FACTORS INFLUENCING PERFORMANCE OF DEVELOPMENT PROJECTS FUNDED BY DEPARTMENT FOR INTERNATIONAL DEVELOPMENT: A STUDY OF SOMALILAND DEVELOPMENT FUND

BY

JUNE IRENE WANGU MWAI

A RESEARCH PROJECT REPORT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF ARTS IN PROJECT PLANNING AND MANAGEMENT OF THE UNIVERSITY OF NAIROBI.

2016
DECLARATION

This research report is my original work and has not been presented for a degree in any other university.

_________________________   __________________________
June Irene Wangu Mwai          Date
L50/84010/2012

This research report has been submitted for examination with my approval as University Supervisor.

_________________________   __________________________
Prof. Harriet Kidombo          Date
School of Continuing and Distance Education
University of Nairobi
DEDICATION

This work is dedicated to my mother, Mrs. Mary Mwai and late father, Mr. James Mwai, family and friends for inspiration in life. They have shown their sincere and relentless contributions towards creating an ideal environment to enable me further my studies.
ACKNOWLEDGEMENT

I thank and appreciate my supervisor’s Prof. Harriet Kidombo guidance that made it possible to carry out this project. Without her guidance this project would not have been completed on time. The lecturers are highly appreciated for their academic mentorship. I also acknowledge the moral support of my work colleague, Silas Malemo; he has been very instrumental in editing this project.
TABLE OF CONTENT

DECLARATION ......................................................................................... ii
DEDICATION ........................................................................................... iii
ACKNOWLEDGEMENT ........................................................................ iv
TABLE OF CONTENT ........................................................................... v
LIST OF TABLES .................................................................................. viii
LIST OF FIGURES ................................................................................ ix

CHAPTER ONE: INTRODUCTION .............................................................. 1
  1.1 Background of the Study ................................................................. 1
    1.1.1 Somaliland Development Fund ................................................. 5
  1.2 Problem Statement .......................................................................... 7
  1.3 Purpose of the Study ....................................................................... 8
  1.4 Objective of the Study .................................................................. 8
  1.5 Research Questions ....................................................................... 9
  1.6 Significance of the Study ............................................................... 9
  1.7 Limitations of the Study ............................................................... 9
  1.8 Delimitation of the Study ............................................................ 10
  1.9 Assumptions of the Study ........................................................... 10
  1.10 Definitions of Significant Terms ................................................ 10
  1.11 Organization of the Study ........................................................ 11

CHAPTER TWO: LITERATURE REVIEW .................................................. 12
  2.1 Introduction .................................................................................. 12
  2.2 Performance of Development Projects ....................................... 12
  2.3 Technical Expertise and Performance of Development Projects .......... 13
  2.4 Political Instability and Performance of Development Projects .......... 15
  2.5 Stakeholders Involvement and Performance of Development Projects .......... 17
  2.6 Management Expertise and Performance of Development Projects .......... 20
  2.7 New Deal Compact for Somalia ................................................... 23
  2.8 Theoretical Review .................................................................... 23
2.9 Conceptual Framework ................................................................. 26
2.10 Research Gap ........................................................................... 27
2.11 Summary of Literature Review ................................................... 28

CHAPTER THREE: RESEARCH METHODOLOGY ................................. 29
3.1 Introduction ................................................................................ 29
3.2 Research Design ......................................................................... 29
3.3 Target Population ....................................................................... 29
3.4 Sampling Procedure .................................................................... 30
  3.4.1 Sample Size ........................................................................... 30
3.5 Data Collection Instrument .......................................................... 31
  3.5.1 Validity of the Questionnaire ................................................ 31
  3.5.2 Reliability ............................................................................. 31
3.6 Data Collection Procedures .......................................................... 31
3.7 Data Analysis Techniques ............................................................. 32
3.8 Ethical Considerations .................................................................. 33
3.9 Operational Definition of Variables ............................................ 33

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND
INTERPRETATION ............................................................................. 35
4.1 Introduction ................................................................................ 35
  4.1.1 Questionnaire Return Rate .................................................... 35
4.2 General Information ...................................................................... 35
  4.2.1 Gender Distribution of the Respondents ................................. 35
  4.2.2 Age Bracket of the Respondents ............................................ 36
  4.2.3 Highest Education Level of the Respondents ........................ 36
  4.2.4 Position of the Respondents .................................................. 37
4.3 Technical Expertise ....................................................................... 38
  4.3.1 Technical Expertise and Performance of Development Projects 39
4.4 Political Instability ........................................................................ 40
4.4.1 Political Instability and Performance of Development Projects ............... 41
4.5 Stakeholders’ Involvement ........................................................................ 42
  4.5.1 Stakeholders Involvement and Performance of Development Projects .... 43
4.6 Management Expertise ............................................................................. 44
  4.6.1 Management Expertise and Performance of Development Projects ........ 45
4.7 Performance of Development Projects ..................................................... 46
4.8 Regression Analysis .................................................................................. 46

CHAPTER FIVE: SUMMARY OF FINDINGS, DISCUSSIONS,
CONCLUSION AND RECOMMENDATIONS .................................................. 49
5.1 Introduction ............................................................................................... 49
5.2 Summary of Findings ................................................................................ 49
5.3 Discussion .................................................................................................. 51
  5.3.1 Questionnaire Response Rate ............................................................. 51
  5.3.2 Technical Expertise and Performance of Development projects .......... 51
  5.3.3 Political Instability and Performance of Development Projects ........... 51
  5.3.4 Stakeholders Involvement and Performance of Development Projects ... 52
  5.3.5 Management Expertise and Performance of Development Projects ....... 52
5.4 Conclusion ................................................................................................. 52
5.5 Recommendations ..................................................................................... 53
5.6 Suggested areas for future study ............................................................... 53

REFERENCES .............................................................................................. 54
APPENDICES ................................................................................................. 61
  Appendix I: Request Letter .......................................................................... 61
  Appendix II: Questionnaire ......................................................................... 62
# LIST OF TABLES

Table 1: Target Population ........................................................................................................................................... 30  
Table 2: Sample Size ......................................................................................................................................................... 30  
Table 3: Operational Definition of Variables ................................................................................................................. 34  
Table 4: Questionnaire Return Rate ................................................................................................................................. 35  
Table 5: Gender Distribution of the Respondents ............................................................................................................ 36  
Table 6: Age Bracket of the Respondents ......................................................................................................................... 36  
Table 7: Respondents by Level of Education ..................................................................................................................... 37  
Table 8: Position of the Respondents ............................................................................................................................... 37  
Table 9: Technical Expertise mean and standard deviation ................................................................................................. 38  
Table 10: Frequency extent to which Technical Expertise Influence Performance of development projects ..................... 39  
Table 11: Political Instability mean and standard deviation .............................................................................................. 40  
Table 12: Frequency extent to which Political Instability Influence Performance of Development Projects ....................... 41  
Table 13: Stakeholders’ Involvement mean and standard deviation .................................................................................... 42  
Table 14: Frequency extent to which Stakeholders Involvement Influence Performance of Development Projects ............. 43  
Table 15: Management Expertise mean and standard deviation .......................................................................................... 44  
Table 16: Frequency extent to which Management Expertise Influence Performance of Development Projects .................. 46  
Table 17: Performance of Development Projects mean and standard deviation ................................................................. 46  
Table 18: Summary of regression analysis .......................................................................................................................... 47  
Table 19: ANOVA analysis .................................................................................................................................................... 47  
Table 20: Coefficients of the findings .................................................................................................................................. 47
LIST OF FIGURES

Figure 1: Conceptual Framework.............................................................26
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDF</td>
<td>Constituency Development Fund</td>
</tr>
<tr>
<td>CIPD</td>
<td>Chartered Institute of Personnel and Development</td>
</tr>
<tr>
<td>DANIDA</td>
<td>Danish International Development Agency</td>
</tr>
<tr>
<td>DFID</td>
<td>Department for International Development</td>
</tr>
<tr>
<td>GoSL</td>
<td>Government of Somaliland</td>
</tr>
<tr>
<td>NSE</td>
<td>Nairobi Securities Exchange</td>
</tr>
<tr>
<td>RMP</td>
<td>Risk Management Plan</td>
</tr>
<tr>
<td>SACCO</td>
<td>Savings and Credit Co-operatives</td>
</tr>
<tr>
<td>SDF</td>
<td>Somaliland Development Fund</td>
</tr>
<tr>
<td>SDFP</td>
<td>Somaliland Development Fund Project</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Packages for Social Sciences</td>
</tr>
<tr>
<td>UK</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>US</td>
<td>United States</td>
</tr>
<tr>
<td>VAIC</td>
<td>Value added Intellectual Coefficient</td>
</tr>
</tbody>
</table>
ABSTRACT

In order for optimal project performance to be attained, adopted projects need to apply appropriate techniques, knowledge, tools and skills so as to ensure that the projects actually strive to fulfill desired mandate hence become successful. In order to effectively manage projects, a five sequential processes ought to be followed that entails; initiation; planning; execution; controlling and lastly project closure. The purpose of the study was to examine the factors influencing performance of development projects funded by DFID; a study of Somaliland Development Fund (SDF). The study was guided by the following specific objectives; to determine the influence of technical expertise on the performance of Somaliland Development Fund Projects (SDFP), to examine the influence of political instability on the performance of Somaliland Development Fund Projects, to establish the influence of stakeholders involvement on the performance of Somaliland Development Fund Projects and to determine the influence of management expertise on the performance of Somaliland Development Fund Projects. The study used two theories; resource based view and the stakeholder theory. The study adopted descriptive research design. The target population comprised of managers, government officials and employees involved in the implementation of the SDFP, community members were also targeted. This study adopted a probabilistic sampling technique whereby stratified random technique was used to select sample size of 63 respondents from the target population. The primary data was collected using structured questionnaires. A pilot study was conducted to test the reliability and validity of the research instrument. The study computed percentages, means and frequencies that helped in analysis of the collected data. In addition, frequency tables and percentages were used to appropriately present the results of analysis and a multivariate regression analysis was used to determine the factors that affect performance of SDFP. The study found out that technical skills enables managers to develop plans on costs and expenditure needed to achieve the project goals, create work plan from inception to the completion of the project as well attract the required qualified personnel to work on the intervention activities, majority of the respondents indicated to a great extent that performance of Somaliland Development Fund (SDF) is affected by political instability. The appetite for political interference by political elites, especially in procurement related activities may greatly affect the performance of the projects, stakeholders are important to the implementation, monitoring and evaluation of the donor activities and the responsibility of top management characterised by their expertise to ensure good and effective management of the implementation phase of activities. The study concludes that there was positive effect of technical expertise on the overall performance of the SDF projects, participatory engagement of stakeholders and managing of political interests fosters contribution of all experts and political elites involved in project implementation and good coordination leads to greater project efficiency that has positive link to project performance. The study recommends for a combination of multiple factors to ensure successful performance of development projects. It is a combination of staff technical expertise, stakeholders’ engagement, management of political interference through well-organized strategic management team.
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

According to Project Management Institute (2010) defines a project as an impermanent attempt that is undertaken by people so that they can create unique services and products at an already established budget and time frame and in order to produce particular desired results. In this regard, for optimal project performance to be attained, adopted projects need to apply appropriate techniques, knowledge, tools and skills so as to ensure that the projects actually strive to fulfill desired mandate hence become successful. In order to effectively manage projects, five sequential processes ought to be followed that entails; initiation; planning; execution; controlling and lastly project closure (Josler & Burger, 2008). Projects that are successful in terms of implementation brings in together resources, people and tasks that are relevant to enhance attainment of project objectives in the workplan (Kerzner, 2013).

In order for projects to attain optimal performance, all relevant stakeholders ought to be readily involved at all the project stages as they have the capability to affect final project outcomes. In this regard, all project stakeholders’ right from initiation till closure need to be actively involved in the managing of the project so that the project can attain its goals and objectives while at the same time meeting the expectation of all stakeholders. Different stakeholders will ensure that the project is indeed moving in the intended direction so as not to compromise on quality of intended results (Keller, Liu & Shih, 2011). Therefore, the involvement of project stakeholders in order to incorporate their input during project execution increases the overall performance of project outcomes as well as project longevity.

During project execution, the presence of a right mix of technical expertise and skills that endeavours to provide needed management capabilities and competencies during project implementation ensures overall positive project performance. This possession is a vital form of human capital that if well utilized can lead to smooth attainment of project goals thus enabling optimal project performance in the long run (Flynn, Blackman, Buick & O'Donnell, 2012).
According to Olander and Landin (2005), stakeholder involvement is important as it has the potential to affect project outcomes that are directly related to performance. Stakeholders involvement serves to certify the adopted plan is essentially carried out as per the provisions of the law hence minimizes against adverse project eventualities that may in turn negatively affect performance.

Project teams can undertake to utilize various mechanisms and strategies to enhance optimal project performance. An admissible strategy would be to engage the right mix of project execution members who possess the right expertise, skills and capabilities. In addition, the recruitment of management who have a previous track of competence in project execution ought to be considered as their direct involvement in the project may adversely or positively affect project performance (Svejvig & Andersen, 2015). The attainment of optimal performance of development projects is subject to various externalities. The presence of political challenges and instabilities deter projects from fully realizing their goals hence reducing the rate at which optimal performance can be attained. To achieve desired performance levels, an urgency arises that requires relevant legal as well as institutional frameworks to be put in place so that undertaken development projects can attain sound performance hence remain sustainable for the long run (Haysom, 2007).

In addition, the lack of relevant experience and skills that are required in project implementation by both project teams and project management leads to stalling of projects as long term productivity and sustainability cannot be safeguarded. The absence of adequate monitoring and evaluation strategies by project management leads to massive failures in project implementation that in turn leads to collapse of adopted projects. Turner and Muller (2005) deduced that project leadership affects overall success of development projects. This is due to the fact that the presence of effective leaders during project execution readily reads prevailing environment forces hence shape their projects to seize prevailing market opportunities. Mulwa (2013) further adds that competent management contains good leader that readily listens as well as takes into consideration the views of all team member’s.
The presence of an environment that enables people to contribute vital suggestion improves on overall project performance as dysfunctional behaviour is eliminated since teams are readily involved in decision making. This in turn leads to positive project results as employee productivity is increased as a result of participation leadership that is implemented by management (Munyui, 2015).

For development projects to yield desired results, organizational leaders need to steer the whole process right from setting goals to final project completion. The involvement of relevant members during decision making, planning, and implementation, during project initiation, evaluation and monitoring stages enhance optimal project performance. Wu and Low (2010) deuced that effective project managers need to build a cooperative relationship in between the different people required to complete the adopted projects. In essence, project’s failure or success is entirely dependent on project team performance as suppliers, top management, contractors, financial managers and other stakeholder’s contributions are vital to enhance success (Adriana & Ioana-Maria, 2013).

Wachnik (2015) deduced that project managers need to effectively manage project resources so that projects can continue in operation even after external resources are exhausted. This will in turn enhance project continuity that in turn leads to optimal performance due to minimization of disruptions. The adoption of individuals who possess good project management skills and good leadership traits steer adopted projects to prosperity as they readily endeavour to enhance the attainment of both productivity and sustainability. The manner in which project managers undertake to influence superiors and immediate juniors by adopting appropriate participatory interactions in turn affects project performance as leadership skills definitely define projects probabilities of either succeeding or stalling (Flynn & Alford, 2012).

The possession of both soft and hard skills by project team managers ensures positive project success. The hard skills that includes the possession of; monitoring, technological skills, risk management, experience, planning and scheduling skills and soft skills that comprise of; swift knowledge in handling people, organizational knowledge, leadership and management skills as well as consumer handling skills (Griffiths, Hayley & George, 2007).
In essence, the presence of a combination of these technical and transformational leadership skills readily ensures swift project implementation thus leading to optimal project performance. Bloom and Reenen (2010) further deduced that the familiarity to tasks enables project managers to improve on overall performance since there is presence of managerial competency during the running of projects. O’Riordan and Fairbrass (2008) opine that the presence of prior project exposure especially on the issue of technology and associated methodologies improves on overall current tasks handling as project managers are more aware of such tasks hence improving on decision making that in turn leads to improved project performance (Slevin, Pinto & English, 2009).

Turner (2014) opine that various activities need to be undertaken in project management as they have a significant effect on project productivity and long term sustainability. Over reliance on external funding and technical expertise further worsens the problems of project performance as any realized delays affects day to day project running that in turn disrupts attainment of positive potential outcomes. Metters, King-Metters, Pullman and Walton (2008) deduced that the provision of frequent support in terms of technical expertise as well as financing resources have an effect on project success. In essence, adequate funding ensures continued running of projects. Project teams need to ensure that the implemented project is indeed moving in the intended direction hence not compromise on quality of intended results. Mulwa (2013) examined the issues that influence central division water project in Machakos district. The researcher concluded that the adoption of project planning and implementation as well as the usage of sound financial management strategies influences water supply projects sustainability. Lindebaum and Cassell (2012) examined the integration of sustainability within the project management cycle. The researchers identified various issues that surround projects sustainability; project cost, risk, scope and lastly quality management were found to have an influence on the degree of sustainability of projects.

Flynn and Alford (2012) undertook to examine the important steps needed for optimal project resource management. The researchers deduced that project resource is not entirely limited to people but also equipment, finances and materials needed for successful project completion and sustainability.
Project resource management entails considering which specific resources both financial and non-financial that are imperative to ensure that the project strives to deliver desired outcomes. Project teams ought to consider the specific resources as well as relevant initiatives that are required to meet project tasks within the range of available resource capabilities. Resources include equipment, budgetary allocations, office space, and even staff (Dumrak, Barroudi & Pullen, 2015).

The usage of a mix of resource delivery mechanisms will translate to effective management of resources both from all parties, thus leading to overall contribution to the attainment of overall project objectives. Project teams have the task to ensure good environment to enable the gathering of right resources and expertise. The teams therefore need to enhance project sustainability by considering needed high-level team resources in order to implement adopted initiatives. The project management teams therefore need to adequately weigh up costs and benefits of both internal and external resource delivery (Kendrick, 2013).

1.1.1 Somaliland Development Fund

In 1991, Somalia effectively partitioned into three separate geographical regions; South Central Somalia, North West Somalia (Somaliland) and North East Somalia (Puntland) following the collapse of the Said Barre regime. In 2012 the interim transition period for the Federal Government and Puntland was ended with the formation of Parliament and a Constitution, encompassing the principles of devolution and the new Federal Government of Somalia (FGS) was established. Somaliland, who declared independence in 1991, is not formally recognised but has relative political stability. The Government of Somaliland remains the best functioning part of Somalia but struggling to make the shift from a post conflict state to a development orientated state.

The Somaliland Development Fund (SDF) was jointly funded by DFID and Danish International Development Agency (DANIDA). DFID’s initial contribution of £20m and DANIDA’s investment of £12.4m has now been supplemented with additional resources from Norway (£3m) and The Netherlands (£3.1m). DFID and DANIDA have further supplemented these resources with an additional £5m and £8.5m respectively in 2015. The fund started in August 2013 and expected to end in March 2018.
The SDF is financing diverse projects in agriculture, roads, environment, water and livestock in its operational year. The Fund attempt to readily address existing issues of sustainability, build capacity and lastly increase ownership of Somaliland development agenda hence enhance revenue generation and consequently manage realized public finances. The fund intends to achieve this by increasingly handing over control of funds to Government of Somaliland (GoSL).

The Somaliland Development Fund is specifically designed to support the Government of Somaliland in its attempts to address critical and immediate development needs by way of funding both recurrent as well as projects capital costs which are in line with The National Development Plan (NDP) to be between the years 2012 to 2016. The SDF strives to impact more prosperous and stable Somaliland. The funds outcomes have better resourced and improved government core state functions towards Somaliland people. The project founding donors; DFID and DANIDA tested the market and broadened the range of implementation with partners in Somalia so as to improve on choice hence drive improvements of performance as well as value for money. The fund was originally designed to be nearer to the government systems due to fiduciary risks.

The adopted projects from the pledged funds have shown steady and increasing momentum of developments as there are achievements that have been realized after the beginning of the implementation phase in April 2014. It is expected that the SDF will progress from being the current investment fund and move to be an incentive fund over time. This is anticipated once targets are attained in the sector of public financial management as well as when wider public sector reforms are fully met. The SDF is expected to deliver the following results, improved road infrastructure and water needed to promote both economic and socially equitable national development. Improve the productive sectors capacities by enhancing livelihoods, incomes and food security.

Improve the capacity of GoSL so as to manage development projects, enhance adequate government communication in regards to development activities, priorities and expenditure and lastly to improve on capacity to prioritise objectives of development and also plan and budget activities relating to national development.
1.2 Problem Statement

For development projects to thrive and achieve desired results for the long run, they need to adopt various project management techniques that are known to lead to optimal project performance. Desirable project results are not always achieved as there are various factors that come into play during project execution to deter projects to fully produce optimal results. Mismanagement of projects has led to negative results that have seriously affected projects sustainability in the long run. Therefore, if development projects are to succeed and produce desired results, they should be planned well in terms of required resources both from within and from outside. Project managers need to enhance proper utilization of acquired technical expertise as it has a direct relationship with firm performance.

Optimal project performance is a major challenge not only in Somalia, but it extends to other developing nations. Most development programmes are implemented with huge budget that leads to difficulties in achieving profitability. Mutua (2013) gathered that even though the trend of projects implementation shows significant improvement, post-implementation sustainability is still disappointing to ensure that projects continue yielding optimal results for the foreseeable future. The lack of technical advice during project execution has emerged as a key factor that has an effect on overall performance of the project. Some studies have been carried out causative factors that affect project performance. Olander and Landin (2005) evaluated the influence of stakeholder in the construction projects at the implementation stage.

Locally; Munyui (2015) studied the various factors influencing sustainability of community water projects. The study utilized technology, management skills and community participation as the determinants of community water projects sustainability. The study therefore did not place any focus on stakeholder’s involvement and political instability on performance of development projects. Wairimu (2015) examined the factors influencing sustainability of community water projects. This study only addressed the effect of financial strategies in management and performance of community water project and did not study the influence of technical expertise, stakeholder’s involvement, political instability and management expertise performance of development projects.
Mulwa (2013) examined the issues that influence central division water project in Machakos district. The study examined the influence of project preparation and implementation cycle, community management, co-operation of stakeholders and procurement and financial management on sustainability of water supply projects. This study fell short to explain how individual project factors affect overall project sustainability. The study therefore did examine how political; instability affects performance of development projects. The discussed studies majorly touched on project sustainability as well as the factors that lead to overall long term sustainability. The studies therefore cannot be reasonably expected to apply to the case of performance of development projects. The discussed studies were done with an analysis of water projects, community development projects as well as agricultural projects. None of the studies was conducted with a case of development projects. This study endeavored to fill this research gap by examining the factors that influence performance of Somaliland Development Fund Projects.

1.3 Purpose of the Study

The study was to examine the factors influencing performance of development projects funded by DFID: a study of Somaliland Development Fund.

1.4 Objective of the Study

The study aimed to achieve the following objectives:

1. To determine the influence of technical expertise on the performance of Somaliland Development Fund Projects.

2. To examine the influence of political instability on the performance of Somaliland Development Fund Projects.

3. Establishing the influence of stakeholders involvement on the performance of Somaliland Development Fund Projects.

4. To determine the influence of management expertise on the performance of Somaliland Development Fund Projects.
1.5 Research Questions

The study was guided by the following research questions:

1. What is the influence of technical expertise on the performance of Somaliland Development Fund Projects?
2. How does political instability influence the performance of Somaliland Development Fund Projects?
3. What is the influence of stakeholders’ involvement on the performance of Somaliland Development Fund Projects?
4. How does management expertise influence the performance of Somaliland Development Fund Projects?

1.6 Significance of the Study

Research findings from this study may be useful in that it revealed important information that is of benefit to the administration of Somaliland Development Fund. Important factors that affect performance were revealed and this will lead to better project performance in the near future. This study also revealed the specific factors that have the greatest influence on performance. Policy makers may therefore be furnished with imperative knowledge that they can use to design better policies regarding management of development services. The study findings therefore informed future researchers onto the various factors that affect development projects performance.

The study may also aid them to link the identified factors to performance. Project management teams were furnished with imperative information that they can use to effectively design project management methodologies so as to ensure optimal project performance. They were able to design frameworks that can be used to enhance smooth project management oriented towards projects profitability.

1.7 Limitations of the study

Various limitations were faced by the researcher limitations during the conduct of the study. A major limitation was the reluctance by target respondents to provide crucial research information.
The respondents were fearful that the information they provide might be used for other purposes such as intimidation other than for academic purposes. Uncooperative respondents which affected the 100% response rate.

1.8 Delimitation of the Study

The focus of the study was to examine the factors influence performance of Somaliland Development Fund Projects. The study limited itself on four identified factors including technical expertise, political instability, stakeholders’ involvement and management competence. These factors are hypothesized to influence project performance. The study used Somaliland Development Fund Projects as the preferred project. The respondents included: managers, employees, government officials and citizens.

1.9 Assumptions of the Study

The study assumed that all the respondents possess knowledge with regards to Somaliland Development Fund Projects hence in a position to provide adequate and quality research data to be able to facilitate the researcher answer the research questions. The study also reasonable assumed that all the identified respondents could actually fill in the designed research instruments with integrity and utmost honesty without delays to facilitate reliable data collection.

1.10 Definitions of Significant Terms

**Technical Expertise**- person possesses talents that enable one to perform tasks effectively.

**Political instability**- This is basically the propensity that a government may collapse.

**Management Expertise** -This is a cluster of related commitments, abilities, skills and knowledge that enable firms and individuals to effectively act while executing certain tasks and situations.

**Stakeholder’s involvement** -They are people/communities who may have a direct or indirect, positively or negative effect on the outcomes of projects.
1.11 Organization of the Study

This research study covers five chapters. Chapter One covers the introduction to the study whereby the background to the study, statement of problem, purpose of the study, objectives of the study, research questions, and significance of the study, limitations, delimitations, assumptions and lastly operational definition of significant terms are to be given. Chapter Two covers literature review hereby both theoretical and empirical literature were covered to extensively discuss the factors that influence project performance. The chapter then summarizes the discussed studies. The chapter covers project performance which is the dependent variable as well as the independent variables including; technical expertise, political instability, stakeholder’s involvement and management expertise. The chapter also presents relevant theories that underpinned the study. A conceptual framework was drawn to exhibit the relationship between the identified factors and performance of development projects. A research gaps as well as the summary of the literature review was also given in the same chapter.

Chapter Three covers the adopted research methodology, research design, target population, sampling procedure, description of research instruments, validity and reliability of research instruments, methods of data collection, and procedures for data analysis, ethical considerations and operationalization of variables was discussed in this chapter. Chapter Four presents data analysis, presentation and interpretation whereas the last chapter covers the summary of findings, discussions, conclusions, recommendations as well as the suggestions for further research.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

In this chapter, literature review is presented by basically showing what has already been done with regards to factors that affect development project performance. The theoretical framework, empirical review, the conceptual framework, research gaps as well as the summary of the literature review shall also be given in this chapter.

2.2 Performance of Development Projects

Performance of projects is a concern for most project managers as they have to account for the resources at their disposal. Therefore a good manager should be able to develop plans on the costs and expenditure needed to achieve the project goals; create a timeline from the inception to the conclusion of the project; attract the needed personnel to run the project activities – the personnel could be skilled, unskilled, educated and uneducated. According to Anantatmula (2010) managers should know how to plan, organize, direct and control activities in a project and also motivate the human resources in a project to carry out their work effectively for excellent performance of the project. Wong, Cheung and Fan (2009) further noted that the project manager must be able to integrate resources to gain the needed outputs and coordinate all the project activities. It is evident that for effective project implementation requires a leader and management who can influence organization members to focus their efforts in the same direction through teamwork.

In the quest to achieve the best in a project, training of personnel plays important role in ensuring the quality and achievement of the expected goal. Well trained project staffs are able to work better to increase both individual and organizational project performance. Training equips people the required skills and knowledge on how to handle the project tasks and assignments. Lauras, Marques and Gourd (2010) agree that training provides the opportunity for employees to positively contribute to the overall objective of the projects. (Lauras, Marques & Gourc, 2010).
2.3 Technical Expertise and Performance of Development Projects

Employee technical expertise is positively related to firm performance. Staff development through training geared for enhancing technical knowledge and competencies of staff by way of improving their knowledge base enhancing better organizational performance (Nyanjom, 2013). Through the conduct of career training and development, the level of expertise and knowledge increases hence improving on employee work performance that is directly related to the attainment of project goals. This match of organizational goals against set ones leads to profitability as goal congruence is attained. The numerous benefits that are achieved through employee personal career development include: additional employees morale, low production costs, improved employee confidence. All these benefits positively impact organizational performance (Becker, 2011).

This implies that firms adopted projects will achieve optimal performance as employees are willing and ready to give in their all towards successful project completion that in turn positively affects performance if laid plans were properly carried out. An association exists between employee technical expertise and quality of service rendered that in turn affects overall work performance. The realization of better work performance in turn leads to prompt execution of assigned project tasks hence improving on overall attainment of desirable project outcomes. The possession of technical know-how enables employees to be more motivated hence more cooperative, considerate and keen during task execution. This in turn leads to excellent project job delivery that is directly related to optimal project performance (Wilson & Frimpong, 2004).

The presence of rewards systems which matches the level of employee skills and expertise motivates staff hence directs their behaviour towards the successful execution of organizational goals and strategies. This in turn leads to overall success of adopted organizational projects. In addition, the retention of highly qualified staff enables firms to obtain high performance in adopted projects due to low staff turnover. In essence, when firms are able to retain highly qualified employees, at optimal performance, then the employees exhibit high degree of expertise that is needed to enhance successful project implementation.
When employee perceive compensation to being equitable and fair with regards to their level of skills and expertise, then satisfaction will improve on their level of commitment to the organization that leads to both enhanced performance of employees and the organization at large (Turner, 2014).

Top management ought to depict their leadership skills and capabilities by giving purposeful instructions to subordinate employees. This will in turn improve on performance on present project assignments since the juniors will be better placed to apprehend given assignments. In essence, workers who are better informed will make less operational mistakes thus increasing on organizational efficiency hence improve on positive outcomes of implemented projects. Project performance is a function of employees’ competencies, knowledge and skills. In fact, project competences and performance are positively correlated as optimal project results cannot be obtained if the engaged labour force is incompetent (Burke, 2013). Additionally, development projects performance is also influenced by intelligence, training and development, knowledge level and personality traits (Phillips, 2013).

Tanui (2014) opine that a project human resources system that comprises of a desirable teamwork that accommodates all the technical expertise contributions of all project team members positively impacts employee job satisfaction and motivation that in turn leads to keen execution of assigned tasks hence leading to optimal project performance as a result of enhanced tasks execution. A participatory decision making regime that fosters the contributions of all expert opinions on assigned tasks during project implementation leads to more commitment by employees’ hence leading to greater project efficiency which has a positive association with project performance. When employees work together to achieve a common project goal, they are able to positively influence one another to carry out assigned task thus leading to an improvement in labour project productivity. When firm management enhance knowledge flow across all technical project experts, efficiencies in overall project operations are attained which in turn lead to project success. Therefore, the adoption of project systems that foster contributions of expertise form all experts will benefit from improved performance as brainstorming by these experts can identify project flaws early hence underrate corrective actions in due time.
2.4 Political Instability and Performance of Development Projects

Amoro (2015) examined effect of macroeconomics elements and political events on the performance of Nairobi Securities Exchange in Kenya. Secondary source was used as the main source of research data which was gathered from the Capital Markets Authority and the Central Bank of Kenya. The ordinary least squares were used to estimate the influence of macroeconomic factors and political events on NSE performance. It was established from the regression results that 91-Day Treasury bill, money supply, exchange rates and political events had a significant association except for the inflation rates. Political instability and money supply incidents showed a strong and positive correlation to NSE. The research results showed that political instability had an influence on Nairobi Securities Exchange stock returns. Koonjal and Fowdar (2008) studied whether political events had an effect on returns. The researcher conducted a regression analysis and it was established that political events had an effect on stock exchange returns.

Tero (2014) examined the factors that influence the performance of dispensary development initiatives under the Constituency Development Fund (CDF) in Kenya. Descriptive research design was adopted by the researcher; in addition, a target population that comprised of staff at CDF dispensary projects committees, local leaders and lastly dispensaries beneficiaries was selected. A sample was chosen in order to save on cost and time, questionnaires were the preferred data collection instruments which were designed and distributed by the researcher through the drop and pick later method. The research findings revealed that political leaders had an influence on the procurement processes carried out by project committees. The study further showed that a low level of accountability and transparency actually existed in the CDF dispensary projects as a result of political leader’s interference (Tero, 2014).

Menge, Mwangi & Kimani (2013) examined the effect of elections on Nairobi Securities Exchange stock market returns. An event study methodology was adopted during the study. The study population of interest comprised of all the 56 listed companies at the NSE. Secondary data was used to gather needed research information.
The ANOVA findings revealed that expected market returns were actually higher just before elections in comparison to the period after elections. The study recommended that investors need to factor the occurrence of elections effect when making investment decisions. In addition, they need to buy stocks immediately after elections and then later sell them when market returns are much higher right before elections. The Government needs to maintain peace and political stability just after elections as lads to a drop in stock returns (Menge, 2013).

Polachek and Sevastianova (2012) examined whether conflict disrupts growth by analysing evidence of the relationship between political instability and national economic performance. The researchers established that conflicts have detrimental effects on growth and the effect is even intensified in the case of nations that are non-democracies, low income countries in Africa. Verdugo, Furceri and Guillaume (2013) examined the role of political instability on output delivery. It was established that social conflicts have a negative and significant impact on short-term output. In addition, the size of the effect is essentially as a result of the meaning of political instability intensity. The results further revealed that recovery output over the immediate medium-term is entirely dependent on the country’s ability to implement reforms after political instabilities that are aimed at improving governance levels.

Enshassi et al (2009) explored factors that affect infrastructure initiatives in Gaza Strip. The researchers distributed 120 questionnaires to 3 key distinct groups including consultants, owners and contractors. Survey findings revealed that all the studied groups agreed that there are various important factors that affect project performance and they include; delays caused by borders/roads closures; limited resources, leadership and management skills; cost of material and management expenses, and lastly deprived quality of obtainable raw materials and equipment. The researchers recommended that there should be a form of continuous coordination that will depict how project participants are required to interact during project execution.
2.5 Stakeholders Involvement and Performance of Development Projects

Project stakeholders are people /communities who have a direct or indirect, positively or negative effects on the outcomes of the projects. Primary stakeholders have more interest in the project than the secondary stakeholders. The involvement of the community plays a big role in project implementation success. Olander and Landin (2005) evaluated stakeholder influence in the implementation of construction projects. The study finding established that by grouping all project stakeholders, the process of project management can essentially fabricate a clear picture as to how relationships and communication between all project stakeholders has actually affected the implementation of the project at hand. The study identified that there are numerous demands from the community that exerts pressure on organizations undertaking new projects to actually develop new methods of relating with stakeholders. Project team needs to make stakeholders analyses so as to be able to readily identify customers and other stakeholders influence during project implementation. Stakeholder analysis needs to be carried out during the entire stages of the project life cycle as the diverse stakeholders have an influence on the overall outcome of the project (Sevastianova & Polachek, 2010).

Stakeholder analysis describes the influences and contributions of each and every project stakeholder. This in turn affects the manner in which all parties are to be dealt with on a given issue. By undertaking to adopt stakeholder power analysis, project teams can be able to understand the project systems hence readily identify all the key actors and stakeholders as well as their respective interests and influence in the project. This will in turn influence the way the project will be dealt with. The identified stakeholders as well as their overall impact on the project will be effectively analyzed thus significantly improving in project association with these stakeholders hence improving on performance. Project donors play a critical role in effectively enhancing optimal project performance. They not only fund projects but also endeavor to ensure that projects achieve desired results through monitoring and evaluation (Freeman, 2014).

Nenni, Arnone, Boccardelli and Napolitano (2014) research revealed that actively engaged sponsors are actually top drivers of projects goals achievement as they readily motivate as well as support the attainment of original project goals.
A large majority of organizations report that the importance of executive support is greater in their organization today than it was 5 to 10 years ago. Given the importance of executive sponsorship, Pritchard and PMP (2014) studied more than 1,000 executive sponsors and project practitioners to assess how executive sponsors are being used in companies and to what effect. During project planning, project implementers should ensure that stakeholders are identified and their needs are prioritized; relationships are built with both internal and external stakeholders; and, at the end of the formal planning stage, all stakeholders agree on the project plan. One way to envision how this impacts the projects future is to remember that the organization wants to both capitalize upon the current project and secure future work. A clear analytical understanding of all stakeholders in paramount for achieving expected results (Kloppenborg et al., 2011). Hence, for profitability purposes, the all stakeholders ought to be readily identified and involved in the projects right from the start if optimal performance is to be achieved.

It is thus imperative for project teams to readily involve community members during the execution of local public projects as the community is the direct beneficiary of any adopted government funded development project (Kloppenborg et al., 2011). Successful projects use bottom-up planning whereby they accurately determine project priorities and then undertake to incorporate community needs during the design of the project. Designing projects by including community’s plans in the management of both internal and external resources promotes community participation that in turn positively affects projects performance (Mulwa, 2004).

Odipo (2013) examined the determinants of performance of development projects a case of Kenya agricultural productivity and agri-business project community interest groups in Nakuru County, Kenya. The research findings revealed that project top management support is an important factor that affects implementation of project strategy. This top management involvement in turn positively affects organizational thus enabling overall commitment towards the attainment of organisational goals. Onzere (2013) examined the factors influencing performance of community based projects. A descriptive survey approach was used in the study. Research findings revealed that community based projects performance was greatly influenced by; funding levels by sponsors and the knowledge and skills of project leaders.
Macharia (2013) examined the influence of stakeholders’ involvement on project outcome. This study employed descriptive survey design. The study target population comprised of the various stakeholders involved in the economic stimulus programme at Kigumo girls Centre of Excellence. Research findings revealed that the involvement of stakeholders during project implementation have the most contribution to project outcome. Project review followed next by project planning whereas project identification was found to have the least influence on project outcome. It was recommended that adequate skills and funds ought to be allocated to enhance optimal performance of projects (Macharia, 2013). Hassan (2013) explored the stakeholders’ influence role on the performance of constituencies’ development fund projects a case of Isiolo North Constituency, Kenya. The research study adopted a descriptive survey design. The selected study target population was representative of all the one hundred and fifty five CDF projects in Isiolo North Constituency. The study used interview schedules and semi structured questionnaire to collect research data. Inferential and descriptive analyses were applied to determine the nature of the relationship that exists among the identified study variables. Research findings revealed that government officials’ role that is needed in project implementation has the most contribution to project performance. In addition, government role in monitoring and evaluation, identification showed the least influence on project performance. The study finally recommended that skills and enough funds need to be allocated to projects so that performance can be ascertained. It was also recommended that constituents’ ought to play their role during project decision making as they are the beneficiaries of the projects, in addition, they are more aware of how well undertaken projects are in essence beneficial to them (Hassan, 2013).

Employees need to embrace new ways of carrying out project task execution. In essence, project implementation will be more successful if employees can be able to change their workflows and daily behaviors as project strategy envisages (Kalinová, 2007). Stakeholder involvement entails mobilizing individuals to adopt necessary changes so that adopted initiatives can be successful hence yield value at last during project completion. Stakeholders possess power in that they have the capabilities to mobilize both political and social forces which can in turn lead to the withdrawal of vital resources from the project hence affecting its performance adversely (Andriof & Waddock, 2012).
Customers are also key stakeholders in that their tastes have an effect on purchasing decisions. In this regard, management ought to take consider customer tastes and preferences right from project formulation to implementation (Chepkoech & Waiganjo, 2015).

2.6 Management Expertise and Performance of Development Projects

Tero (2014) examined the issues influencing performance of constituency development funded dispensary projects in Kenya. A descriptive research design was adopted by the researcher; in addition, a target population that comprised of staff at CDF dispensary projects committees, local leaders and lastly dispensaries beneficiaries was selected. The study established that implementation team competence have a very great extent influence on the performance of dispensaries. Jonas (2010) further adds that competency and teamwork during project implementation is a key factor that influences project implementation success. When project teams ensure that their accounts are audited, as well as exhibit education, skills and support services, performance of projects will definitely be positively influenced (Young, 2008).

The presence of effective management competencies is an essential component in the process of project implementation as it enhances effective learning and development which are important in enhancing overall skills that in turn positively affects project outcomes as a result of more gained competencies as acquired through learning (Armstrong, 2008). The CIPD’s learning and Development Survey (2009) found out that managements that are able to foster in-house development programmes and coaching leads to better performance from assigned tasks as skills level are improved. Similarly, CIPD (2011) survey in UK, US and India studied effectiveness of learning and training development practices and found that management which possesses capabilities to effectively develop and retain high project performers, identify knowledge gaps, as well as implement initiatives to enhance overall project team competencies are able to positively influence project performance (Malloch, 2010).

Cheboi (2014) deduce that managements that endeavour to improve on the current level of employee knowledge, behaviour; abilities, skills and competencies are able to increase on total output hence positively influencing project performance.
By motivating employees to perform as well as improve on their skills level, individual skills and competencies are enhanced thus leading to better project performance. Additionally, managements that are able to efficiently implement their job related tasks, facilitates optimal achievement of the projects objectives. Pew Tan, Plowman and Hancock (2007) explored the connection linking intellectual capital and listed companies’ financial performance at the Singapore stock exchange. Equity and earnings per share were used as financial performance indicators whereby VAIC method was used to measure intellectual capital. The study results indicated that a positive correlation exists between intellectual capital and company's financial performance. In addition, intellectual capital growth rate has a positive affiliation with firm performance.

Awan and Sarfraz (2012) undertook a study to define the effects of human capital on organizational performance with a case of telecom sector firms of Pakistan. The study revealed a strong association exists between human capital and firm performance. The study deduced that investments in human capital have a positive contribution to firm performance. In essence, any additional firm investments in human capital consequently increase employees’ skills and abilities hence aggressively and efficiently increasing on work potential. These additional human capital investments improves on firm management as well as staff skills and competencies hence enabling them to perform better thus making significant contributions to enhance firm performance the firm. The study showed that a link exists between investments in human capital, satisfaction of employees and overall firm performance.

Owino (2015) examined the effect of management competence, competition and working environment on performance of public service vehicle SACCOs in Nairobi County. The study adopted a descriptive research design whereby a multiple regression model was adopted to enhance the final analysis and presentation of the collected research data. Research findings revealed a positive association exists between management competence and performance of the studied SACCO’s. In essence, as management competence increases, performance of SACCO also increases and vice versa. Nyaga (2014) examined the role of project management skills on performance of construction projects with a case of selected construction firms in Mombasa County.
A descriptive research design was used, the study targeted 111 staffs working in various construction companies in Mombasa. Questionnaires were used as the preferred research instruments. In addition, both qualitative and quantitative research methods were used in data analysis. The research findings revealed that optimal projects performance are constrained by inadequate project management skills which are imperative to ensure effective project planning required to attain project success. It was established that project planning is risky and complicated, hence management needs to be adequately equipped with imperative management skills and competencies so that they can successfully steer adopted projects to completion (Nyaga, 2014).

Boser (2015) examined project cost management. The researcher established that project cost management entails the analysis of costs of associated project resources which are imperative in order to attain desired project objectives. The adoption of cost estimation approaches that entails estimating applicable costs of needed project resources serves to ensure that adopted projects are implemented to completion and that they continue being functional and profitable. In this regard, project manager’s need to possess imperative cost estimation skills so that they can accurately estimate all relevant costs without underestimation as this may seriously impede performance especially where projects rely on external funding. Project managers ought to adopt sound cost management methodologies so that they can ensure that the adopted project activities can essentially continue undeterred hence enabling the project to meet its day to day expenditure with ease without disruptions. All these factors will in turn lead to positive project performance as all goals and objectives of the project will be met.

Pieplow (2012) examined project risk management. The researcher deduced that presence of a risk management plan (RMP) is imperative in project risk management in that it enables project managers and teams to optimally define the desired level of inherent risks that underlie the undertaken projects. Project management by conducting risk assessment serves to ensure that the visibility and level of adopted risks are proportionate to the sustainability of instituted project for the long run hence guaranteeing optimal performance within the identified risks (Pieplow, 2012). Project managers therefore need to seriously undertake risk management strategies as well as undertake to evaluate all inherent risks.
They should further undertake to identify risks hence determine in advance what might happen in case the risks occur. This will safeguard the project against failure and heavy losses as inherent risks will be identified in advance.

2.7 New Deal Compact for Somalia

The New Deal is an international approach to development in states emerging from conflicts. The push for separate funding instrument for such the conflict affected countries is based on the realisation that the needs of such countries are different from other developing countries that are not affected by conflict. The New Deal was adopted in Copenhagen donor conference in 2013. It was developed to manage emerging risks that area ever changing due to conflict transformation. The instrument was developed in consultation with the Federal Government of Somalia (FGS) with the donor community.

The New Deal sets out how a country and its international partners will work to achieve agreed priorities through five peace-building and state-building goals (PSGs) that provide the foundations for the establishment of (1) legitimate politics (2) security (3) justice (4) economic foundations (5) revenues and services.

2.8 Theoretical Review

The study will be guided by two theories: resource based view theory that was formulated by Barley (1991) arguing that for organizations to realize excellent performance, the resources are put to valuable use to result in good performance and the second theory is the stakeholder theory by Freeman (1984) who state that stakeholders act and affect the decision of the organization to realise the firms` objectives.

The Resource Based View theory was formulated by Barney (1991) who argued that organizational resources ought to be valuable, inimitable, rare and not easily substituted in order for the firm to attain strategic competitive advantage. If organizations are to prosper, they ought to bring in new innovations so as to continue being relevant in the fast changing business environments. Barney (1991) projected that firm owned funds have a constructive influence on performance. The theory argues that a firm`s competitive advantage is as a result of the key resources it owns.
According to the theory, internally owned resources are the key source of strategic competitive advantage. If a firm has unique resources, then that warrants superior performance compared to competitors in the same industry (Barney, 1991). Based on the assertion by Barney (1991), the theory can be abridged as; the ownership of valuable and rare organizational resources translates to strategic competitive advantage. Additionally, if the owned resources are both non-substitutable and inimitable, the company will gain from strategic competitive advantage. Consequently, a firm that enjoys competitive advantage over its competitors will enjoy improved performance.

The knowledge-based view considers information as the most tactically significant resource of a firm (Foss, 2006). The view considers a firm to be a spread knowledge system composed of knowledge-holding employees, and this view holds that the firm's role is to coordinate the work of those employees so that they can create knowledge and value for the firm (Foss, 2006). This theory is based on the perception that better firm performance is indeed a function of organizational affairs and not necessarily the affairs that affect the industry of operation.

Human resources for instance the possession of technical expertise and management expertise as well as financial resources form the most crucial factors that have an effect on performance and business growth. The ownership of enough and vital resources will ensure smooth execution of new strategies. This has the overall effect that the firm will be more innovative hence realize full growth potential (Nath, Nachiappan & Ramanathan, 2010).

The resource-based view is based on notion that excellent performance is based on the internal management of the organization and not on the industry that the firm operates in (Hart & Dowell, 2010). This theory strongly advocates the idea that human resources as well as other financial resources are the very important factors that affect business growth and performance. If a firm is in ownership of enough resources both human and financial resources, then execution of new strategies will be swift. In essence, this study shall examine the influence of technical expertise and management expertise as a form of internal human resource on organizational performance in this case relating to development project performance.
The stakeholder theory was hypothesised by Freeman (1984). The theory hypothesized that a stakeholder is any individual or group who is affected or has the potential to affect overall achievement of firms' objectives. The theory is majorly concerned with the nature of the relationship that exists between stakeholders and the firm (Ayuso, Rodriguez, & Ricart, 2006). This theory has become a frame of reference when sustainability and corporate social responsibility issues are discussed (Wood & Jones, 1995). The theory posits that an organization needs to be fully aware of as well as respond to constituents demands including; customers, employees, suppliers, investors and the local community (Greenwood, 2007). Therefore instead of organizations placing more focus on attributes and stakeholders, they should rather be focus on the relationships between stakeholders and organization.

Freeman (1984) postulates that firms need to engage all their stakeholders in an instrumental and normative reasons. The normative explanation behind the relationship between stakeholders and organisations is based on an ethical basis hence managers need to consider all the stakeholders interests who have underlying legitimate stake in the firm (Ayuso, Rodriguez, & Ricart, 2006). The normative explanation is more of a moral obligation between the stakeholders and the organization (Greenwood, 2007). This form is unique in that these people have the democratic right to air their contributions as well as participate in decision making. In essence, it is quite clear that organizations can achieve better performance by managing relationships with its stakeholders (Ayuso, Rodriguez, & Ricart, 2006).

This theory is applicable to the study at hand as it reviews the important stakeholder's roles that have an overall influence on project performance. The theory opines that there are various organizational stakeholders and that their contributions have an overall effect on project performance. This study shall endeavour to establish the influence of various stakeholders on developments project performance.
2.9 Conceptual Framework

This study drew a conceptual framework to depict the relationship between the independent variables and the dependent variable.

**Technical Expertise**
- Leadership Skills
- Employee skills
- Employee Training

**Political Instability**
- Accessibility
- Political leaders
- Conflicts

**Stakeholders Involvement**
- Government
- Employees
- Community

**Management Expertise**
- Risk Management
- Competencies
- Cost Management

---

**Independent Variables**

![Conceptual Framework Diagram]

**Performance of Development Projects**
- Attainment of project goals and objectives

**New Deal Compact for Somalia**

**Dependent Variable**

**Intervening Variable**

---

**Figure 1: Conceptual Framework**

The performance of the project depends on a number of technical approaches and the environment of the project implementation. The elements that generate to the performance of the project as intended include technical expertise, political instability, stakeholders’ involvement and the expertise of the management team. Technical expertise consists of leadership skills that enhance the implementation of the project through effective guidance and setting direction for employees towards achievement of the goal. Sound management of the team and risk assessment alongside with mitigation measures are part of the technical skills.
Employee skills include operational experience and the formal and on job training that is specific to the tasks of the employee. Some of the skills include financial and programme management expertise. The operating environment of the project implementation is key to the realisation of performance. Political instability leads to difficulties for access to project sites and conflict that affects the pace of delivery. The risk management arising in the implementation phase leads to the either achievement of the results or poor performance. The actual performance is a process that comes into being after going through the above elements as presented. The new deal compact is the guiding principle for donor community in funding development projects in Somaliland. This is an agreed document by the international community and adopted in 2014.

2.10 Research Gap

Tero (2014) examined the issues influencing performance of constituency development funded dispensary projects in Kenya. Similarly, CIPD (2011) survey in UK, US and India studied effectiveness of learning and training development practices. Awan and Sarfraz (2012) undertook a study to define the effects of human capital on organizational performance with a case of telecom sector firms of Pakistan. Owino (2015) examined the effect of management competence, competition and working environment on performance of public service vehicle SACCOs in Nairobi County. Nyaga (2014) examined the role of project management skills on performance of construction projects with a case of selected construction firms in Mombasa County. Boser (2015) examined project cost management. A critical analysis of the discussed studies reveals that none was conducted with specific attention to Somaliland Development Fund project. In addition, none of the studies expressly discussed the influence of technical expertise, political instability, stakeholder’s involvement and management expertise on project performance. A clear research gap exists that this study undertakes to fill. This study shall therefore endeavor to fill the identified gap by undertaking to examine the factors affecting performance of Somaliland Development Fund Projects.
2.11 Summary of Literature Review

In this chapter, the researcher discussed various research findings as well as deductions by theorists on the various factors that affect project performance.

Tero (2014) examined the issues influencing performance of development funded dispensary projects in Kenya. The study examined the influence of stakeholders’ involvement, availability of human resource, competence and commitment from political leaders on performance of CDF funded dispensary projects. The mentioned study did not examine the influence of technical expertise and political instability on project performance. CIPD (2011) surveyed effectiveness of learning and training development practices in UK, US and India. This study was carried outside Somalia hence the research findings cannot reasonably apply in the Somalia setting. Awan and Sarfraz (2012) undertook a study to define the effects of human capital on organizational performance with a case of telecom sector firms of Pakistan. The study did not examine the effect of stakeholder’s involvement as well as political instability on project performance. In addition, the study was conducted outside Somalia. Owino (2015) examined the effect of management competence, competition and working environment on performance of public service vehicle SACCOs in Nairobi County. The study did not examine the influence of stakeholders’ involvement and political instability on project performance. Nyaga (2014) examined the role of project management skills on performance of construction projects with a case of selected construction firms in Mombasa County. Boser (2015) examined project cost management. The study examined the influence of cost management on project performance; it did not examine how project manager’s technical expertise as well as competencies, stakeholders’ involvement and political instability on project performance.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

This chapter covers the research methodology that was adopted, research design, target population, sampling procedure, description of research instruments, validity and reliability of research instruments, methods of data collection, procedures for data analysis, operationalization of variables ethical considerations and operationalization of variables

3.2 Research Design

Kothari (2004) states that a research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. Chandran (2004) notes that the choice of a research design is resolute by a number of considerations such as; the research purpose, categories of data needed data sources and the cost factor. Kothari (2004) explains that descriptive research is used in a study which is concerned with describing the characteristics of a particular individual, or of a group. This research design is suitable to describe and depict characteristics of an event, situation, and a group of people, community or a population. This study adopted a descriptive research design as it was to establish the factors that influence the performance of Somaliland Development Fund Projects. A descriptive research defines and reports the way things are and attempts to describe such things as possible behavior, attitudes, values and characteristics (Cooper & Schindler, 2003).

3.3 Target Population

According to Ngechu (2004) defined population to be a well-defined set of people, elements, events or group of things that are under scrutiny by the researcher. It’s a defined set of people, who are being investigated. The target population comprised of managers, and employees involved in the implementation of the SDFP, government officials and community members were also targeted. The target population is shown on Table 1.
Table 1: Target Population

<table>
<thead>
<tr>
<th>Strata</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>16</td>
</tr>
<tr>
<td>Employees</td>
<td>22</td>
</tr>
<tr>
<td>Government officials</td>
<td>20</td>
</tr>
<tr>
<td>Community Members</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>158</strong></td>
</tr>
</tbody>
</table>

Source: Somaliland Development Fund Secretariat

3.4 Sampling Procedure

A sampling technique is the method used to select an appropriate sample of respondents from the population (Schindler & Cooper, 2004). This study adopted a probabilistic sampling technique whereby stratified random technique was used to select target respondents from the target population. Stratification enabled subdivision of respondents into various categories from which simple random sampling was carried out in the selection of final study participants. In this regard, respondents were randomly picked from the identified target population strata. Random sampling enabled the generalization of study findings to a much larger population with a low margin of error. Stratification enabled sampling to be random hence enhancing the attainment of desirable subgroups representation in the identified population.

3.4.1 Sample Size

Cooper and Schindler (2004) argued that if well chosen, a sample that comprises of about 40% of the target population can give good reliability. A sample size of 40% of the identified target population was adopted. Use of stratified random sampling gave item in each group an equal probability chance of being selected. The obtained sample size is as shown on Table 2.

Table 2: Sample Size

<table>
<thead>
<tr>
<th>Strata</th>
<th>Population</th>
<th>Target sample size of the population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>16</td>
<td>6</td>
</tr>
<tr>
<td>Employees</td>
<td>22</td>
<td>9</td>
</tr>
<tr>
<td>Government employees</td>
<td>20</td>
<td>8</td>
</tr>
<tr>
<td>Community Members</td>
<td>100</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>158</strong></td>
<td><strong>63</strong></td>
</tr>
</tbody>
</table>
3.5 Data Collection Instrument

Besides secondary data discussed in proceeding chapter, the study used primary data that that was collected using structured questionnaires. The questionnaires included both open and closed ended in line with the objectives of the study. A five point Likert scale was used for closed ended questions. The questionnaires contained two sections. The first section sought to establish the respondent demographic data while the second section sought to dwell in the respondents’ opinions on the various factors that affect performance of Somaliland Development Fund Projects (SDFP).

3.5.1 Validity of the Questionnaire

The validity and reliability if the questionnaire was tested through a pilot study. According to Orodho (2003), a pilot test helps to test the reliability and validity of data collection instruments. A total of ten respondents were selected at random to participate in the pilot test. These respondents were excluded in the final study. To establish validity of the data collection instrument, the researcher sought the opinion of experts in the study topic, especially the management of SDFP, technical ministry staff and the university supervisor.

3.5.2 Reliability

Reliability is referred as the sta bility, consistence, or dependability of the data. Whenever a researcher measures a variable, he or she wants to be sure that the measurement provides reliable and consistent results. The reliability of the data collection instruments was measured using Cronbach’s alpha (Cronbach, 1951). Cronbach's alpha is a coefficient of reliability that gives an unbiased estimate of data generalizability and an alpha coefficient of 0.60 or higher indicates that the gathered data is reliable as it has a relatively high internal consistency and can be generalized to reflect opinions of all respondents in the target population.

3.6 Data Collection Procedures

Primary data was collected from various sources. The data was gathered through the distribution of structured questionnaires. The questionnaires were administered to all target respondents through the drop and pick later method where the researcher delivered
the questionnaires in person to all identified respondents. The drop and pick later method translated into a larger response rate since respondents felt compelled to fill research details at their own free will. The method did not also disrupt normal day to day activities of the project.

3.7 Data Analysis Techniques

The collected research data was coded so that each item on the Likert questionnaire had a numerical value attached to it. The responses were edited for completeness before entry into Statistical Packages for Social Sciences (SPSS) program. The output of data analysis was generated and presented in tables. The study computed percentages, means and frequencies of the collected data. In addition, frequency tables and percentages were used to appropriately present the results of analysis, this made it easy to understand and interpret the research findings. The Statistical Packages for Social Sciences (SPSS) was used to analyze data.

In addition, a multivariate regression analysis was used to determine the factors that affect performance of SDFP. The multivariate regression equation was:

\[ Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon \]

Whereby; \( Y \) = Performance of Development Projects
\( X_1 \) = Technical Expertise
\( X_2 \) = Political Instability
\( X_3 \) = Stakeholders Involvement
\( X_4 \) = Management Expertise
\( \varepsilon \) = Error term/Erroneous variables

The importance of this regression model was examined with the help of ANOVA analysis at the 5% significance level.
3.8 Ethical Considerations

Mugenda and Mugenda (2003) opine that a researcher ought to confirm to the principle of voluntary consent. This principle requires that all respondents willingly participate in the research without any undue influence. Research participation ought to be voluntary so that subjects can be at liberty to participate or either withdraws from the study at their free will without any consequences. The researcher communicated to the target respondents right before the study commences that participation was voluntary.

The information gathered by the researcher was used purely for academic purposes and not distributed to third parties for whichever reasons. Approval to conduct the study was sought from the relevant authorities.

3.9 Operational Definition of Variables

The operational definition of variables emanates as a result of operationalization process which is used to define variables in terms of a process that are needed to establish its quantity, existence and duration. The study also defined the variables as shown in Table 3.
<table>
<thead>
<tr>
<th>Objective</th>
<th>Variable</th>
<th>Indicators</th>
<th>Measurement</th>
<th>Measurement Scale</th>
<th>Data Analysis Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>To determine the influence of technical expertise on the performance of Somaliland Development Fund Projects</td>
<td>Independent</td>
<td>Leadership skills Employee skills Employee Training</td>
<td>Training Development Willingness to Influence</td>
<td>Ordinal</td>
<td>Descriptive statistics, percentages</td>
</tr>
<tr>
<td>To examine the influence of political instability on the performance of Somaliland Development Fund Projects</td>
<td>Independent</td>
<td>Accessibility Political leaders Conflicts</td>
<td>Roads accessibility Elections Tensions</td>
<td>Ordinal</td>
<td>Descriptive statistics, percentages</td>
</tr>
<tr>
<td>Establish the influence of stakeholders involvement on the performance of Somaliland Development Fund Projects</td>
<td>Independent</td>
<td>Government Employees Community</td>
<td>Involvement Participation Decision Making</td>
<td>Ordinal</td>
<td>Descriptive statistics, percentages</td>
</tr>
<tr>
<td>To determine the influence of management expertise on the performance of Somaliland Development Fund Projects</td>
<td>Independent</td>
<td>Risk Management Competencies Cost Management</td>
<td>Cost Estimation Risk identification Resources Management</td>
<td>Ordinal</td>
<td>Descriptive statistics, percentages</td>
</tr>
<tr>
<td>Performance of development projects</td>
<td>Dependent</td>
<td>Attainment of project goals and objectives</td>
<td>Scheduled time frame Allocated budget Set objectives</td>
<td>Ordinal</td>
<td>Descriptive statistics, percentages</td>
</tr>
</tbody>
</table>
CHAPTER FOUR
DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents the data analysis, presentation and interpretation of the findings based on the research objectives. The study sought to examine the factors affecting performance of development projects funded by DFID: a study of Somaliland Development Fund.

4.1.1 Questionnaire Return Rate

The study targeted a sample of 63 respondents. 45 questionnaires were filled in and returned. The response rate was 71% which was satisfactory enough and a representative of the population and agrees to Mugenda and Mugenda (2003) stipulation that a response rate of 70% and above is excellent. The finding is presented in Table 4.

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDF managers</td>
<td>4</td>
<td>6.3</td>
</tr>
<tr>
<td>SDF employees</td>
<td>7</td>
<td>11.1</td>
</tr>
<tr>
<td>Government Official</td>
<td>6</td>
<td>9.5</td>
</tr>
<tr>
<td>Community beneficiaries</td>
<td>28</td>
<td>44.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45</strong></td>
<td><strong>71.3</strong></td>
</tr>
</tbody>
</table>

4.2 General Information

The study determined the general information of the respondents in order to ascertain their suitability to undertake the study. The findings are shown in the following sections.

4.2.1 Gender Distribution of the Respondents

The study determined the gender distribution of the respondents. The finding is shown in Table 5.
Table 5: Gender Distribution of the Respondents

<table>
<thead>
<tr>
<th>Category</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDF managers</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>SDF employees</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Government Official</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Community beneficiaries</td>
<td>8</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12</strong></td>
<td><strong>33</strong></td>
</tr>
</tbody>
</table>

From the responses, 73% of the respondents were male while 27% were female. This shows that all gender were included thus provide a reasonable representation for the study.

4.2.2 Age Bracket of the Respondents

The respondents were asked to indicate their age bracket. The finding is shown in Table 6.

Table 6: Age Bracket of the Respondents

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 25 years</td>
<td>5</td>
</tr>
<tr>
<td>25-34 years</td>
<td>12</td>
</tr>
<tr>
<td>35-44 years</td>
<td>16</td>
</tr>
<tr>
<td>45-55 years</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45</strong></td>
</tr>
</tbody>
</table>

As shown in Table 6, 11.1% of the respondents were below 25 years, 26.7% were between 26-35 years, 35.6% were between 35-45 years and 26.7% were between 45-55 years. This shows that all age groups were covered in the study thus the information provided were reliable.

4.2.3 Respondents by Level of Education

The respondents were required to indicate their highest level of education. The finding is presented in Table 7.
Table 7: Respondents by Level of Education

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>16</td>
<td>35.6</td>
</tr>
<tr>
<td>Secondary</td>
<td>11</td>
<td>24.4</td>
</tr>
<tr>
<td>College</td>
<td>4</td>
<td>8.9</td>
</tr>
<tr>
<td>University- degree</td>
<td>8</td>
<td>17.8</td>
</tr>
<tr>
<td>Master's degree</td>
<td>6</td>
<td>13.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

From the responses, 35.6% of the respondents indicated that they had attained primary level education, 24.4% indicated secondary level, 8.9% indicated college level, 17.8% indicated university degree and 13.3% indicated master's level. This implies the respondents had relevant knowledge on project management and understand the English language thus they had ease in answering the question and provided the accurate responses.

4.2.4 Position of the Respondents

The study sought to determine the positions of the respondents. The finding is shown in Table 8.

Table 8: Position of the Respondents

<table>
<thead>
<tr>
<th>Position</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>4</td>
<td>8.9</td>
</tr>
<tr>
<td>Employees</td>
<td>7</td>
<td>15.6</td>
</tr>
<tr>
<td>Community Members</td>
<td>28</td>
<td>62.2</td>
</tr>
<tr>
<td>Government officials</td>
<td>6</td>
<td>13.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

From the responses, 8.9% of the respondents were managers, 15.6% were employees, 62.2% were community members and 13.3% were government officials. This shows that respondents holding different positions were involved and the information they provided were relevant and consistent for the study.
4.3 Technical Expertise

Statements on the role of technical expertise on performance of development projects were identified and the respondents asked to indicate the extent to which they agree with the statements. A scale of 1-5 was used, where 1= no extent, 2= little extent, 3= moderate extent, 4= great extent, 5= Very great extent was used. From the responses, descriptive measures, mean and standard deviation were used for ease of interpretation and generalization of findings. The finding is shown on Table 9.

Table 9: Technical Expertise mean and standard deviation

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical skills improve employee competences leading to better performance</td>
<td>3.44</td>
<td>1.271</td>
</tr>
<tr>
<td>Expertise improves on employee performance in projects</td>
<td>3.64</td>
<td>1.264</td>
</tr>
<tr>
<td>Technical expertise boosts employees morale leading to higher project performance</td>
<td>3.82</td>
<td>1.113</td>
</tr>
<tr>
<td>With experts handling projects the production costs will be low thus improving performance</td>
<td>3.51</td>
<td>1.254</td>
</tr>
<tr>
<td>Technical skills leads to prompt execution of assigned project tasks leading to higher project performance</td>
<td>4.06</td>
<td>1.194</td>
</tr>
<tr>
<td>Technical know-how enables employees to be during task execution leading optimal project performance</td>
<td>3.57</td>
<td>1.270</td>
</tr>
<tr>
<td>Retention of highly qualified staff enables firms to obtain high project performance</td>
<td>3.66</td>
<td>1.224</td>
</tr>
<tr>
<td>Equitable compensation to level of skills and expertise results to satisfaction leading to enhanced project performance</td>
<td>3.93</td>
<td>1.136</td>
</tr>
</tbody>
</table>

From the responses, technical skills improve employee competences leading to better performance was recorded at 3.44 mean score and 1.271 for standard deviation, expertise improves on employee performance in projects had 3.64 mean with 1.264 standard deviation, technical expertise boosts employees morale leading to higher project performance a mean score of 3.82 with a standard deviation of 1.113, with experts handling projects the production costs will be low thus improving performance a mean of
3.51 with a standard deviation of 1.254, technical skills leads to prompt execution of assigned project tasks leading to higher project performance had a mean of 4.06 with a standard deviation of 1.194, technical know-how enables employees to be during task execution leading optimal project performance had a mean of 3.57 with a standard deviation of 1.270, retention of highly qualified staff enables firms to obtain high project performance had a mean of 3.66 with a standard deviation of 1.224 and equitable compensation to level of skills and expertise results to satisfaction leading to enhanced project performance had a mean of 3.93 with a standard deviation of 1.136.

The mean values for the responses ranges from 3.44-4.06 which shows that the respondents were in agreement with the statements. This finding concurs with Phillips (2013) that development projects performance is also influenced by intelligence, training and development, knowledge level and personality traits.

### 4.3.1 Technical Expertise and Performance of Development Projects

The respondents were required to indicate the extent they agree on the influence that technical expertise has on project performance at Somaliland development fund projects. The finding is presented in Table 10.

**Table 10: Frequency extent to which Technical Expertise Influence Performance of development projects**

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little Extent</td>
<td>11.1</td>
</tr>
<tr>
<td>Moderate Extent</td>
<td>15.6</td>
</tr>
<tr>
<td>Large Extent</td>
<td>37.8</td>
</tr>
<tr>
<td>Very Large Extent</td>
<td>35.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

From the finding, 11.1% of the respondents indicated that technical expertise influence project performance to a little extent, 15.6% indicated moderate extent, 37.8% indicated large extent and 35.6% indicated very large extent.
4.4 Political Instability

Several statements on the influence of political instability on performance of development projects were identified and the respondents asked to indicate the extent to which they agree with the statements. From the responses, descriptive measures, mean and standard deviation were used for ease of interpretation and generalization of findings. The finding is shown on Table 11.

Table 11: Political Instability mean and standard deviation

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political events affected the performance of project returns</td>
<td>3.88</td>
<td>1.091</td>
</tr>
<tr>
<td>Political leaders influenced the procurement processes of projects leading to lower performance</td>
<td>3.86</td>
<td>1.035</td>
</tr>
<tr>
<td>Political leaders interfered with the running of projects leading to poor performance</td>
<td>3.57</td>
<td>1.196</td>
</tr>
<tr>
<td>Investors are afraid to invest in regions that experience political instability</td>
<td>4.02</td>
<td>1.033</td>
</tr>
<tr>
<td>Political instability led to unavailability of skilled project personal resulting in poor performance</td>
<td>3.62</td>
<td>1.230</td>
</tr>
<tr>
<td>Conflicts have detrimental effect on performance of projects</td>
<td>3.68</td>
<td>1.104</td>
</tr>
<tr>
<td>Political instability intensity led to few donors financing projects thus their performance is poor for lack of resources</td>
<td>3.75</td>
<td>1.170</td>
</tr>
<tr>
<td>Delays caused by borders/roads closures due to political instability negatively affect project performance</td>
<td>3.60</td>
<td>1.213</td>
</tr>
</tbody>
</table>

As shown in Table 11, political events affected the performance of project returns had 3.88 mean score with a standard deviation of 1.091, political leaders influenced the procurement processes of projects leading to lower performance had 3.86 mean score with a standard deviation of 1.035, political leaders interfered with the running of projects leading to poor performance had 3.57 mean score with a standard deviation of 1.196, investors are afraid to invest in regions that experience political instability had 4.02 mean score with a standard deviation of 1.033, political instability led to unavailability of skilled project personal resulting in poor performance had 3.62 mean
score with a standard deviation of 1.230, conflicts have detrimental effect on performance of projects had a mean of 3.68 with a standard deviation of 1.104, political instability intensity led to few donors financing projects thus their performance is poor for lack of resources had a mean of 3.75 with a standard deviation of 1.170 and delays caused by borders/roads closures due to political instability negatively affect project performance had a mean of 3.60 with a standard deviation of 1.213.

The mean score values for the response ranged from 3.60-4.02 which indicated that the respondents agreed that political instability influence project performance and this finding is consistent with that of Polachek and Sevastianova (2012) who established that conflicts have detrimental effects on growth and the effect is even intensified in the case of nations that are non-democracies, low income countries in Africa.

**4.4.1 Political Instability and Performance of Development Projects**

The respondents were asked to indicate the extent they agree on the influence that political instability has on project performance at Somaliland development fund projects. The finding is presented in Table 12.

**Table 12: Frequency extent to which Political Instability Influence Performance of Development Projects**

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little Extent</td>
<td>4</td>
</tr>
<tr>
<td>Moderate Extent</td>
<td>5</td>
</tr>
<tr>
<td>Large Extent</td>
<td>26</td>
</tr>
<tr>
<td>Very Large Extent</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>45</td>
</tr>
</tbody>
</table>

As indicated in the finding, 8.8% of the respondents presented that political instability influence project performance to a little extent, 11.1% indicated moderate extent, 57.8% indicated large extent and 22.2% indicated very large extent.
4.5 Stakeholders’ Involvement

Statements on the influence of stakeholder’s involvement on performance of development projects were identified and the respondents asked to indicate the extent to which they agree with the statements. From the responses, descriptive measures, mean and standard deviation were used for ease of analysis and generalization of findings. The finding is shown on Table 13.

Table 13: Stakeholders’ Involvement mean and standard deviation

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>The involvement of stakeholders plays a big role in project implementation success</td>
<td>3.60</td>
<td>1.074</td>
</tr>
<tr>
<td>The community exerts pressure on organizations leading to higher project performance</td>
<td>3.55</td>
<td>1.119</td>
</tr>
<tr>
<td>Stakeholder’s contribution positively impact on the performance of projects</td>
<td>3.66</td>
<td>1.087</td>
</tr>
<tr>
<td>Improving in project association with stakeholders improves on project performance</td>
<td>3.97</td>
<td>.941</td>
</tr>
<tr>
<td>Project sponsors play a critical role in funding the project, hence enhance optimal project performance.</td>
<td>3.82</td>
<td>1.093</td>
</tr>
<tr>
<td>Stakeholders monitor projects to ensure that projects achieve the desired results</td>
<td>3.75</td>
<td>1.069</td>
</tr>
<tr>
<td>Incorporating community needs during project planning leads to improved outcomes</td>
<td>3.88</td>
<td>1.091</td>
</tr>
<tr>
<td>Top management involvement positively affects organizational project performance</td>
<td>3.91</td>
<td>1.083</td>
</tr>
<tr>
<td>Government officials’ role is key in project implementation that will result in high performance levels</td>
<td>3.77</td>
<td>1.294</td>
</tr>
</tbody>
</table>

As indicated in Table 13, the involvement of stakeholders plays a big role in project implementation success had 3.60 as the mean score and a standard deviation of 1.074. the community exerts pressure on organizations leading to higher project performance
had 3.55 as the mean score and 1.119 as the standard deviation, stakeholder’s contribution positively impact on the performance of projects had 3.66 as the mean score and a standard deviation of 1.087, improving in project association with stakeholders improves on project performance had 3.97 as the mean score with a standard deviation of 0.941, project sponsors play a critical role in funding the project, hence enhance optimal project performance had 3.82 as the mean score and a standard deviation of 1.093, stakeholders monitor projects to ensure that projects achieve the desired results had 3.75 as the mean score and a standard deviation of 1.069, incorporating community needs during project planning leads to improved outcomes had 3.88 as the mean score and a standard deviation of 1.091, top management involvement positively affects organizational project performance had 3.91 as the mean score and a standard deviation of 1.083 and government officials’ role is key in project implementation that will result in high performance levels had 3.77 as the mean score and a standard deviation of 1.094.

The mean value for the responses ranged from 3.55-3.97 which shows that the respondents agreed with the statements that stakeholder’s involvement influence project performance in organization to a great extent. This finding is in line with that of Nenni, Arnone, Boccardelli and Napolitano (2014) who revealed that actively engaged sponsors are actually top drivers of projects goals achievement as they readily motivate as well as support the attainment of original project goals.

4.5.1 Stakeholders Involvement and Performance of Development Projects

The respondents were required to indicate the extent they agree on the influence that stakeholder’s involvement has on project performance at Somaliland development fund projects. The finding is presented in Table 14.

**Table 14: Frequency extent to which Stakeholders Involvement Influence Performance of Development Projects**

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little extent</td>
<td>1</td>
</tr>
<tr>
<td>Moderate Extent</td>
<td>11</td>
</tr>
<tr>
<td>Large Extent</td>
<td>29</td>
</tr>
<tr>
<td>Very Large Extent</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45</strong></td>
</tr>
</tbody>
</table>
As indicated in Table 14, 2.2% of the respondents indicated that stakeholder involvement influence project performance to a little extent, 24.4% indicated moderate extent, 64.4% indicated large extent and 8.9% indicated very large extent.

4.6 Management Expertise

Various statements on the role of management expertise on performance of development projects were identified and the respondents were asked to indicate the extent to which they agree with the statements as it applies in SDF. Descriptive measures mean and standard deviation were used for ease of analyzing and generalization of outcomes. The finding is shown on Table 15.

Table 15: Management Expertise mean and standard deviation

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team expertise had a big influence on the performance of projects</td>
<td>3.93</td>
<td>1.031</td>
</tr>
<tr>
<td>Management expertise influences project implementation success</td>
<td>3.91</td>
<td>1.083</td>
</tr>
<tr>
<td>Managers support the project staffs leading to higher performance of projects</td>
<td>4.13</td>
<td>.990</td>
</tr>
<tr>
<td>The management that are able to foster in-house development programmes results in higher yields</td>
<td>4.00</td>
<td>.977</td>
</tr>
<tr>
<td>The management that develop and retain high project performers positively influence project performance</td>
<td>4.15</td>
<td>.998</td>
</tr>
<tr>
<td>Managers that implement initiatives enhance overall project performance</td>
<td>4.06</td>
<td>.986</td>
</tr>
<tr>
<td>Motivating employees by the management leads to better project performance</td>
<td>3.93</td>
<td>1.116</td>
</tr>
<tr>
<td>Managements that are able to efficiently implement their job related tasks results in higher performance</td>
<td>4.04</td>
<td>.998</td>
</tr>
<tr>
<td>Project managers undertake risk management strategies that leads to higher performance</td>
<td>4.02</td>
<td>.916</td>
</tr>
</tbody>
</table>
From the responses in Table 15, team expertise had a big influence on the performance of projects had 3.93 as the mean and 1.031 as the standard deviation, management competency influences project implementation success had 3.91 as the mean and 1.083 as the standard deviation, managers support the project staffs leading to higher performance of projects had 4.13 as the mean and 0.990 as the standard deviation, the managements that are able to foster in-house development programmes results in higher yields had 4.00 as the mean and 0.997 as the standard deviation, the management that develop and retain high project performers positively influence project performance had 4.15 as the mean and 0.998 as the standard deviation, managers that implement initiatives enhance overall project performance had 4.06 as the mean and 0.986 as the standard deviation, motivating employees by the management leads to better project performance had 3.93 as the mean and 1.116 as the standard deviation, managements that are able to efficiently implement their job related tasks results in higher performance had 4.04 as the mean and 0.998 as the standard deviation and project managers undertake risk management strategies that leads to higher performance had 4.02 as the mean and 0.916 as the standard deviation.

The mean values from the responses lies between 3.91-4.15, an indication that the respondents were in agreement that management expertise influence performance of development projects. This finding is consistent with that of Armstrong (2008) that the presence of effective management expertise is an essential component in the process of project implementation as it enhances effective learning and development which are important in enhancing overall skills that in turn positively affects project outcomes as a result of more gained competencies as acquired through learning.

4.6.1 Management Expertise and Performance of Development Projects

The respondents were requested to indicate the extent they agree on the influence that management expertise has on project performance at Somaliland development fund projects. The finding is presented in Table 16.
Table 16: Frequency extent to which Management Expertise Influence Performance of Development Projects

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little Extent</td>
<td>2</td>
</tr>
<tr>
<td>Moderate Extent</td>
<td>3</td>
</tr>
<tr>
<td>Large Extent</td>
<td>22</td>
</tr>
<tr>
<td>Very Large Extent</td>
<td>18</td>
</tr>
<tr>
<td>Total</td>
<td>45</td>
</tr>
</tbody>
</table>

As shown in Table 16, 4.4% of the respondents indicated that management expertise influence project performance to a little extent, 6.7% indicated moderate extent, 48.9% indicated large extent and 40% indicated very large extent.

4.7 Performance of Development Projects

The respondents were required to indicate the extent to which the statements on performance of development projects apply in their organization. The findings are shown in Table 17.

Table 17: Performance of Development Projects mean and standard deviation

<table>
<thead>
<tr>
<th>Performance</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects are completed within the scheduled time frame</td>
<td>4.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Projects are done within the allocated budget</td>
<td>3.91</td>
<td>1.018</td>
</tr>
<tr>
<td>The project achieves its set objectives</td>
<td>4.04</td>
<td>.952</td>
</tr>
<tr>
<td>Qualified personnel effectively run the project activities</td>
<td>4.11</td>
<td>.884</td>
</tr>
</tbody>
</table>

As presented in Table 17, projects are completed within the scheduled time frame had 4.00 as the mean and 1.00 as the standard deviation, projects are done within the allocated budget had 3.91 as the mean and 1.018 as the standard deviation, the project achieves its set objectives had 4.04 as the mean and 0.884 as the standard deviation.

4.8 Regression Analysis

The study presented a multiple regression analysis to examine the factors affecting performance of development projects funded by DFID. The results are shown in the following sections.
Table 18: Summary of regression analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.769</td>
<td>.591</td>
<td>.550</td>
<td>0.03007</td>
</tr>
</tbody>
</table>

From the findings in Table 18 above, shows that 0.769 was R showing that there was a positive relationship between the independent variables and dependent variable. R² was 0.591 indicating that only 59.1% of the dependent variable was explained by the independent variable while 40.9% of the variations were due to other factors. This suggests that the regression model has very good explanatory and predictor grounds.

Table 19: ANOVA analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>237.952</td>
<td>4</td>
<td>59.488</td>
<td>14.435</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>164.848</td>
<td>40</td>
<td>4.121</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>402.800</td>
<td>44</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From the findings on Table 19, 0.000 is the significance value which is less than 0.05 therefore the model is statistically significant in foreseeing the factors affecting performance of development projects funded by DFID. The F critical at 5% level of significance was 2.58. Since F calculated (value = 14.435) is greater than the F critical (2.58) this indicates that the overall model was significant.

Table 20: Coefficients of the findings

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>4.425</td>
<td>2.378</td>
<td>2.702</td>
<td>.010</td>
</tr>
<tr>
<td>Technical Expertise</td>
<td>.083</td>
<td>.072</td>
<td>.192</td>
<td>1.144</td>
</tr>
<tr>
<td>Political Instability</td>
<td>-.236</td>
<td>.071</td>
<td>-.496</td>
<td>-3.332</td>
</tr>
<tr>
<td>Stakeholders Involvement</td>
<td>.109</td>
<td>.059</td>
<td>.268</td>
<td>1.846</td>
</tr>
<tr>
<td>Management Expertise</td>
<td>.328</td>
<td>.051</td>
<td>.659</td>
<td>6.489</td>
</tr>
</tbody>
</table>

47
The established regression equation becomes;

\[ Y = 4.425 + 0.083X_1 -0.236X_2 + 0.109X_3 + 0.328X_4 + \varepsilon \]

Where \( Y \) = performance of development projects, \( X_1 \) = technical expertise, \( X_2 \) = political instability, \( X_3 \) = stakeholders involvement, \( X_4 \) = management expertise and \( \varepsilon \) = Error Term. From the findings in the regression analysis, if the factors (technical expertise, political instability, stakeholder’s involvement and management expertise) were held constant, performance of development projects would be at 4.425. An increase in technical expertise would lead to an increase in performance of development projects by 0.083. An increase in political instability would lead to a decrease in performance of development projects by 0.236. An increase in stakeholder’s involvement would lead to an increase in performance of development projects by 0.109. An increase in management expertise would lead to an increase in performance of development projects by 0.328. All factors were significant as p values were less than 0.05.
CHAPTER FIVE
SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of findings, discussions, conclusion, and recommendations for future research. The study sought to examine the factors influencing performance of development projects funded by DFID: a study of Somaliland Development Fund Projects.

5.2 Summary of Findings

The study identified that majority of the respondents agreed to great extent on the contribution of technical expertise to effective programme management. Technical skills enables managers to develop plans on costs and expenditure needed to achieve the project goals, create work plan from inception to the completion of the project as well attract the required qualified personnel to work on the intervention activities. Capacity building and training creates opportunity to impact relevant knowledge and skills on the employees together with the downstream implementing partners. The technical expertise relate to the positive performance of the projects. The respondents mentioned the DFID supported technical assistance to the relevant ministries with SDF projects, for example ministry of Finance and Planning as the overall budget and coordination of donor projects in Somaliland. The retention of highly qualified staff in the SDF secretariat enables the projects to achieve good performance.

The study revealed that political instability affects the performance of development projects. The effect is both positive and negative depending on the mitigation measures. The respondents indicated that to a large extent there is effect of performance due to political instability. The findings showed significant influence of political leaders on the overall performance. Technical management is essential in dealing with issues of political interference on the project implementation and selection of beneficiaries’ population. Majority of the respondents indicated to a great extent that performance of Somaliland Development Fund (SDF) is affected by political instability.
The appetite for political interference by political elites, especially in procurement related activities may greatly affect the performance of the projects. The attempts by some elements of political interference were promptly handled by the SDF secretariat together with the donors contributing to the fund.

The study established that stakeholders are important to the implementation, monitoring and evaluation of the donor activities. Significant number of respondents strongly agreed to very large extent that stakeholders have influence on the performance of Somaliland Development Fund (SDF). The highest response depicts the importance of engagement with stakeholder in the successful implementation of projects. The beginning of projects needs to consider stakeholder mapping and analyses. Identification of both primary and secondary stakeholders enables the implementation of projects through stakeholder management matrix in regard to their specific expectations. The optimal performance of projects under SDF has to large extent been critically influenced by stakeholders that include the government, civil society, beneficiary population and donor community. The involvement of community members creates room for ownership of projects as well as ensuring sustainability of the projects. It is the responsibility of management to ensure responsive and tactical engagement with all of the stakeholders.

The study further established that majority of respondents were in agreement with the statement to a large extent that management expertise influences performance of the Somaliland Development Fund (SDF). It is the responsibility of top management characterised by their expertise to ensure good and effective management of the implementation phase of activities. Knowledge and skills contribute to the effective management including risk identification and mitigation measures. The management team has a great extent influence on the overall performance. SDF projects have incorporated learning and development for the implementing partners and the line ministries.
5.3 Discussion

5.3.1 Questionnaire Response Rate

The researcher found out that the male respondents were dominant at 33 which represent 73% and female at 12, equal to 27%. The high male respondents could be linked to the Somali religious and cultural aspects that empower male to dominate. The inclusion of female in the implementation of Somaliland Development Fund (SDF) is based on Department for International Development agenda for gender empowerment, especially after the passing of Gender Act in United Kingdom. Out of the 12 women participants, 3 of them were among the 9 employees, 1 from the government official and 8 from the community members. 62.2% of respondents were community members who are the main beneficiaries of the projects being implemented SDF. A significant number of respondents had worked with SDF for over two years since the beginning of the programme.

5.3.2 Technical Expertise and Performance of Development Projects

The respondents to a great extent indicated that with experts handling projects the production costs will be low, technical skills leads to prompt execution of assigned project, retention of highly qualified staff enables firms to obtain high project performance and equitable compensation to level of skills and expertise results to satisfaction leading to enhanced performance of development projects. This finding is consistent with Nyanjom (2013) that employee technical expertise is positively related to firm performance. Employee training and development geared to enhance the technical skills and competencies of employees by way of improving their knowledge base enhancing better organizational performance.

5.3.3 Political Instability and Performance of Development Projects

It was to great extent according to respondents that political leaders influenced the procurement processes of projects, interfered with the running of projects, investors are afraid to invest in regions that experience political instability, political instability led to unavailability of skilled project personal, conflicts have detrimental effect on performance, political instability intensity led to few donors financing projects and delays
caused by borders/roads closures due to political instability negatively affect performance of development projects. This finding concurs with that of Verdugo, Furceri and Guillaume (2013) who established that social conflicts have a negative and significant impact on short-term output.

5.3.4 Stakeholders Involvement and Performance of Development Projects

The respondents also to a great extent indicated that stakeholder’s contribution positively impact on the performance of projects, project sponsors play a critical role in funding the project, stakeholders monitor projects to ensure that projects achieve the desired results, incorporating community needs during project planning leads to improved outcomes and government officials’ role is key in project implementation that will result in high performance levels. This finding is in line with Freeman (2014) that stakeholders not only fund projects but also endeavor to ensure that projects achieve desired results through monitoring and evaluation.

5.3.5 Management Expertise and Performance of Development Projects

The respondents also to a great extent indicated that, the managements that are able to foster in-house development programmes results in higher yields, managers that implement initiatives enhance overall project performance, motivating employees by the management leads to better project performance, managements that are able to efficiently implement their job related tasks and undertake risk management strategies leads to higher performance. This finding is in agreement with that of Malloch (2010) that management which possesses capabilities to effectively develop and retain high project performers, identify knowledge gaps, as well as implement initiatives to enhance overall project team competencies are able to positively influence performance of development projects.

5.4 Conclusion

The study concludes that there was positive effect of technical expertise on the overall performance of the SDF projects. The technical skills and knowledge are not limited to the management but including the employees, downstream partners and government officials.
It is the technical expertise of management that is important in leadership and capabilities development by providing clear instructions and guidance to subordinate employees with an aim of improving the performance. The study also concludes that participatory engagement of stakeholders and managing of political interests fosters contribution of all experts and political elites involved in project implementation. Good coordination leads to greater project efficiency that has positive link to performance of development projects.

5.5 **Recommendations**

The study recommends for a combination of multiple factors to ensure successful performance of development projects. It is a combination of staff technical expertise, stakeholders’ engagement, management of political interference through well-organized strategic management team. None of these factors can singlehandedly manage to achieve the results alone. Stakeholder analysis is paramount at the onset of the project.

The management should ensure an analysis of the political economy to inform the actual mitigation measures on the challenges and assumptions imbedded in the project activities. This will provide information on existing strengths, weaknesses, opportunities and threats. The study also recommends for enhanced skills audit of implementing partners’ employees to ensure proper skills and knowledge is available for the implementation of activities. In addition, management of expectations of government ministries and politicians is essential to ensure the goal of the projects is achieved rather than short term interests of the government. The study recommends that when determining the project team leaders, emphasis should be placed only on the technical skills of the potential leaders. There is need for technical skills with soft skills requirements as witnessed in mainstream management. Soft skills need to be incorporated into project management.

5.6 **Suggested areas for future study**

This study examines the factors influencing performance of development projects funded by DFID with a study of Somaliland Development Fund. There is need for further study of DFID projects across Somalia rather than Somaliland region since it’s not yet recognized as independent nation.
REFERENCES


Awan & Sarfraz (2012). The Effects of Human Capital on Organizational Performance with a Case of Telecom Sector Firms of Pakistan.


Mugenda, O. M. & Mugenda AG (2003). *Research Methods, Qualitative and Quantitative Approaches*.


APPENDICES

Appendix I: Request Letter

June Irene Wangu Mwai
P.O. Box 30465- 00100
Nairobi
Mobile No: 0722-699187
Email: junewangu@gmail.com

Dear Sir/Madam

REF: INTRODUCTION LETTER

I am a student at the University of Nairobi, undertaking a Masters of Art in Project Planning and Management.

I am conducting a study to examine the factors influencing performance of development projects funded by DFID: a study of Somaliland Development Fund. To facilitate this I kindly request you to allow me to collect data from your staff working on the SDF project. Please be assured that any information obtained will be treated with uttermost confidentiality.

Thank you in advance

Yours Faithfully,

June Mwai
L50/84010/2012
Appendix II: Questionnaire

SECTION A: GENERAL INFORMATION

1) State your gender:

Male [ ] Female [ ]

2) Indicate your age bracket:

Below 25 years [ ] 35-45 years [ ]
25-35 years [ ] 45-55 years [ ] Over 55 years [ ]

3) Please indicate your highest education level.

Primary [ ] College [ ]
Secondary [ ] University [ ] Masters [ ]

4) What is your position?

Managers [ ]
Employees [ ]
Community Members [ ]
Government Officials [ ]

SECTION B: TECHNICAL EXPERTISE

5) Below are statements on the role of technical expertise on performance of development projects in organizations. Kindly indicate the extent to which you agree with the following statements on how it applies in your organization. Use a scale of 1-5 where 1= no extent, 2= little extent, 3= Moderate extent, 4= great extent, 5= Very great extent.
<table>
<thead>
<tr>
<th>Statements</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical skills improve employee competences leading to better performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expertise improves on employee performance in projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical expertise boosts employees morale leading to higher project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>With experts handling projects the production costs will be low thus improving performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical skills leads to prompt execution of assigned project tasks leading to higher project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical know-how enables employees to be during task execution leading optimal project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retention of highly qualified staff enables firms to obtain high project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equitable compensation to level of skills and expertise results to satisfaction leading to enhanced project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6) To what extent do you agree on the influence that technical expertise has on performance of development projects at Somaliland development fund?

<table>
<thead>
<tr>
<th>Not at all</th>
<th>[</th>
<th>]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little Extent</td>
<td>[</td>
<td>]</td>
</tr>
<tr>
<td>Moderate Extent</td>
<td>[</td>
<td>]</td>
</tr>
<tr>
<td>Large Extent</td>
<td>[</td>
<td>]</td>
</tr>
<tr>
<td>Very Large Extent</td>
<td>[</td>
<td>]</td>
</tr>
</tbody>
</table>
SECTION C: POLITICAL INSTABILITY

7) Below are statements on the influence of political instability on performance of development projects in organizations. Kindly indicate the extent to which you agree with the following statements on how it applies in your organization. Use a scale of 1-5 where 1= No extent, 2= Little extent, 3= Moderate extent, 4= Great extent, 5= Very great extent.

<table>
<thead>
<tr>
<th>Statements</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political events affected the performance of project returns</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political leaders influenced the procurement processes of projects leading to lower performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political leaders interfered with the running of projects leading to poor performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investors are afraid to invest in regions that experience political instability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political instability led to unavailability of skilled project personal resulting in poor performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conflicts have detrimental effect on performance of projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political instability intensity led to few donors financing projects thus their performance is poor for lack of resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delays caused by borders/roads closures due to political instability negatively affect project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8) To what extent does political instability affect the performance of development projects at Somaliland development fund projects?

   Not at all [ ]
   Little Extent [ ]
   Moderate Extent [ ]
   Large Extent [ ]
   Very Large Extent [ ]
SECTION D: STAKEHOLDERS’ INVOLVEMENT

9) Below are statements on stakeholders’ involvement and its impact on performance of development projects in organizations. Kindly indicate the extent to which you agree with the following statements on how it applies in your organization. Use a scale of 1-5 where 1= no extent, 2= little extent, 3= moderate extent, 4= great extent, 5= Very great extent.

<table>
<thead>
<tr>
<th>Statements</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>The involvement of stakeholders plays a big role in project implementation success</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The community exerts pressure on organizations leading to higher project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stakeholder’s contribution positively impact on the performance of projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improving in project association with stakeholders improves on project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project sponsors play a critical role in funding the project, hence enhance optimal project performance.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stakeholders monitor projects to ensure that projects achieve the desired results</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Incorporating community needs during project planning leads to improved outcomes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top management involvement positively affects organizational project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government officials’ role is key in project implementation that will result in high performance levels</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

10) In general, how does political instability affect the performance of development projects at Somaliland development fund projects?

   Not at all [ ]
   Little Extent [ ]
   Moderate Extent [ ]
   Large Extent [ ]
   Very Large Extent [ ]
SECTION E: MANAGEMENT EXPERTISE

11) Below are statements on the role of management expertise on performance of development projects in organizations. Kindly indicate the extent to which you agree with the following statements on how it applies in your organization. Use a scale of 1-5 where 1= no extent, 2= little extent, 3= moderate extent, 4= great extent, 5= Very great extent.

<table>
<thead>
<tr>
<th>Statements</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team expertise had a big influence on the performance of projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management expertise influences project implementation success</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managers support the project staffs leading to higher performance of projects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The managements that are able to foster in-house development programmes results in higher yields</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The management that develop and retain high project performers positively influence project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managers that implement initiatives enhance overall project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motivating employees by the management leads to better project performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managements that are able to efficiently implement their job related tasks results in higher performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project managers undertake risk management strategies that leads to higher performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

12) To what extent does management expertise effect on the performance of development projects at Somaliland development fund projects?

<table>
<thead>
<tr>
<th>Option</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all</td>
<td>[   ]</td>
</tr>
<tr>
<td>Little Extent</td>
<td>[   ]</td>
</tr>
<tr>
<td>Moderate Extent</td>
<td>[   ]</td>
</tr>
<tr>
<td>Large Extent</td>
<td>[   ]</td>
</tr>
<tr>
<td>Very Large Extent</td>
<td>[   ]</td>
</tr>
</tbody>
</table>

66
SECTION F: PERFORMANCE OF DEVELOPMENT PROJECTS

13) Below are statements on performance of development projects in organizations. Kindly rate the extent to which you agree with the following statements on how it applies in your organization. Use a scale of 1-5 where 1= no extent, 2= little extent, 3= moderate extent, 4= great extent, 5= Very great extent.

<table>
<thead>
<tr>
<th>Statements</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects are completed within the scheduled time frame</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Projects are done within the allocated budget</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The project achieves its set objectives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qualified personnel effectively run the project activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

THE END