-governmental organizations in Nairobi County and received 31 properly filled questionnaires giving response rate of 93.9% and a none response of 6.1%.

The study found out that there was a strong relationship (R -value = 0.829) between strategic choices and performance of humanitarian non-governmental organizations in Nairobi County. The R Squared value of 0.688 revealed that strategic choices influence 68.8% of the total variance in the organizational performance. At 95% confidence interval, all the strategic choices produced a positive co-efficients implying that Strategic Alignment, Sub-Contracting, Diversification, Funding Liberalization and Donor Education have a positive effect on the performance of

humanitarian non-governmental organizations. The effect of Sub-Contracting, Diversification, Funding Liberalization and Donor Education on the performance of was found out to be statistically significant.

The findings of this study supported existing literature. Christensen and Raynor (2003) concluded that strategic choice is central to strategy since it involves a process whereby a decision or decisions are taken to choose a particular option or direction from various alternatives to pursue a given degree of performance. According to Christensen, Raynor and McDonald (2015) strategic choice is deliberate on winning and is concerned with creating and sustaining growth and other indicators of organizational performance. Further, Wheelen and Hunger (2012) concluded that strategic actions are within the realm of strategy implementation, and that the performance of an organization is critically dependent on how well its chosen strategies are implemented but not of how great the strategy is. A similar determination was arrived at by Simerly and Mingfang (2000) who established that effective strategic choices and action were key antecedents of organizational performance.

5.3 Conclusion

The study concluded that there was a strong relationship ($R\text{-value} = 0.829$) between performance and strategic choices of humanitarian non-governmental organizations in Nairobi County. Further, strategic choices (strategic alignment, sub-contracting, diversification, funding liberation and donor education) were found to influence 68.8% of the total variance in the performance of humanitarian non-governmental organizations.

All the strategic choices (strategic alignment, sub-contracting, diversification, funding liberation and donor education) produced a positive effect on the performance of humanitarian non-governmental organizations. Sub-Contracting, Diversification, Funding Liberalization and Donor Education on the performance of was found out to influence the performance of humanitarian non-governmental organizations in a statistically significant way. However, the effect of Strategic Alignment was not found to be statistically significant.

5.4 Recommendations of the Study

The study established that all the strategic choices (strategic alignment, sub-contracting, diversification, funding liberation and donor education) had a positive effect on the performance of humanitarian non-governmental organizations with the effect of Sub-Contracting, Diversification, Funding Liberalization and Donor Education being statistically significant. The study therefore recommends that the management of humanitarian non-governmental organizations in Nairobi County should invest more in the formulation and implementation of strategies such as sub-contracting, diversification, funding liberation and donor education as they influence organizational performance positively and in a significant manner.

5.5 Limitations of the Study

Some of the respondents were reluctant in filling the questionnaires fearing that the information provided might be used to tarnish the image of their humanitarian non-governmental organizations. The researcher dealt with the challenge by assuring the respondents that the information they provide would be treated with utmost confidentiality and would only be used to meet academic requirements.

The respondents being the top management of humanitarian non-governmental organizations had busy working schedules which made the data collection process tedious and slow. The researcher used drop-and-pick-later method to give the respondents ample time to fill the questionnaires.

5.6 Areas for Further Research

The scope of this study was limited to the effect of strategic choices on the performance of humanitarian non-governmental organizations in Nairobi County. This implies that the findings cannot be adequately generalised to humanitarian non-governmental organizations outside the Nairobi County. In future, a similar study should be done including humanitarian non-governmental organizations located outside of Nairobi County as this might yield different results.

Further, strategic choices (strategic alignment, sub-contracting, diversification, funding liberation and donor education) could only explaining 68.8% of the total variance in the performance of humanitarian non-governmental organizations in Nairobi County. The strategic choices could not explain what influences the remaining 31.2% of the performance. Future studies can focus on the other factors influences the remaining 31.2% of the performance of humanitarian non-governmental organizations in Nairobi County.

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APPENDICES

Appendix I: Research Questionnaire

INFLUENCE OF STRATEGIC CHOICE ON ORGANIZATIONAL PERFORMANCE OF HUMANITARIAN NON-GOVERNMENTAL ORGANIZATIONS IN NAIROBI COUNTY

PART A: GENERAL INFORMATION

1. Name of the organization (Optional)

2. Your position in the Organization

3. Number of years worked in this organization

Below 3 years [] 4-6 years [] 7-10 years []

More than 10 years []

4. How many years have you worked in the telecommunication sector?

Below 3 years [] 4-6 years [] 7-10 years []

More than 10 years []

5. What is your highest level of education?

First Degree [] Masters [] PhD []

Other Please specify _____

PART B: STRATEGIC CHOICE

Kindly indicate your agreement or disagreement with the following statements concerning open Strategic Choice in your organization, where:

1 = strongly disagree; 2 = disagree; 3 = neither disagree nor agree; 4 = agree; 5 = strongly agree

Items	1	2	3	4	5
Strategic Alignment					
Our organization continuously conducts external environmental analysis					
Our organization continuously conducts internal environmental analysis					
Our organization continuously changes humanitarian response strategies to cope with environmental dynamics					
Our organization has recently undergone structure change					
Sub-Contracting					
Our organization outsources some non-core functions					
Our organization is intends to outsource more functions in the near future					
Our organization is currently a party to some sub-contracting arrangement					
Diversification					
Our organization has some income generating activities					
Our organization has diverse humanitarian focuses					
Our organization has diverse income generating activities					
Funding Liberation					
Our organization has different finance streams					
Our organization is open to different sources of					

financing					
Our organization currently has different finance prospects					
Donor Education					
Our organization occasionally conducts donor sensitization programs					
Our organization values donor education as strategy for resource mobilization					
Our donors normally attend sensitization programs to understand our strategies and resource requirements					

PART C: ORGANIZATIONAL PERFORMANCE

Kindly indicate your agreement or disagreement with the following statements concerning Performance in your organization, where:

1 = strongly disagree; 2 = disagree; 3 = neither disagree nor agree; 4 = agree; 5 = strongly agree

Items	1	2	3	4	5
Operational Costs					
Our organization has experienced operational cost reduction due to strategic changes over the last one year					
Our organization is operational cost sensitive					
Our organization is keen on reducing cost of operations going forward					
Response Time					
Our organization has reduced humanitarian response time in the recent past due to strategic changes					
Our organization hopes to further reduce humanitarian response time in the recent past due to strategic changes					
Project Completion Period					
Our organization has reduced the completion time for most projects recently due to strategic					

changes					
Our organization looks forward to reduce further project completion time in future					
Number of Beneficiaries					
Our organization has increased the number of beneficiaries to humanitarian aid in the recent past due to strategic changes					
Our organization intends to increase the number of beneficiaries to humanitarian aid in the recent past due to strategic changes					

Appendix II: List of Humanitarian Non-Governmental Organizations in Nairobi County

S/NO	NAME OF ORGANIZATION
1	Red Cross Society
2	Danish Refugee Council
3	Adventist Development and Relief Agency
4	Catholic Relief Services
5	Norwegian Refugee Council
6	International Rescue Committee
7	Save the Children
8	Cradle International
9	Medicines San Frontiers
10	CARE Kenya
11	Islamic Relief Services
12	Mercy Corps
13	Oxfam
14	Concern Worldwide
15	Salvation Army
16	Shelter Centre
17	Lutheran World Federation
18	World Vision
19	Feed the Children International
20	Medair
21	World Food Program
22	Samaritan's Purse
23	International Committee of the Red Cross
24	St. John's Ambulance
25	AMREF
26	Crisis Pregnancy Ministries
27	UNHCR, Kenya
28	World Health Organization
29	Solidarites
30	CAFOD
31	Merlin
32	International Medical Corps
33	Food for the Hungry

Source: NDOC (2018)