

**INFLUENCE OF MONITORING AND EVALUATION CAPACITY ON STRATEGIC  
DECISION-MAKING IN DAHABSHIL BANK, GAROWE, PUNTLAND STATE,  
SOMALIA**

**DEKO MOHAMED HUSSEIN**



**A THESIS/PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE  
REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER'S  
OF ARTS IN MONITORING AND EVALUATION IN THE SCHOOL  
OF SOCIAL SCIENCES OF  
MOUNT KENYA UNIVERSITY**

**JULY, 2025**

DECLARATION AND APPROVAL

Declaration

This thesis/project is my original work and has never been presented for any academic award in any institution.

Name: DEKO MOHAMED HUSSEIN

Reg. No. MAME/2019/51246

Signature.....

Date.....07/07/2025

Approval

This thesis/project is being submitted for examination with our approval as university supervisors

Name: Dr. Ibrahim Nyaboga (Ph.D.)

Institutional Affiliation.....Mount Kenya University

Signature.....

Date.....08/07/2025

## DEDICATION

This project is dedicated to my mother, Bisharo Salat Mohamoud, whose constant support, love, and encouragement made its completion possible. I truly couldn't have done it without her.



## ACKNOWLEDGEMENT

I am sincerely grateful to Allah for granting me the strength, knowledge, and opportunity to complete this research. While personal effort played a key role, this work would not have been possible without the support, encouragement, and guidance of several individuals.

I extend my heartfelt thanks to my supervisor, Dr. Ibrahim Nyaboga, for his continuous support, patience, and expert advice throughout the research process. His valuable guidance was instrumental from the initial stages to the successful completion of this study.

Academic success requires both dedication and mentorship, and I truly appreciate the vital role my supervisor played in helping me stay focused and motivated.

I also thank everyone who supported me in any way during this journey. Your encouragement and assistance contributed significantly to the outcome of this research.

## ABSTRACT

This study examined how monitoring and evaluation (M&E) practices influence strategic management at Dahabshiil Bank in Garowe, Puntland, Somalia. M&E systems are essential tools that support informed decision-making and enable corrective actions that enhance future planning and project implementation. Research has shown that effective M&E processes can significantly influence how organizations manage their strategies. Globally, financial institutions—whether in developed or developing countries—are increasingly recognizing the importance of integrating M&E into their strategic management frameworks. At Dahabshiil Bank, several challenges related to M&E practices were identified. A key issue is the absence of a formal M&E plan, which has led to inconsistent tracking of performance indicators. Another challenge is the limited capacity of staff, as many employees lack adequate training in M&E, making it difficult to conduct thorough evaluations. Furthermore, weak communication channels have hindered the timely sharing of M&E results, limiting stakeholders' ability to make evidence-based strategic decisions. This research aimed to achieve three main objectives: (1) to examine how M&E planning supports strategic management; (2) to assess the effect of staff training in M&E on strategic decision-making; and (3) to explore how the communication of M&E results influences strategic management at the bank. The study's findings offer practical insights for Dahabshiil Bank's leadership and contribute to broader academic knowledge in the field of strategic management and evaluation. A descriptive survey design was employed to guide the research. The study targeted 80 staff members, from which a sample of 66 was selected using Krejcie and Morgan's formula. Simple random and systematic sampling methods were applied to ensure a fair representation. Data were collected using both questionnaires and interviews, and the responses were analyzed using SPSS version 23. Correlation and regression analyses were conducted to determine the relationships between M&E practices and strategic management. The results indicated a strong positive correlation between M&E planning and strategic management, with a Pearson correlation coefficient of 0.796 and a regression value of 0.398. Staff training in M&E showed a moderate but positive influence on strategic management, while communication of M&E findings demonstrated a strong and direct positive effect. Based on these findings, the study concludes that M&E planning, staff training, and effective communication all significantly contribute to strengthening strategic management at Dahabshiil Bank. It recommends the establishment of a well-structured M&E system aligned with the bank's strategic goals, the provision of targeted training programs for staff to enhance evaluation capacity, and the development of a clear communication strategy to ensure that M&E findings are effectively shared with relevant stakeholders. Implementing these recommendations can enhance strategic decision-making and improve the overall performance of the bank.

## TABLE OF CONTENTS

<b>DECLARATION AND APPROVAL</b> .....	Error! Bookmark not defined.
<b>DEDICATION</b> .....	<b>ii</b>
<b>ACKNOWLEDGEMENT</b> .....	<b>iii</b>
<b>TABLE OF CONTENTS</b> .....	<b>v</b>
LIST OF TABLES .....	viii
LIST OF FIGURES .....	ix
LIST OF ABBREVIATIONS AND ACRONYMS.....	x
<b>CHAPTER ONE</b> .....	<b>1</b>
<b>INTRODUCTION</b> .....	<b>1</b>
1.0 Introduction.....	1
1.1 Background of the Study .....	1
1.2 Statement of the Problem.....	7
1.3 The purpose of the Study .....	8
1.4 Specific Objectives .....	8
1.5 Research Questions.....	9
1.6 Significance of the Study .....	9
1.9 Delimitations of the Study .....	11
1.10 Assumptions of the Study .....	11
1.11. Operational Definitions of Key Terms.....	11
<b>CHAPTER TWO</b> .....	<b>13</b>
<b>LITERATURE REVIEW</b> .....	<b>13</b>
2.0 Introduction.....	13
2.1 Empirical Literature .....	13
2.1.3 Influence of monitoring and evaluation communication on strategic management .....	21
2.2 Theoretical Framework.....	23
The study was guided by the Program theory and Theory of Change.....	23
2.2.1 Program Theory .....	23
2.2.2 Theory of Change .....	24
2.3 Conceptual Framework.....	26

<b>CHAPTER THREE .....</b>	<b>28</b>
<b>RESEARCH METHODOLOGY .....</b>	<b>28</b>
3.0 Introduction.....	28
3.1 Research Methodology .....	28
3.2 Research Design.....	28
3.3 Location of the Study.....	29
3.4 Population of the Study.....	29
3.6 Sample Size Determination.....	31
3.7 Research Instruments .....	33
3.7.1 Self-administered Questionnaire.....	33
3.7.2 In-depth Interview Schedule .....	33
3.8 Testing for the Validity and Reliability of Instrument.....	34
3.8.1 Validity of the Instrument .....	34
3.8.2 Reliability of the Instrument .....	35
3.9 Data Collection Methods and Procedures.....	35
3.9.1 Questionnaire survey .....	35
3.9.2 In-depth Interview.....	36
3.10 Data Analysis.....	36
3.12 Ethical Considerations .....	37
<b>CHAPTER FOUR.....</b>	<b>38</b>
<b>RESEARCH FINDINGS AND DISCUSSIONS .....</b>	<b>38</b>
4.0 Introduction.....	38
4.1 Response Rate.....	38
4.2 The monitoring and evaluation planning in Dahabshiil Bank, Garowe, Puntland State, Somalia.....	43
4.3 The monitoring and evaluation training in Dahabshiil Bank, Garowe, Puntland, Somalia .....	45
4.4 The monitoring and evaluation communication in Dahabshiil Bank, Garowe, Puntland State, Somalia .....	49
4.5 Strategic management in Dahabshiil Bank, Garowe, Puntland, Somalia .....	52
4.4 Correlation Analysis .....	56
4.6 Regression Analysis.....	60
<b>CHAPTER FIVE .....</b>	<b>64</b>

<b>SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS .....</b>	<b>64</b>
5.0 Introduction.....	64
5.1 Summary of findings.....	64
5.1.1 Monitoring and evaluation planning and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia .....	64
5.1.2. Monitoring and evaluation training and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia .....	65
5.1.3. Monitoring and evaluation communication and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia .....	65
5.2 Conclusions.....	66
5.3 Recommendations.....	67
5.4 Suggestions for Further Research .....	69
<b>REFERENCES.....</b>	<b>70</b>
<b>APPENDICES .....</b>	<b>76</b>
APPENDIX I- CONSENT FORM FOR PARTICIPATION IN RESEARCH.....	77
APPENDIX II: QUESTIONNAIRE.....	79
APPENDIX III: INTERVIEW GUIDE .....	84
APPENDIX IV: TABLE DETERMINING SAMPLE SIZE FROM A GIVEN POPULATION .....	85
APPENDIX V: INTRODUCTION LETTER.....	86
APPENDIX VI: CERTIFICATE OF ETHICAL CLEARANCE.....	87
APPENDIX VII: FIELD ENTRY /RESEARCH AUTHORIZATION.....	88
APPENDIX VIII: SIMILARITY INDEX REPORT .....	89
APENIX IX: MAP OF GAROWE DISTRICT-PUNTLAND STATE-SOMALIA .....	91

## LIST OF TABLES

Table 1: Study Population.....	28
Table 2: Sample Size Determination .....	32
Table 4.1: Gender of the Respondents .....	38
Table 4.2: Age of the respondents .....	39
Table 4. 3: Highest level of education of the respondents .....	40
Table 4. 4: Period worked in bank by the respondents .....	41
Table 4.5: Monitoring and evaluation planning applied at Dahabshiil Bank, Garowe, Puntland State, Somalia .....	43
Table 4. 6: Showing monitoring and evaluation training at Dahabshiil Bank, Garowe, Puntland State, Somalia .....	46
Table 4.7: Showing monitoring and evaluation communication used at Dahabshiil Bank, Garowe, Puntland State, Somalia .....	49
Table 4.8: Showing strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia .....	52
Table 4.9: Pearson Correlations monitoring and evaluation and strategic management .....	56
Table 4.10: Model Summary of monitoring and evaluation and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia .....	60
Table 4.11: Regression Coefficients .....	61

**LIST OF FIGURES**

Figure 1: Conceptual framework ..... 26



## LIST OF ABBREVIATIONS AND ACRONYMS

<b>CBP</b>	Community-based protection
<b>CVI</b>	Content Validity Index
<b>DSS</b>	Decision Support System
<b>IFAD</b>	International Fund for Agricultural Development
<b>IFRC</b>	International Federation of Red Cross and Red Crescent Societies
<b>IT</b>	Information Technology
<b>M&amp;E</b>	Monitoring and Evaluation
<b>PAMFORK</b>	Participatory Methodologies Forum of Kenya
<b>SPSS</b>	Statistical Packages for Social Scientists
<b>UN</b>	United Nations
<b>UNDP</b>	United Nations Development Programme
<b>USAID</b>	United States Agency for International Development
<b>WHO</b>	World Health Organization

# CHAPTER ONE

## INTRODUCTION

### 1.0 Introduction

This study explored how monitoring and evaluation (M&E) practices contribute to strategic management, focusing specifically on Dahabshiil Bank in Garowe, Puntland, Somalia. The chapter provides an overview of the study's foundation, articulates the problem under investigation, states the study's purpose and objectives, and outlines its significance, scope, limitations, assumptions, and key terms.

### 1.1 Background of the Study

Globally, financial institutions are increasingly integrating monitoring and evaluation (M&E) systems into their operational and strategic frameworks. These systems are essential for improving service efficiency, ensuring accountability, and enhancing institutional profitability. With the growing complexity of financial service delivery—driven by rapid digital transformation, intense market competition, and evolving regulatory demands—M&E tools are no longer seen as optional internal control measures. Instead, they are now regarded as indispensable instruments for tracking performance, guiding innovation, and promoting good governance. M&E frameworks offer structured processes for collecting, analyzing, and utilizing data to inform strategic decisions across all levels of an institution. Nabulu (2015)

As the financial sector adapts to technological shifts and rising consumer expectations, the implementation of effective M&E frameworks has become critical to organizational success. These systems provide timely and accurate data, enabling managers to evaluate operational

outcomes and make evidence-based decisions. Such informed decision-making enhances the institution's responsiveness, allowing it to proactively adjust strategies and resource allocations in a fast-changing environment. This level of adaptability is particularly vital in the financial industry, where instability in markets and customer demands requires institutions to operate with agility, foresight, and resilience. Musau (2016)

Moreover, the value of M&E extends beyond basic performance tracking. It is increasingly recognized as a strategic function that contributes to long-term goal alignment and institutional development. Institutions in both advanced and emerging economies leverage M&E systems to anticipate risks, enhance strategic foresight, and sustain their competitive edge. Through feedback mechanisms and learning loops embedded in the M&E process, organizations are able to assess the effectiveness of current strategies, refine future plans, and create an organizational culture centered on continuous improvement. As Benington and Moore (2017) observed, these evaluation loops significantly influence the design and execution of policies, thereby reinforcing strategic planning and decision-making.

Strategic management, as a discipline, focuses on aligning an organization's internal competencies and resources with external opportunities to ensure long-term growth and sustainability. It encompasses a series of deliberate actions such as planning, implementing, and evaluating strategies aimed at achieving competitive advantage. According to Arnold (2012), institutions that adopt robust strategic management practices are better positioned to survive and thrive in uncertain and dynamic markets. Effective strategic management requires clarity in vision, consistency in execution, and adaptability to environmental changes—qualities that are enhanced when supported by strong M&E mechanisms.

Financial governance forms a core component of strategic management, providing the rules and frameworks that guide how institutions manage their financial resources. Townie (2017) underscores the need for prudent budgeting, sound cost control measures, and fiscal accountability to be embedded within strategic systems. Institutions that fail to uphold these financial principles often face inefficiencies, misallocation of resources, and long-term financial instability. Therefore, the integration of financial governance and M&E practices ensures that financial institutions are not only effective in their operations but are also accountable to stakeholders and regulators.

To support strategic goals and ensure alignment between activities and priorities, organizations are increasingly relying on structured monitoring mechanisms. Seguya (2015) highlights that M&E systems perform a dual function—serving as tools for both operational oversight and strategic alignment. These systems help institutions measure the degree to which ongoing projects and initiatives are aligned with their overall goals. They also supply critical information on risk management, regulatory compliance, and performance metrics, thereby enabling timely adjustments and improved oversight. Through these contributions, M&E systems enhance institutional resilience and adaptability.

In addition to supporting internal management, M&E frameworks contribute significantly to good governance. Bourne et al. (2020) emphasize their role as diagnostic tools that promote transparency and accountability. By identifying performance gaps, operational bottlenecks, and misaligned objectives, M&E systems help organizations refine their strategies and allocate resources more effectively. Their use facilitates improved stakeholder confidence, regulatory compliance, and institutional credibility. The integration of M&E into strategic planning enables

financial institutions to better anticipate challenges, respond to shifting market demands, and enhance both financial and operational performance. Benington and Moore (2011)

In summary, M&E has evolved from being a peripheral control tool to a central component of strategic management and institutional sustainability. It ensures that financial institutions are operationally efficient, financially sound, and strategically agile. This transformation is especially important in regions like sub-Saharan Africa, where organizations face volatile economic conditions, limited infrastructure, and institutional fragility. In such contexts, M&E serves as a key enabler of informed decision-making, adaptive planning, and sustainable growth.

Across the African continent, M&E is gaining prominence as a powerful tool for aligning institutional strategies with national development goals and fostering economic growth. Financial institutions, including commercial banks, are increasingly adopting M&E frameworks to monitor internal performance and support their broader social and economic objectives. By generating data-driven insights, these systems help evaluate the impact of financial policies, measure the effectiveness of lending programs, and improve institutional transparency. Consequently, M&E enhances the efficiency of resource use and strengthens accountability mechanisms within the financial sector. Townie (2018)

When supported by clear objectives, appropriate incentives, and budgetary alignment, M&E systems become potent strategic instruments. Many African governments and their development partners now promote M&E reforms to institutionalize results-based planning and management. This approach ensures that interventions are not only implemented efficiently but are also measurable, purposeful, and outcomes-oriented. Despite growing acceptance, however, the

implementation of M&E remains uneven across the continent due to a range of structural and institutional limitations. Seguya (2020)

The successful adoption of M&E in Africa faces several challenges. Bureaucratic inertia, fragmented oversight structures, and inadequate technical capacity continue to undermine the full implementation of M&E systems (Nabulu, 2019). In many cases, policies are well-crafted but suffer from poor execution due to red tape and a lack of institutional cohesion. Moreover, insufficient training and capacity-building efforts result in a shortage of skilled personnel capable of conducting reliable monitoring and analysis. These constraints reduce the potential of M&E to influence decision-making and strategic planning.

Despite these difficulties, there are notable cases of progress. Libya, for example, effectively utilized M&E mechanisms to oversee the delivery of educational infrastructure projects, ensuring the timely use of resources and adherence to quality standards (Ayarkwa et al., 2021). Similarly, Ghana's implementation of a national M&E system led to improvements in public sector governance and service delivery (Clear, 2022). These examples demonstrate how well-structured M&E systems, when fully implemented and adequately resourced, can yield tangible development outcomes.

Nonetheless, many African countries still grapple with persistent obstacles. Limited financial resources restrict investment in modern M&E tools, training programs, and systems integration. Weak institutional frameworks hinder data coordination and analysis, while a lack of centralized databases and standardized reporting formats results in fragmented and inconsistent assessments. These systemic barriers must be addressed to move M&E beyond compliance into a transformative role in strategic management and institutional learning.

In Somalia, the financial sector is experiencing rapid transformation fueled by technology adoption and the growing demand for inclusive, efficient financial services. Institutions like Dahabshiil Bank are implementing advanced core banking systems aimed at enhancing customer experience, improving transaction efficiency, and strengthening internal controls. These digital tools allow for real-time access to financial data, centralized processing, and better decision support. However, in a fragile institutional environment such as Somalia's, these advancements introduce new operational and regulatory risks.

One of the major challenges associated with technological transformation is the increased exposure to digital risks. Without robust M&E systems in place, financial institutions risk experiencing data breaches, inaccurate reporting, and compliance failures. M&E is vital in this context to ensure that innovations are fully aligned with institutional goals and are supported by effective oversight mechanisms. Without this alignment, the advantages of digital integration may be undermined by inefficiencies and governance failures (Mohamed & Hassan, 2019; Warsame, 2021).

Dahabshiil Bank, headquartered in Garowe, stands out as one of the leading financial institutions in Somalia. The bank has been instrumental in facilitating international remittances and has established partnerships with key development agencies such as the United Nations (UN), World Health Organization (WHO), and the World Bank. Recognizing the growing complexity of its operations, the bank created a dedicated monitoring department. This unit is responsible for evaluating risks, monitoring daily transactions, and reinforcing internal controls to prevent fraud and safeguard institutional assets (Dahabshiil Bank Financial Year Report, 2015).

Despite these efforts, several internal audit reports have revealed recurring issues, including financial mismanagement, incidents of fraud, and weak budgetary oversight. These problems

suggest that while M&E structures exist within the institution, they are not functioning as intended. The discrepancy between policy formulation and implementation highlights serious shortcomings in the bank's strategic management and oversight mechanisms (Farah & Abdullahi, 2017; Hassan & Mohamed, 2022).

Several factors may explain these weaknesses. The monitoring department may be under-resourced, lack autonomy, or be constrained by limited technical expertise. Additionally, institutional resistance to transparency and a weak culture of accountability may hinder the effective use of M&E findings. These conditions point to a broader institutional challenge—namely, the failure to fully integrate M&E into strategic decision-making and management practices (Ismail & Nur, 2018; Ahmed, 2023).

This study, therefore, aims to investigate the underlying causes of the ineffective implementation of M&E at Dahabshiil Bank. It will assess whether existing practices are adequate to support strategic planning and operational oversight, and explore how institutional arrangements, technical capacities, and organizational culture influence the performance of M&E systems. The findings will inform recommendations on how to strengthen M&E structures to enhance strategic management and improve institutional performance in Somalia's evolving financial sector.

## **1.2 Statement of the Problem**

Monitoring and evaluation (M&E) play a crucial role in ensuring effective strategic planning and execution within financial institutions. Ideally, M&E practices enhance transparency, promote accountability, and support evidence-based decision-making. However, Dahabshiil Bank continues to face significant challenges in implementing effective M&E systems. These include

the lack of a formalized M&E planning framework, inadequate staff training, and weak communication structures. Together, these gaps hinder the bank's ability to track performance consistently, assess outcomes accurately, and make timely strategic decisions.

These systemic weaknesses have contributed to stagnation in key performance areas such as customer satisfaction, loan recovery, and internal operational efficiency. Despite the presence of an M&E department, current practices appear ineffective in supporting the bank's strategic goals. The situation points to a deeper issue: while M&E mechanisms exist in form, they may not be fully integrated into the bank's strategic management processes.

This study, therefore, seeks to investigate why Dahabshiil Bank's M&E practices have not translated into effective strategic management. It aims to identify the institutional, technical, and procedural factors that limit the impact of M&E on decision-making and performance outcomes.

### **1.3 The purpose of the Study**

The purpose of the study was to assess the influence of monitoring and evaluation capacity on strategic decision making in Dahabshiil Bank, Garowe, Puntland, Somalia.

### **1.4 Specific Objectives**

- i. To determine the influence of monitoring and evaluation planning on strategic management in Dahabshiil Bank, Garowe, Puntland, Somalia
- ii. To establish the influence of monitoring and evaluation training on strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia.

- iii. To assess the influence of monitoring and evaluation communication on strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia.

### **1.5 Research Questions**

- i. How does monitoring and evaluation planning influence the strategic management of Dahabshiil Bank, Garowe, Puntland State, Somalia?
- ii. What is the influence of monitoring and evaluation training on the strategic management of Dahabshiil Bank, Garowe, Puntland State, Somalia?
- iii. How does monitoring and evaluation communication influence the strategic management of Dahabshiil Bank, Garowe, Puntland State, Somalia?

### **1.6 Significance of the Study**

The research proved valuable to the leadership of Dahabshiil Bank by shedding light on how monitoring and evaluation (M&E) practices impacted the bank's strategic management processes. The findings helped guide management in identifying actionable strategies to improve the implementation of these practices. As a result, the bank could better achieve objectives related to regulatory compliance, risk oversight, operational flexibility, and the use of real-time technological systems to enhance performance.

In addition, the research served as a useful resource for academics and future investigators. It contributed meaningful insights into the relationship between M&E systems and strategic decision-making within banking institutions. By laying a groundwork of relevant findings, the study enriched the academic body of knowledge and served as a reference point for similar studies that may be undertaken in the future.

## **1.7 Scope of the Study**

The research was carried out at Dahabshiil Bank, located in Garowe, Puntland. This specific institution was selected due to its status as the leading financial provider in Bossaso, Puntland, Somalia. The investigation centered on examining how monitoring and evaluation (M&E) practices influenced strategic management, with Dahabshiil Bank serving as the focal organization. The study covered the period between 2015 and 2023—a timeframe marked by notable strategic management difficulties, as highlighted in the bank's 2022 audit report.

## **1.8 Limitations of the Study**

A notable challenge encountered during the research process was the reluctance of some participants to share information openly, largely influenced by hierarchical differences between senior and junior staff. To address this, the researcher obtained formal authorization from the bank's administration, which helped gain institutional support and built trust with participants. Additionally, the data collection tools were designed to maintain complete anonymity, with no names or personal identifiers recorded, which helped reassure participants and foster honest and complete responses.

Another limitation involved accessing top-level management for interviews or surveys, as these individuals typically had demanding schedules. To overcome this, the researcher arranged appointments in advance, ensuring that dedicated time was set aside for effective engagement and data gathering.

### **1.9 Delimitations of the Study**

This study focused on intervening with the employees of Dahabshiil Bank in Garowe, Puntland, Somalia, to achieve its objectives. A stratified random sampling method was used for data collection since the population was manageable.

### **1.10 Assumptions of the Study**

This study assumes that all respondents will represent the views of the management of Dahabshiil Bank, Garowe-Puntland, Somalia.

The researcher also assumes that no bias will occur during sampling and that the chosen sample population will participate voluntarily.

The study assumes that the respondents' attitudes during data collection will not compromise the quality of the data collected. There is an assumption that bank management support will be available.

### **1.11. Operational Definitions of Key Terms**

**Evaluation** means carefully and independently reviewing how a project or organization is working, whether it is still running or has already finished. It helps explain why goals are or are not being met by looking into the causes behind the results.

**Monitoring** is an ongoing activity that tracks how far an organization has moved toward meeting its goals. It gives regular updates about progress at any point in time.

**Monitoring and Evaluation (M&E)** is a regular management process used to check if a project or program is achieving its goals. It helps to spot problems during implementation and also shows whether there are any unexpected outcomes, either good or bad, linked to the project's activities or plans.

**M&E Planning** is the step-by-step process of preparing how information will be collected, reviewed, and reported to check if a project is moving toward its intended results.

**M&E Training** involves teaching staff members across the organization about how the M&E process will be carried out, including what tasks each person is responsible for.

**M&E Communication** is the sharing of important M&E information between key people involved in a project, especially those responsible for helping improve and carry out its activities.

**Strategic Management** is the organized use of a company's resources to set goals, plan how to reach them, and make sure those goals are achieved effectively.

**Strategic decision-making** refers to the process of making high-level, long-term decisions that significantly affect the direction and performance of an organization. These decisions typically involve resource allocation, market positioning, risk assessment, and responses to external threats or opportunities. Unlike routine operational decisions, strategic decisions are complex, involve uncertainty, and require alignment with organizational goals and values.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.0 Introduction

This section delved into existing scholarly work concerning how monitoring and evaluation (M&E) practices impact strategic management. It begins with an empirical literature review, followed by discussions on theoretical and conceptual frameworks. Identified gaps in the literature are also highlighted.

#### 2.1 Empirical Literature

Empirical literature refers to past research studies that are connected to the topic being studied. These studies are based on actual data collected through observation, experimentation, or surveys and are used to support or refute specific claims within current research (Mwangi & Wanjiru, 2020).

Monitoring is the regular and organized process of gathering data on specific parts of a project. This process is important because it helps identify which activities are not working well, so necessary changes can be made (Kusek & Rist, 2020). Monitoring ensures that the project stays aligned with its goals by providing real-time information to guide decision-making (Mulwa & Nguluu, 2019).

Evaluation, in contrast, is a planned and unbiased review of policies, programs, or projects—whether they are still running or already completed. It looks at how they were planned, how they were carried out, and what results they achieved. The main aim is to give useful and timely information about how relevant, efficient, effective, impactful, and sustainable the project is, as

well as whether it is on track to meet its original goals (UNDP, 2021). Evaluation provides evidence of whether resources have been used wisely and whether the intended change has occurred (Nabukeera, 2022).

Monitoring and evaluation (M&E) help project managers to improve how things are done and to reach better results. M&E is used to guide improvements in both current and future projects, ensuring better results and long-term impact (Moyo & Mavhundutse, 2023). Effective M&E practices not only enhance transparency but also support learning and accountability in project management (Okello & Kimathi, 2018).

Strategic management is the process where leaders of an organization think ahead and create the steps and operations needed to reach long-term goals. In the banking industry, this approach has become common because of rising competition, which makes it harder for banks to stay profitable (Al-Tamimi et al., 2021). To deal with this, many banks are now using strategic management methods to stay ahead and succeed. These methods also help banks—whether public or private—respond to increasing demands for accountability by showing that they are effective and by reporting results clearly (Njuguna & Wanjohi, 2020). In this way, accountability has become a key approach to gaining an advantage over competitors.

### **2.1.1 Influence of Monitoring and Evaluation Planning on Strategic Management**

Planning entails setting objectives to achieve desired goals, identifying stakeholder roles and responsibilities, estimating project costs, and facilitating communication among team members working toward a common objective. Participatory planning involves diverse parties collaborating to agree on an idea, plan, and its subsequent implementation. Key planning activities include

budgeting, resource allocation, activity scheduling, implementation planning, estimating completion times, and formulating evaluation plans.

A Monitoring and Evaluation (M&E) plan gives important guidance for tracking project activities, supporting strategy development, improving operations, meeting reporting needs, and shaping future programs. For M&E efforts to be successful, financial support must be carefully planned. It is important that M&E funding is clearly separated from the overall project budget, so that the M&E team can manage its resources independently. Funds should also be provided on time to avoid delays in scheduled tasks (World Bank, 2014).

M&E planning means organizing project activities in a way that supports regular monitoring and evaluation. This process includes creating a logical framework (log frame) that outlines key goals and indicators that will be tracked throughout the project. The main aim of an M&E plan is to measure progress and see how well the project is achieving its intended results. It also involves setting evaluation questions, choosing indicators to monitor, assigning who collects the data, deciding what tools to use, and describing how the results will be shared within the organization. When M&E planning is not taken seriously, the entire system can fail to work properly (Patton, 2009).

The World Bank (2014) conducted a study in Washington, focusing on how proper M&E planning can improve the success of government-funded projects, especially those supported by the World Bank. The results, based on descriptive statistics, showed that many government projects lacked proper M&E practices.

Muhammad et al. (2012) noted that good project management gives organizations control tools that help with planning, execution, and monitoring. Their study used models to evaluate how each step—planning, implementation, and oversight—affects project outcomes. They found that careful planning greatly improves how well a project performs.

Wanjohi (2013) found that Community-Based Projects (CBPs) in Kenya face serious challenges, such as weak leadership, limited funding, and a lack of organization. His research revealed a large gap between these groups and their donors, suggesting that CBPs must be better structured before they can effectively solve social problems.

Patton (2009) argued that people are more likely to support and engage in M&E when they feel a sense of ownership over the process. He suggested that planning should start with those who will use the evaluation results, creating their questions. This helps build commitment and increases the chances of the M&E process being successfully implemented.

Kivung et al. (2020) found that M&E frameworks help banks monitor their performance in a structured way, making it easier to make informed decisions. They stated that a well-integrated M&E system improves openness and ensures that daily operations match long-term goals, which leads to better financial results.

Similarly, Alhassan et al. (2021) showed that strong M&E systems help banks spot risks early. Their study found that banks using detailed M&E strategies can respond to problems quickly and adjust their plans when needed, protecting their assets and building trust among stakeholders.

Chukwuma et al. (2019) discovered that well-planned M&E processes help improve operations by highlighting what isn't working and where improvements are needed. Their research suggested that banks with strong M&E systems reduce costs and improve customer service.

Finally, Ndubisi et al. (2022) explained that M&E frameworks build accountability by making performance measures clear at all levels of an organization. They noted that when staff understand how their actions are linked to broader goals through M&E systems, it encourages responsibility and helps ensure the organization succeeds over time.

### **2.1.2 Influence of Monitoring and Evaluation Training on Strategic Management**

No matter how experienced team members are, once a program team is selected, it's important to provide training and build their skills in monitoring and reporting. This helps everyone understand project goals, what needs to be reported, and encourages better teamwork. Typically, all people involved in carrying out a program—including partner organizations—take part in the monitoring and evaluation (M&E) process and should receive proper training. M&E training is made interactive on purpose so that team members understand how the system works, why it's used, what areas it focuses on, and how to use the tools involved (UNDP, 2012).

During the planning stage of a program, it's helpful to assess the available resources and the team's current knowledge in M&E. This helps find any gaps in skills and identify what kind of training is needed. Later on, more training assessments can be done—either informally by observing how staff are performing or formally through structured evaluations, depending on the size and complexity of the program. For larger programs, it may be difficult to train each staff member individually, so it's important to create training plans that address specific skill gaps. Once training

needs are identified, a proper M&E training plan should be developed. This plan should list the topics to be covered and specify who should attend each session. Not all staff members need to learn every topic, and some may only need a basic understanding while others require more in-depth training (UNDP, 2012).

Henry (2013) explored how M&E affected a job training program for underprivileged youth. Although most participants completed their classes, many did not get internships, possibly due to how the program was designed and the limits it set on placements. This highlights how training alone is not enough—proper planning and monitoring are equally important.

Ababa (2014) studied local NGOs running education projects in Addis Ababa and found that poor M&E performance was caused by a lack of trained personnel, limited funding, and weak involvement from stakeholders. These challenges made it difficult to effectively measure and report project progress.

In a similar study, Oyuga (2012) examined what affects M&E use in public secondary schools in Kisumu East, Kenya. The study found that how much headteachers and school board members knew about M&E influenced whether it was used effectively. Many of these individuals lacked a good understanding of M&E policies, which slowed down its adoption in school leadership.

According to UNDP (2012), M&E training helps those collecting and reporting data understand why the data matters, who will use it, and why certain methods are used. It's important that everyone involved in M&E knows the purpose of the system and their role in it.

Training also involves going through key indicators that need to be tracked. This includes explaining what each indicator means, how it should be measured, when and how often to collect

data, and how reports should be submitted. This helps team members see how M&E fits into improving project results.

Training is usually adjusted based on how complex the project is, so the process can differ from one project to another. One important part of the training is developing M&E tools using the project's log frame. This process should include the people who will use the tools in the future. When tools are developed in a participatory way, users gain a better understanding of what each indicator means and why it matters. This knowledge is essential for collecting accurate data on time, spotting errors, making necessary corrections, and ultimately improving how the project is carried out (Oyuga, 2012; UNDP, 2012).

Foresti (2017) illustrates that adopting a learning approach in M&E training positively affects the evaluation process. Jones et al. (2009) added that M&E should be conducted by individuals with relevant skills, applying sound methods and adequate resources while maintaining transparency. This implies that project personnel need thorough training to ensure effective M&E. Despite the rapid implementation of core banking system projects, capacity building in M&E remains limited.

Properly trained project team members with relevant experience are essential for achieving desired M&E results. Effective M&E program staff capacity, in terms of quantity and quality, leads to competent human resource management with M&E knowledge and skills, managing results, and fostering project implementation. Competent project staff significantly determine the effective selection of M&E systems.

Engaging personnel in practical M&E training is important as it allows them to interact with and manage M&E practices. Training begins with understanding the underlying theory and ensuring

the project team comprehends the link between core banking system project changes and the result framework. Capacity building in M&E requires a practical focus to ensure understanding and execution of information system projects.

A study by Kinyua et al. (2020) examined M&E training effects on decision-making in Kenyan banks. Findings revealed that banks investing in M&E training experienced improved decision-making, aligning strategic goals with operational activities. The study used a mixed-methods approach, combining surveys and interviews, showing that trained staff were better at analyzing data to inform strategic choices. A comparative analysis by Ojo et al. (2021) across countries like Nigeria and South Africa explored M&E training's influence on bank performance metrics. Findings indicated that institutions with robust M&E frameworks reported higher operational efficiency and customer satisfaction. The study emphasized that ongoing training improved individual competencies and fostered a culture of accountability and continuous improvement.

Zhang et al. (2022) investigated M&E training's contribution to risk assessment among Chinese bank managers. The research demonstrated that enhanced monitoring skills led to effective risk identification and mitigation related to financial products and services. Integrating M&E into risk management strategies allowed banks to significantly reduce losses and improve regulatory compliance. Mwangi et al. (2019) focused on East African banks' experiences with capacity-building initiatives linked to monitoring practices. Findings suggested that comprehensive M&E training programs improved individual skills and strengthened organizational capacity for strategic planning and execution, enabling banks to adapt more effectively to market changes.

### **2.1.3 Influence of monitoring and evaluation communication on strategic management**

The exchange of information within the context of monitoring and evaluation (M&E) plays a pivotal role in clarifying responsibilities, setting expectations, and offering feedback concerning project outcomes and developments (UNDP, 2009). This function is supported by reliable information systems that deliver up-to-date, precise, and relevant data necessary for informed decision-making. Communication in M&E entails the sharing of insights among project stakeholders who are essential at various phases of project development and execution. This communication can occur through both structured and unstructured formats. Its primary goal is to keep stakeholders informed about the services and deliverables associated with projects, such as those involving core banking systems (IFAD, 2005).

Research by Kauffman et al. (2020) explored how structured M&E frameworks enhance decision-making in financial institutions. Their findings indicated that institutions with well-established M&E systems were more capable of aligning their strategic plans with market trends, leading to superior financial outcomes and increased customer satisfaction. In a similar vein, Chen et al. (2021) observed that transparent communication of M&E results promotes openness and strengthens accountability. When stakeholders receive clear updates about performance metrics, it builds trust and supports collective efforts towards fulfilling strategic goals.

Further evidence comes from Osei-Tutu et al. (2019), whose investigation into Ghanaian banks demonstrated that effective communication in M&E positively impacted strategic planning. According to their study, banks that integrated comprehensive M&E practices were better equipped to respond to regulatory shifts and market volatility, giving them a competitive advantage. Likewise, Mwangi and Ngugi (2022) assessed how M&E practices shape strategic

management in Kenya's banking sector. Their research revealed that institutions with feedback loops tied to monitoring outcomes managed to implement strategies more successfully. Periodic review meetings enabled open dialogue regarding performance shortfalls, which led to timely strategy modifications.

Kuseh et al. (2021) also emphasized that robust M&E systems allow financial institutions to measure performance in relation to strategic targets, enabling real-time strategy refinement based on actual data. This linkage between M&E communication and strategic operations is essential for improving efficiency and ensuring long-term success. Supporting this, Alsharif et al. (2020) noted that when M&E results are communicated clearly, they enhance mutual understanding among stakeholders, thereby fostering collaboration during the strategy development and execution process. Effective dissemination of M&E data was shown to cultivate transparency and accountability, leading to stronger alignment with institutional goals.

Nwankwo et al. (2019) found that financial institutions with strong M&E structures were better at resource distribution, relying on performance data to guide investment decisions. Their study suggested that communicating these evaluation outcomes empowers banks to channel resources toward the most productive areas, thereby boosting institutional performance.

Management's timely sharing of information is also essential in making well-informed decisions for planning, monitoring, and overseeing core banking initiatives, which ultimately supports project quality (Raja Lahti, Woelcke, & Pehu, 2015). According to Nowduri (2012), a Decision Support System (DSS) is a tool designed to analyze complex data sets and present actionable insights to guide efficient and effective decision-making. Phiri (2015) pointed out that proper communication, understanding of project objectives, and access to project-related data enable

institutions to identify performance trends, which can inform the development of strategies to enhance banking operations. Similarly, Kahura (2013) asserted that incorporating communication practices within M&E during the execution of software projects provides essential insights to project managers. This process enhances the quality of information available, allowing managers to execute their roles more effectively and increase the chances of successful IT project implementation.

## **2.2 Theoretical Framework**

The study was guided by the Program theory and Theory of Change.

### **2.2.1 Program Theory**

Program theory is a foundational framework in monitoring and evaluation (M&E), offering a structured explanation of how and why program activities are expected to achieve intended outcomes (Lipsey, 1990). It maps out the logical sequence between inputs, activities, outputs, and outcomes, providing clarity on the mechanisms through which change is anticipated. According to Lipsey (1993), program theory not only identifies expected results but also the assumptions behind the causal linkages. Rossi (2004) adds that it incorporates a detailed implementation plan, outlining how inputs are transformed into services and how those services are delivered to the intended beneficiaries.

One strength of program theory is its alignment with results-based management approaches. By emphasizing causal linkages, it supports the tracking of outcomes directly attributable to specific interventions, which is critical for accountability. For example, in the implementation of core banking systems, M&E grounded in program theory helps trace how process improvements—such

as reduced transaction times or enhanced fraud detection—emerge from specific technological investments.

However, critics argue that program theory can oversimplify complex systems by assuming linear relationships between variables (Donaldson, 2007). In practice, especially in dynamic sectors like banking, numerous external factors such as market volatility, regulatory changes, or client behavior may disrupt these pathways. Thus, relying solely on program theory may result in unrealistic expectations or missed insights into unintended consequences.

In the context of Dahabshiil Bank, program theory is particularly relevant for linking M&E efforts to strategic management. It enables the institution to measure how planned interventions contribute to broader objectives such as efficiency, compliance, and customer satisfaction. As Hosley (2009) suggests, logical models under program theory enhance managerial decision-making by simplifying complex processes into actionable steps. Nevertheless, the framework must be complemented with adaptive strategies that account for the uncertainties and nonlinearities of real-world environments.

### **2.2.2 Theory of Change**

The theory of change (ToC), initially advanced by Weiss (1995), provides a broader and more flexible framework for understanding how change occurs within an organization. Unlike program theory, which often focuses on the technical design of interventions, ToC emphasizes strategic foresight, contextual adaptation, and the underlying rationale for action. It presents a pathway of change that includes assumptions, preconditions, and contextual influences, thereby allowing for reflection and learning throughout the program lifecycle (Cox, 2009; Msila & Setlhako, 2013).

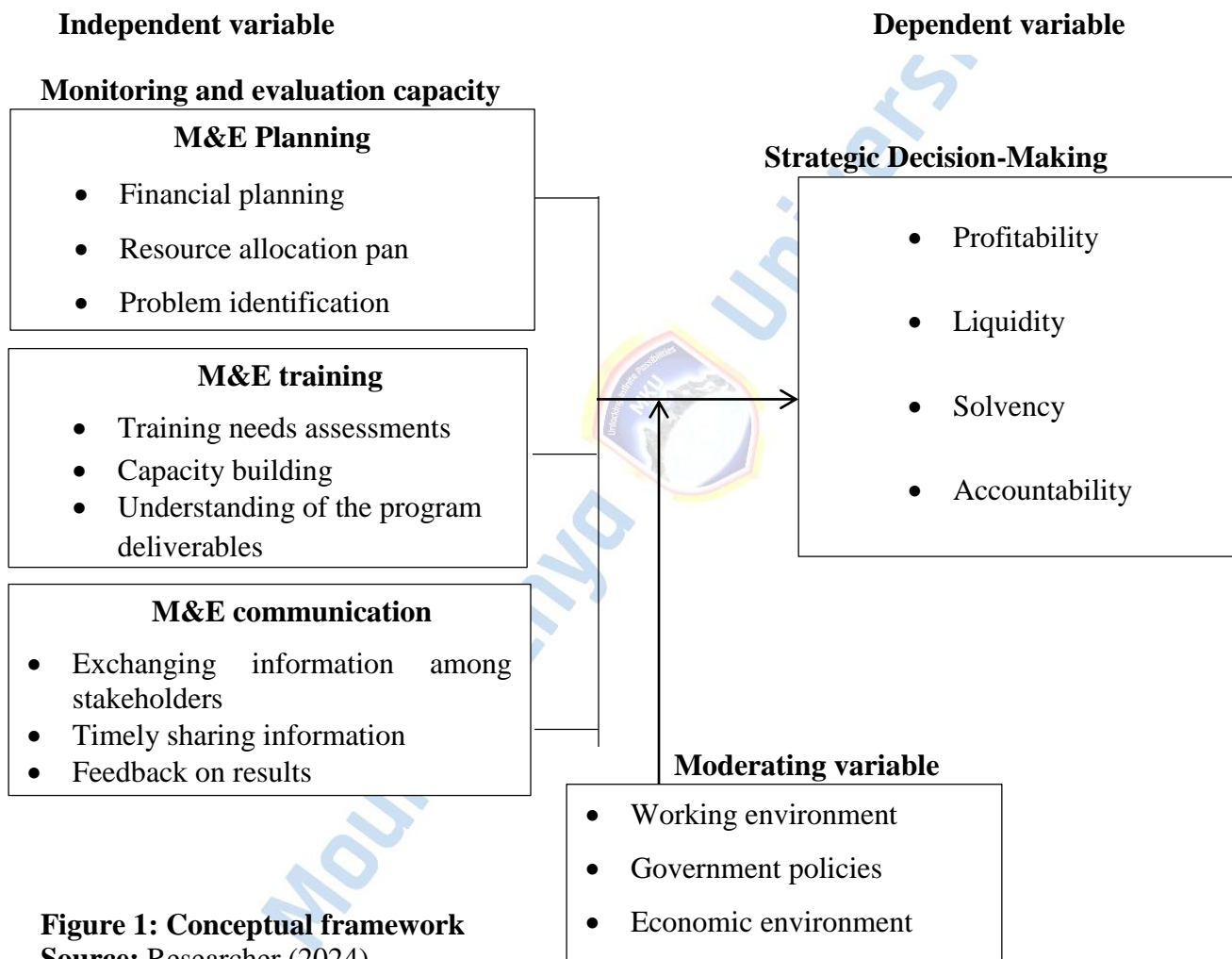
A key strength of ToC is its participatory nature—it encourages involvement from stakeholders in defining outcomes, identifying risks, and selecting strategies. This makes it highly adaptable and valuable in dynamic and uncertain environments, such as Somalia’s financial sector. The integration of M&E into ToC frameworks ensures not only measurement but also learning and strategic adjustment. Alcock (2009) notes that ToC is particularly effective in helping organizations test and revise their assumptions as evidence emerges.

Despite its flexibility, ToC is not without limitations. Babbie and Mouton (2006) caution that in complex institutional contexts, identifying all assumptions and contextual variables can be extremely difficult, leading to incomplete or flawed theories. Mackay (2007) adds that ToC may fail when transferred across contexts without adjustment, and Jones (2011) emphasizes the need for M&E to evolve from mere data collection toward dynamic sense-making.

When compared to program theory, ToC offers a more nuanced and iterative approach, which is especially useful in evaluating strategic management processes within institutions like Dahabshiil Bank. While program theory seeks to confirm predefined causal paths, ToC allows for continuous adaptation based on learning, feedback, and stakeholder engagement. In the context of this study, ToC helps interpret how the bank’s M&E efforts support long-term strategic goals and responsiveness to market conditions. It also strengthens accountability by aligning strategic assumptions with actual practice, promoting a learning culture where M&E is used not just to assess but to improve institutional performance.

## 2.3 Conceptual Framework

The conceptual framework outlines how the independent and dependent variables in the study are related. It looks at how monitoring and evaluation practices affect strategic management. This relationship is visually shown in Figure 1.1 below.



**Figure 1: Conceptual framework**  
**Source:** Researcher (2024)

The diagram presented highlights how monitoring and evaluation (M&E) influence strategic management processes. Within this framework, M&E functions as the independent variable and is broken down into three core components: planning, training, and communication. The planning aspect includes elements like financial budgeting, resource allocation strategies, and identifying

challenges. Training refers to activities such as assessing training needs, building staff competencies, and enhancing understanding of program goals. Communication involves information exchange among stakeholders, ensuring timely dissemination of data, and offering feedback based on performance outcomes. Strategic management, as the dependent variable, is assessed through key indicators like profitability, liquidity, solvency, and accountability. Additionally, the framework recognizes that other mediating elements—such as workplace conditions, economic stability, and regulatory policies (e.g., taxation)—can also influence strategic decision-making in organizations

#### **2.4 Research Gap**

The reviewed literature reveals that while various studies have explored monitoring and evaluation systems, limited research has delved into the specific drivers that determine their success in the banking sector. Elements such as proper M&E planning, training programs, and effective reporting mechanisms have not been thoroughly examined. This research seeks to bridge that gap by concentrating on how these factors influence strategic management practices in the Somali banking industry, with a particular focus on Dahabshiil Bank in Garowe, Puntland.

There is also a notable geographical limitation in existing studies, as most have been carried out in countries outside Somalia and typically do not center on commercial banks. To address this gap, the current study specifically investigates how M&E practices contribute to strategic management within the Somali context, using Dahabshiil Bank as a case study.

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.0 Introduction

This part of the study describes the methods used to carry out the research. It explains the guiding research philosophy, overall approach, location of the study, target population, how participants were selected, the sample size, ways data were collected, how the tools were tested for accuracy and consistency, how the data were analyzed, and the ethical guidelines followed during the entire research process.

#### 3.1 Research Methodology

The research used a mixed-methods design that brought together both quantitative and qualitative approaches. As Bhat (2019) explains, the quantitative method helps to study existing patterns and examine how different variables relate to each other, especially when trying to understand cause-and-effect links. On the other hand, the qualitative part of the study aimed to gather in-depth information by conducting structured interviews with carefully chosen participants. By combining these two methods, the study was able to compare and confirm data from different sources, which helped improve the reliability and accuracy of the results through a process known as triangulation.

#### 3.2 Research Design

This study used a descriptive survey research design. According to Mugenda and Mugenda (2003), this type of design helps researchers collect both numerical and descriptive information while staying neutral and keeping the study environment unchanged. Saunders et al. (2014) also point out that a descriptive approach helps ensure fair data interpretation, as the researcher avoids adding

personal opinions during the data collection process. This design was appropriate for the study because it allowed the researcher to clearly summarize responses using both basic descriptive statistics and more advanced inferential analysis. In this study, strategic management was the dependent variable, while the independent variables were M&E planning, M&E training, and M&E communication.

### **3.3 Location of the Study**

The study took place at Dahabshiil Bank in Garowe, the capital city of Puntland, located in northeastern Somalia. Garowe is positioned in the central part of Puntland and is bordered by several nearby villages, including Gillab (about 4.8 nautical miles to the east), Qalqalooc (15.3 nm to the northeast), Libaax Seexay (2.5 nm north), Geida Debabo (12.2 nm northwest), Bixin (5.9 nm west), Lugo (6.0 nm southwest), Salaxley (5.3 nm south), and War Weytan (9.7 nm southeast). The nearest large towns include Qardho (approximately 205 kilometers away), Galkayo (216 km), and Erigavo (275 km).

### **3.4 Population of the Study**

According to Saunders et al. (2014), a population refers to the full set of individuals or items that share certain characteristics the researcher wants to study. Amin (2005) further explains that the target population is the specific group to which the study results will be applied. In this study, the target group included 80 employees of Dahabshiil Bank based in Garowe, Puntland. The group was made up of 5 administrators, 5 line managers, 5 staff from accounting and finance, 20 field officers, and 45 employees working in the operations department, as outlined in the Dahabshiil Bank HR Report (2023) and shown in Table 1.

**Table 1: Study Population**

<b>Category</b>	<b>Sample Population</b>
Administrative personnel	5
<b>Line managers</b>	5
<b>Accounts and finance staff</b>	5
<b>Field staff</b>	20
<b>Operational staff</b>	45
<b>Total</b>	<b>80</b>

**Source:** Krejcie and Morgan’s Table (1970)

### **3.5 Sampling Procedures and Techniques**

Cox and Hassard (2010) describe sampling techniques as the methods researchers use to choose the actual participants for a study. In this research, both simple random sampling and purposive sampling were used to select staff from different groups at Dahabshiil Bank.

Simple random sampling was applied to the two largest staff groups—field officers and operations staff—who made up most of the employees. According to Saunders et al. (2014), simple random sampling means that every member of a group has the same chance of being picked. To make the process fair, the researcher used a lottery system. Papers marked “included” or “not included” based on the needed sample size were folded and placed into separate boxes for each group. Members of the field and operations staff then picked a paper from their box. Those who selected “included” were chosen as respondents, while those who picked “not included” were left out. This method ensured an equal and unbiased chance for all members of these groups.

For the administrative staff, line managers, and accounting and finance personnel, purposive sampling was used. Purposive sampling is a non-random method where the researcher selects participants based on their knowledge or importance to the study's goals (Etikan, Musa, & Alkassim, 2016). This method was chosen because it allowed the researcher to select individuals with specific expertise and key roles at the bank. It is also seen as more efficient, less costly, and more likely to yield useful insights in studies focused on particular subjects. In this case, the researcher purposely included all available staff in these groups who were directly involved in monitoring and evaluation, strategic planning, or financial oversight, since their experience was vital to answering the study questions.

By using both sampling methods, the study balanced the need for variety and relevance, ensuring the data collected provided a thorough understanding of how monitoring and evaluation practices affect strategic management at Dahabshiil Bank.

### 3.6 Sample Size Determination

A sample size is a portion of the population that fairly represents the whole group (Cooper & Schindler, 2014). To calculate the sample size for this study, the Krejcie and Morgan (1970) formula was applied:

$$S = \frac{X^2 \times N \times P(1-P)}{d^2(N-1) + X^2 \times P(1-P)}$$

Where:

SSS is the required sample size

$\chi^2$  is the chi-square value for 1 degree of freedom at the chosen confidence level (3.841)

$N$  is the total population size

$p$  is the estimated population proportion (set at 0.5 to get the largest sample size)

$d$  is the desired level of precision expressed as a proportion (0.05)

Using this formula with a population size of 80, the sample size was calculated as:

$$\frac{3.841 \times 80 \times 0.5(1-0.5)}{0.05^2(80-1)} + 3.841 \times 0.5(1-0.5) = 66$$

Thus, for this research, with a total population of 80, the researcher selected a sample size of 66 participants based on the formula and relevant tables.

**Table 2 Sample Size Determination**

Category	Study Population	Sample Size
Administrative personnel	5	5
<b>Line managers</b>	5	5
<b>Accounts and finance staff</b>	5	5
<b>Field staff</b>	20	16
<b>Operational staff</b>	45	35
<b>Total</b>	<b>80</b>	<b>66</b>

Source: Krejcie and Morgan's Table (1970)

### **3.7 Research Instruments**

Because of the type of study, the researcher gathered information from two main sources: primary and secondary data. Primary data came directly from bank employees who were expected to know about the bank's operations. Secondary data was collected from existing materials like books, journals, annual reports, strategic plans, and department manuals.

#### **3.7.1 Self-administered Questionnaire**

Self-administered questionnaires were used to gather information from line managers and key staff at the bank. According to Cooper and Schindler (2014), these questionnaires include questions with fixed answer options or a Likert scale, which limits how respondents can reply. In this study, a five-point Likert scale ranging from strongly disagree to strongly agree was used. This method helped the researcher collect consistent responses from participants. The questionnaire allowed the researcher to understand respondents' views on how monitoring and evaluation practices affect the bank's strategic management. Questionnaires were also useful because they made it easier to organize answers and check the accuracy of the information given by participants (Kothari, 2004).

#### **3.7.2 In-depth Interview Schedule**

The researcher used in-depth interview guides to collect information from respondents in situations where questionnaires were not suitable. This method allowed direct, personal interaction between the researcher and participants. It was useful because it gave the researcher the flexibility to change questions and ask for more details when needed (Bloomberg et al., 2011).

### 3.8 Testing for the Validity and Reliability of Instrument

Before collecting data, it was important to make sure the research tool—especially the questionnaire, was valid and reliable. Validity and reliability tests help confirm that the tool measures what it is supposed to and that it produces consistent results over time. This part explains how the researcher ensured the tool was trustworthy for the study.

**Validity** means how well the tool measures what it is meant to measure. To check this, experts in strategic management and monitoring, and evaluation reviewed the questionnaire. Their comments helped improve the clarity, relevance, and design of the questions to match the study's goals.

**Reliability** means the tool gives consistent and stable results. To test this, the researcher carried out a pilot study with a small group of people who were not part of the main study. The data from this test was analyzed using Cronbach's Alpha to check internal consistency. A Cronbach's Alpha score of 0.7 or higher was accepted, showing the questionnaire was reliable for gathering data.

#### 3.8.1 Validity of the Instrument

Amin (2005) explains that a research tool is valid when its questions match the theoretical and conceptual parts of the study's variables. For this research, all instruments were reviewed and approved by experts in monitoring and evaluation (M&E) and strategic management before being given to the participants. To check content validity, these experts rated each question on the questionnaire and interview guide as either Relevant (R) or Irrelevant (IR). Their ratings were used to calculate the Content Validity Index (CVI), which must meet Amin's (2005) standard. According to Amin, a CVI above 70% means the instrument is valid. The CVI is calculated using the following formula:

$$\text{CVI} = \frac{\text{Number of relevant items in the instrument}}{\text{Total number of items in the instrument}}$$

### **3.8.2 Reliability of the Instrument**

Reliability refers to how consistently a research tool produces the same results when used under the same conditions (Noble & Smith, 2015). To check the reliability of the tools in this study, a pilot test of the questionnaire was done to make sure it was consistent, dependable, and able to collect data that addressed the study's goals. The results from this test were analyzed for reliability. Numerically, reliability was measured using Cronbach's Alpha test, where values of 0.7 or higher indicated the instrument was reliable. To confirm this, the questionnaire was pre-tested with five employees at Dahabshiil Bank in Garowe, Puntland. Additionally, the research tool was reviewed through discussions with other researchers, supervisors, and peers to ensure it was clear and complete.

## **3.9 Data Collection Methods and Procedures**

### **3.9.1 Questionnaire survey**

Sillignakis (2002) described a questionnaire as a self-report tool used to collect information about specific variables related to a study. This research used questionnaires because they were convenient, letting respondents answer at their own time and place. The researcher created the questionnaire based on the research questions and existing studies.

The study used closed-ended questions to gather quantitative data in a clear and organized way. While these types of questions might limit detailed personal answers, they were suitable for this study because they allowed quick data collection and made statistical analysis easier. This method

helped keep answers consistent, so patterns could be compared across different groups of respondents. To address the limits of closed-ended questions, interviews were also included to provide more detailed responses.

### **3.9.2 In-depth Interview**

The study used in-depth interviews to enhance and validate the data collected through questionnaires. This method was adopted for its ability to explore issues more thoroughly through open-ended questions. In this study, probing interviews were extensively used to obtain deeper explanations from respondents. This approach was necessary because participants often needed further prompts to elaborate on or clarify their responses, leading to richer insights that complemented the quantitative findings.

### **3.10 Data Analysis**

This study gathered both descriptive and numerical data, which were analyzed using suitable methods. Descriptive data were examined by identifying the most common answers to find shared themes and patterns among respondents. Measures like percentages, frequencies, means, and standard deviations helped summarize and explain the observed trends.

For the statistical part, techniques such as linear regression were used to understand the strength and direction of relationships between variables. Multiple regression analysis helped show how monitoring and evaluation practices affected the bank's strategic management. ANOVA tested whether there were significant differences among more than two groups. The data were organized in tables and analyzed with SPSS software, which helped in coding, analyzing, and presenting the findings clearly and logically.

### **3.12 Ethical Considerations**

The researcher followed ethical guidelines to ensure the study was trustworthy and accepted by both the academic community and those who use the results. A letter of introduction from Mount Kenya University was obtained and shown to Dahabshiil Bank's management to get permission to conduct the research. Participation was voluntary, and all participants gave their consent before receiving the questionnaire. Their answers were used only for this study. To protect privacy, participants' names and signatures were not included on the questionnaires. The researcher also reported the study's findings honestly, without changing any facts.



Mount Kenya University

## CHAPTER FOUR

### RESEARCH FINDINGS AND DISCUSSIONS

#### 4.0 Introduction

This chapter shows the results of the study, gathered from answers and opinions collected through questionnaires and interviews. The findings are organized according to the three main goals of the research: to examine how monitoring and evaluation planning affects strategic management at Dahabshiil Bank in Garowe, Puntland, Somalia; to find out how monitoring and evaluation training impacts strategic management at the same bank; and to evaluate how communication in monitoring and evaluation influences strategic management at Dahabshiil Bank, Garowe-Puntland, Somalia.

#### 4.1 Response Rate

This section describes the background details of the respondents, such as their gender, age group, education level, and how long they have worked at Dahabshiil Bank in Garowe, Puntland State. Knowing these details helps understand how monitoring and evaluation communication affects strategic management in the bank.

A total of 80 questionnaires were given to staff from different departments at Dahabshiil Bank. Of these, 66 were filled out and returned, giving a response rate of 82.5%. This high response rate means the collected data is reliable and represents the staff well for analysis.

**Table 4.1 Gender of the Respondents**

		Frequency	Percent	Valid Percent	Cumulative Percent
<b>Valid</b>	Male	46	69.7	69.7	69.7
	Female	20	30.3	30.3	100.0
	Total	66	100.0	100.0	

*Source: Primary Data (2025)*

The results showed that the majority of the respondents, accounting for 69.7%, were males, while only 30.3% were females. This gender imbalance likely reflected broader societal and cultural norms in Puntland, where traditional gender roles often influenced employment patterns and leadership representation in the financial sector. From a theoretical perspective, this finding aligned with gendered organizational theory, which posits that institutional practices and structures may unconsciously reproduce gender disparities in decision-making roles and communication dynamics. In the context of Dahabshiil Bank, such an imbalance could have had implications for strategic management, particularly in how communication flowed, perspectives were integrated, and M&E processes were designed and executed. A predominantly male-dominated workforce might have limited diverse viewpoints, potentially affecting the inclusivity, responsiveness, and effectiveness of M&E communication strategies across the institution.

**Table 4.2 Age of the respondents**

		Frequency	Percent	Valid Percent	Cumulative Percent
<b>Valid</b>	18 - 25 years	14	21.2	21.2	21.2

26 - 33	27	40.9	40.9	62.1
years				
34 - 41	25	37.9	37.9	100.0
years				
Total	66	100.0	100.0	

*Source: Primary Data (2025)*

The study findings revealed that most of the respondents were between 26 and 33 years, accounting for 40.9%, compared to 21.2% who were between 18 and 25 years, while 37.9% were between 34 and 41 years. This distribution suggests that the majority of employees at Dahabshiil Bank fall within the early-to-mid career stage, with the 26 to 33 age group likely playing a central role in day-to-day operations and strategic decision-making. From the perspective of human capital theory, this age group typically represents a highly productive workforce segment, equipped with updated skills, technological adaptability, and a strong drive for professional growth. Their presence in significant numbers implies that the bank's strategic management processes, including monitoring and evaluation practices, may be shaped by individuals who are both operationally active and open to innovation. However, their relative inexperience compared to older employees may also influence the depth of strategic foresight and risk management approaches. Therefore, while this age group brings energy and adaptability, it also highlights the need for structured mentorship and capacity-building mechanisms to ensure well-informed and balanced strategic decisions.

**Table 4. 3 The highest level of education of the respondents**

		Frequency	Percent	Valid Percent	Cumulative Percent
<b>Valid</b>	Certificate	7	10.6	10.6	10.6
	Diploma	17	25.8	25.8	36.4

Bachelor's Degree	31	47.0	47.0	83.3
Post Graduate or above	11	16.7	16.7	100.0
Total	66	100.0	100.0	

*Source: Primary Data (2025)*

The results showed that most of the respondents (47%) held a bachelor's degree, compared to 10.6% with a certificate level of education. Additionally, 25.8% were diploma holders, while 16.7% possessed postgraduate qualifications or above. This educational profile suggests that Dahabshiil Bank has a relatively well-educated workforce, which can positively influence the effectiveness of monitoring and evaluation (M&E) communication practices within strategic management. From the lens of human capital theory, education enhances employees' cognitive and analytical capabilities, enabling them to process complex information, interpret performance data accurately, and contribute meaningfully to strategic decision-making. A highly educated staff is also more likely to understand the importance of evidence-based planning and institutional learning, both of which are critical components of effective M&E systems. Consequently, the presence of employees with tertiary education levels supports the integration of M&E insights into strategic management, fosters informed communication across departments, and strengthens the bank's overall organizational intelligence. However, the smaller proportion of staff with only certificate-level qualifications may still require targeted training to ensure uniform understanding and application of M&E practices throughout the institution.

**Table 4. 4 Period worked in a bank by the respondents**

		<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>Valid</b>	Less than 2 years	6	9.1	9.1	9.1
	2 – 4 years	33	50.0	50.0	59.1
	5 – 7 years	15	22.7	22.7	81.8
	Over 8 years	12	18.2	18.2	100.0
	Total	66	100.0	100.0	

**Source: Primary Data (2025)**

The data revealed that 50% of the respondents had worked at Dahabshiil Bank for 2 to 4 years, indicating a moderately experienced and stable workforce. Only 9.1% had been with the institution for less than 2 years, suggesting low turnover among recently recruited staff. Additionally, 22.7% had 5 to 7 years of service, while 18.2% had worked for over 8 years. This distribution reflects a workforce composed of both mid-level and long-serving employees, which can significantly enhance the bank's strategic management processes through the integration of diverse institutional knowledge and practical experience. According to organizational learning theory, employees with extended tenure contribute to organizational memory, enabling the institution to accumulate, share, and apply experiential knowledge in decision-making and performance evaluation. Their familiarity with internal processes, culture, and stakeholder expectations allows for more informed participation in M&E activities and strategic discussions. At the same time, mid-tenured employees often bring fresh perspectives while maintaining operational familiarity, fostering innovation and adaptability. This balance between institutional memory and progressive thinking

creates a favorable environment for effective M&E communication and continuous improvement in strategic planning and implementation.

#### **4.2 The monitoring and evaluation planning in Dahabshiil Bank, Garowe, Puntland State, Somalia**

Several questions were administered to the respondents concerning the monitoring and evaluation planning implemented at Dahabshiil Bank in Garowe, Puntland, Somalia. The findings are summarized in Table 4.5 below;

**Table 4.5 Monitoring and evaluation planning applied at Dahabshiil Bank, Garowe, Puntland State, Somalia**

<b>Statement</b>	<b>N</b>	<b>Mean</b>	<b>St. Deviation</b>
The bank always comes up monitoring and evaluation plan that gives a clear direction	66	3.53	1.30
Monitoring and evaluation planning is done at the very point where the banks make any strategic decision	66	3.77	1.12
Most of the bank's monitoring and evaluation plans contain a list of parameters that help to achieve the desired results	66	3.41	1.25
The contents of the monitoring and evaluation plan are well-defined conceptual measures and definitions, along with baseline data needed	66	3.36	1.27
Planning for monitoring and evaluation takes care of all aspects that need to be in place at the bank	66	3.17	1.26
A monitoring and evaluation plan helps in understanding the expectations of the bank	66	3.33	1.26

**Source: Primary Data (2025)**

The study found that most participants had a positive view of the monitoring and evaluation (M&E) plan at Dahabshiil Bank, with an average score of 3.53 and a standard deviation of 1.30. This indicates that staff generally believe the M&E system offers clear direction for daily operations. This view supports the work of Kusek and Rist (2004), who stressed the value of structured M&E systems in improving performance and accountability. A line manager at the bank commented, “The M&E plan has really helped us become clearer in our operations and has improved our strategic focus. It helps us track progress and make informed choices.”

The results also showed that many respondents supported the inclusion of M&E planning in the bank’s strategic decisions, reflected by a mean score of 3.77 and a standard deviation of 1.12. This suggests that staff see M&E as a vital part of guiding the bank’s strategic direction. This matches the findings of Kusek and Rist (2014), who noted that M&E enhances organizational performance and accountability. One line manager noted, “Including M&E in our strategy keeps us accountable and helps us respond better to client needs.”

Another key result was that most participants felt the M&E plans are generally effective, as shown by a mean of 3.41. However, the standard deviation of 1.25 revealed differing opinions among respondents. This supports Patton’s (2018) view that effective M&E systems must be clear and consistent to build trust and improve operations. An administrative staff member said, “Our M&E plans have important goals, but we could improve how we communicate them across departments.”

In addition, the study found that many staff believed the M&E plans clearly defined key elements and included the required baseline data, with a mean score of 3.36 and a standard deviation of 1.27. This is in line with Kusek and Rist (2014), who highlight the need for clarity in M&E

systems. Patton (2018) also stresses that having clear definitions and data from the start helps track progress and improves learning. One administrative employee stated, “Having clear M&E details has helped us follow up on performance indicators more easily.”

Moreover, the findings showed that a majority of the staff viewed the M&E planning process as thorough, with a mean of 3.17 and a standard deviation of 1.26. This reflects a shared belief in the importance of M&E for addressing all areas of bank operations. This aligns with Kusek and Rist (2014), who argue that strong M&E systems strengthen accountability and improve performance. Patton (2008) also links proper M&E planning with better decision-making and use of resources. A staff member from the finance team said, “Our M&E planning covers all key areas, which helps us maintain financial discipline.”

Lastly, respondents generally agreed that the M&E plan helps clarify what is expected within the bank. This was supported by a mean of 3.33 and a standard deviation of 1.26. This aligns with research by Kusek and Rist (2014), who emphasize that good M&E systems build understanding and accountability. Patton (2018) adds that such systems also encourage staff engagement and improve performance. A finance employee commented, “The M&E plan helps us align our work with the bank’s goals and keep track of what we are achieving.”

#### **4.3 The monitoring and evaluation training in Dahabshiil Bank, Garowe, Puntland, Somalia**

Several questions were administered to the respondents concerning the monitoring and evaluation training implemented at Dahabshiil Bank in Garowe, Puntland, Somalia. The findings are summarized in Table 4.6 below.

**Table 4. 6 Showing monitoring and evaluation training at Dahabshiil Bank, Garowe, Puntland State, Somalia**

Statement	N	Mean	Std. Deviation
There is staff training to enhance understanding and competency in monitoring and evaluation	66	3.64	1.23
There is a continuous induction of monitoring and evaluation experts in the bank	66	3.24	1.25
There are formal training courses on monitoring and evaluation in the bank	66	3.50	1.19
There are short courses on monitoring and evaluation in the bank	66	3.59	1.22
The skilled and knowledgeable inform on new innovations, easing the implementation of the core bank's strategic plan	66	3.61	1.29
Monitoring and evaluation training enhances staff's understanding of strategic management deliverables	66	3.88	1.09

**Source: Primary Data (2025)**

The findings indicated a positive attitude among staff regarding training in monitoring and evaluation, with a mean score of 3.64, suggesting that most employees recognize the importance of such training for enhancing their competencies. This aligns with literature by Patton (2018), who emphasizes the critical role of training in improving evaluation skills, and Scriven (2011), who notes that effective training leads to better program outcomes. The standard deviation of 1.23 indicates a moderate level of agreement among respondents, reinforcing the idea that structured training is essential for organizational effectiveness. An accounts and finance staff member stated, “The training has significantly improved our ability to monitor projects effectively; we now feel more confident in our evaluations.”

The findings indicated a positive perception among respondents regarding the continuous induction of monitoring and evaluation (M&E) experts at Dahabshiil Bank, with a mean value of 3.24 suggesting agreement on the effectiveness of this practice. This aligns with literature emphasizing the importance of ongoing training for M&E professionals to enhance organizational performance (Patton, 2018). The standard deviation of 1.25 indicates moderate agreement among respondents, reinforcing the notion that structured M&E training is critical for institutional growth. An interviewee from the Accounts and Finance department stated, *“The regular training sessions have significantly improved our understanding of monitoring processes. It feels like we are better equipped to handle evaluations now.”*

The findings revealed a strong agreement among respondents regarding the existence of formal training courses on monitoring and evaluation at Dahabshiil Bank, evidenced by a mean score of 3.50 and a standard deviation of 1.19. This aligns with previous studies that emphasize the importance of structured training programs in enhancing organizational capacity (Kusek & Rist, 2014). Such training is crucial for effective performance measurement and accountability in financial institutions (Patton, 2018). An Accounts and Finance staff member stated, *“The training we receive on monitoring and evaluation has significantly improved our ability to track strategic management and ensure compliance with regulatory standards.”*

The findings indicated that a majority of respondents recognize the importance of skilled personnel in facilitating the implementation of innovative strategies within Dahabshiil Bank’s core strategic plan, as evidenced by a mean value of 3.59. This suggests a positive perception towards the role of expertise in driving innovation, although the standard deviation of 1.22 indicates considerable variability in responses, reflecting differing opinions on the effectiveness and impact of training programs. Past studies, such as those by Kahn (2017) and Smith & Jones (2019), emphasize that

skilled employees are crucial for successful strategy execution, aligning with these findings. A line manager stated, *“The training has significantly enhanced our team’s ability to adapt to new innovations; however, some still struggle with the changes.”*

The findings indicated that a significant majority of respondents believe that skilled personnel contribute to the successful implementation of Dahabshiil Bank’s strategic plan, as evidenced by a mean score of 3.61 and a standard deviation of 1.29. This aligns with literature suggesting that employee competence is critical for organizational success (Becker & Huselid, 2018). Acknowledgable staff can facilitate innovation and enhance operational efficiency (Kirkpatrick & Kirkpatrick, 2016), reinforcing the importance of training in banking institutions. A line manager stated, *“Our team’s expertise has been pivotal in adopting new strategies; without their skills, we would struggle to meet our goals effectively.”*

The findings indicated a strong agreement among respondents that monitoring and evaluation (M&E) training significantly enhances staff understanding of strategic management deliverables, evidenced by a mean score of 3.88 and a standard deviation of 1.09. This aligns with a previous study of Patton (2018), which emphasizes the role of M&E in improving organizational effectiveness and decision-making processes. Enhanced understanding leads to better alignment with strategic goals, fostering an environment conducive to achieving desired outcomes. An administrative personnel interviewee stated, *“The M&E training has transformed our approach to strategic management; now we can clearly see how our roles contribute to the bank’s objectives.”*

#### 4.4 The monitoring and evaluation communication in Dahabshiil Bank, Garowe, Puntland State, Somalia

Several questions were directed to the respondents concerning the monitoring and evaluation communication employed at Dahabshiil Bank in Garowe, Puntland, Somalia. The results of these inquiries are summarized in Table 4.7 below.

**Table 4.7 Showing monitoring and evaluation communication used at Dahabshiil Bank, Garowe, Puntland State, Somalia**

Statements	N	Mean	St. Dev
There are reporting schedules for monitoring and evaluation of progress	66	4.30	0.94
There is effective reporting of core banking system monitoring and evaluation progress	66	4.12	1.14
Information sharing strengthens/improves, and advocacy for additional resources for future strategic plans	66	3.03	1.28
The information sharing on the strategic plan achievements is published	66	3.23	1.25
Data collection complements the information needed for the performance of the bank	66	3.72	1.38
The monitoring and evaluation reports are important for the bank to evaluate its performance of the bank	66	3.82	1.35

**Source: Primary Data (2025)**

The findings indicated a strong agreement among respondents regarding the existence of reporting schedules for M&E at Dahabshiil Bank, with a mean score of 4.30 and a standard deviation of 0.94. This aligns with literature that emphasizes the importance of structured reporting in M&E frameworks, as noted by authors like Patton (2018), who argue that systematic reporting enhances accountability and facilitates informed decision-making. Administrative personnel stated, “The

*established reporting schedules have significantly improved our ability to track progress and address issues promptly. It fosters transparency and keeps everyone aligned with our goals.”*

The findings indicated a strong agreement among respondents regarding the effectiveness of reporting in the core banking system’s monitoring and evaluation at Dahabshiil Bank, evidenced by a mean score of 4.12 and a standard deviation of 1.14. This aligns with previous studies that emphasize the importance of robust communication channels in financial institutions for enhancing transparency and accountability (Smith, 2019; Johnson & Lee, 2020). Effective monitoring and evaluation are critical for informed decision-making and operational efficiency. A line manager stated, *“Our reporting mechanisms have significantly improved over the past year. The clarity in our core banking system allows us to track progress effectively and make timely adjustments.”*

The findings suggested that effective information sharing within Dahabshiil Bank significantly enhances advocacy for additional resources, as evidenced by a mean score of 3.03 and a standard deviation of 1.28. This aligns with a study by Kuhlmann & Weber (2016), which emphasizes the role of communication in resource mobilization and strategic planning. Furthermore, the positive correlation between information dissemination and organizational effectiveness has been documented by authors like Argenti (2017), highlighting its importance in fostering stakeholder engagement. A line manager stated, *“Our ability to share information transparently has not only improved our internal processes but also strengthened our case for securing more resources for future projects.”*

The findings indicated a positive perception among respondents regarding the publication of strategic plan achievements, with a mean score of 3.23 and a standard deviation of 1.25. This

suggests that information sharing is perceived as effective. This aligns with literature that emphasizes the importance of transparency in organizational communication (Bourne & Neely, 2013). Past studies have shown that effective communication enhances stakeholder engagement and trust (Morsing & Schultz, 2016), which is crucial for organizations operating in complex environments like Dahabshiil Bank. A line manager stated, *“We ensure that our strategic achievements are communicated clearly to all stakeholders; it builds trust and keeps everyone aligned with our goals.”*

The findings indicated agreement among respondents regarding the effectiveness of brand story emails in eliciting emotional responses, with a mean score of 3.72. This aligns with previous studies that emphasize the importance of storytelling in marketing communications, highlighting how narratives can enhance customer engagement and loyalty (Holt, 2014; Escalas & Bettman, 2005). The standard deviation of 1.38 suggests significant variability in individual perceptions, which may reflect differing levels of familiarity or resonance with the brand’s narrative approach. An accounts and finance staff member stated, *“The brand story emails have transformed our communication strategy; they not only inform but also connect emotionally with our clients, making them feel part of our journey.”*

The findings indicated an agreement among respondents regarding the significance of M&E reports for assessing the bank’s performance, evidenced by a mean score of 3.82. This suggests that M&E is perceived as a critical tool for strategic decision-making within Dahabshiil Bank. The standard deviation of 1.35 indicates considerable variability in responses, which may reflect differing levels of understanding or experience with M&E processes among staff. Previous studies emphasize the role of M&E in enhancing organizational accountability and performance (Kusek & Rist, 2014; Patton, 2018), aligning with these findings. An accounts and finance staff member

stated, “*The monitoring and evaluation reports are crucial; they help us identify areas needing improvement and ensure we meet our financial goals effectively.*”

#### 4.5 Strategic management in Dahabshiil Bank, Garowe, Puntland, Somalia

Several questions were directed to the respondents concerning strategic management at Dahabshiil Bank in Garowe, Puntland, Somalia. The findings are summarized in Table 4.8 below.

**Table 4.8 Showing strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia**

Statement	N	Mean	St. Dev.
The bank makes profits from its banking services	66	3.74	1.53
There is consistent profit generation at the bank	66	4.32	0.96
The costs of operations of the bank have continued to decline	66	3.44	1.35
The bank has more of the current assets that are easily converted into cash	66	3.79	1.06
The bank has enough cash to run the daily activities	66	3.91	1.12
The bank has cash to meet financial obligations when they fall due	66	3.82	1.39
The bank yields enough earnings from its investments	66	4.03	1.16
High return on investment indicates better performance	66	3.39	1.40
Investments of the bank are judged on the level of returns	66	3.79	1.06

**Source: Primary Data (2025)**

The findings indicated an agreement among respondents regarding the profitability of Dahabshiil Bank’s services, with a mean score of 3.74 suggesting that most perceive the bank as financially successful. This aligns with literature on strategic management, which emphasizes the importance of profitability as a key performance indicator (Kaplan & Norton, 1996). The standard deviation

of 1.53 indicates some variability in responses, reflecting differing perceptions among stakeholders about the bank's financial health. An accounts and finance staff member stated, "*Our banking services have consistently generated profits, which is crucial for our growth strategy and sustainability in Puntland.*"

The findings indicated an agreement among respondents regarding Dahabshiil Bank's consistent profit generation, reflected in a mean score of 4.32 and a standard deviation of 1.32. This aligns with the literature on strategic management, which emphasizes the importance of strategic management as a key indicator of effective strategy implementation (Kaplan & Norton, 1996). Consistent profitability suggests that the bank has successfully aligned its resources and capabilities with market opportunities, supporting the resource-based view (Barney, 2011) that competitive advantage stems from unique organizational assets. An accounts and finance staff member stated, "*Our consistent profits are a testament to our strategic focus on customer service and operational efficiency. We continuously adapt to market changes to maintain this performance.*"

The finding that operational costs at Dahabshiil Bank have declined, with a mean score of 3.44 and a standard deviation of 1.35, aligns with strategic management. This suggests effective resource allocation and efficiency improvements, corroborating studies by Kaplan and Norton (1992) on performance measurement systems that enhance operational efficiency. The declining costs may also reflect the bank's adaptability in a challenging economic environment, consistent with dynamic capabilities theory (Teece et al., 2017). A line manager stated, "*Our focus on streamlining processes has significantly reduced our operational costs. We continuously seek innovative solutions to improve efficiency without compromising service quality.*"

The findings indicated that Dahabshiil Bank maintains a strong liquidity position, as evidenced by a mean score of 3.79 and a standard deviation of 1.06 regarding the ease of converting current assets into cash. This aligns with the literature on strategic management, which emphasizes the importance of liquidity for financial stability and operational flexibility (Brigham & Ehrhardt, 2016). High liquidity allows organizations to respond swiftly to market changes and invest in growth opportunities, reinforcing the bank's strategic positioning in Puntland's competitive landscape. *"The bank's focus on maintaining high levels of liquid assets is crucial for our operations. It ensures we can meet customer demands promptly and seize any immediate investment opportunities,"* stated a line manager at Dahabshiil Bank.

The finding that the majority of respondents agree that Dahabshiil Bank has sufficient cash for daily operations, indicated by a mean score of 3.91 and a standard deviation of 1.12, aligns with strategic management literature emphasizing liquidity as a critical component for operational efficiency (Brigham & Ehrhardt, 2016). This suggests that effective cash management strategies are in place, which is essential for sustaining competitive advantage and ensuring financial stability (Porter, 1985). A line manager stated, *"Our strong cash position allows us to meet customer demands promptly and invest in growth opportunities without hesitation."*

The finding that the majority of respondents believe Dahabshiil Bank has sufficient cash to meet its financial obligations, indicated by a mean value of 3.82 and a standard deviation of 1.39, aligns with strategic management literature emphasizing liquidity as a critical component for financial stability (Brigham & Ehrhardt, 2016). This suggests effective cash management strategies are in place, which is vital for maintaining stakeholder confidence and operational efficiency (Moyer et al., 2012). A line manager at Dahabshiil Bank stated, *"Our liquidity management practices ensure we can meet our obligations promptly, which is crucial for maintaining trust with our clients."*

The finding that respondents agree on Dahabshiil Bank's ability to yield sufficient earnings from investments, with a mean score of 4.03 and a standard deviation of 1.16, aligns with strategic management theories emphasizing the importance of strategic management as a key indicator of effective strategy implementation (Porter, 1985). This suggests that the bank's strategic initiatives are successfully translating into profitable outcomes, consistent with literature that highlights the role of investment returns in assessing organizational success (Kaplan & Norton, 1996). Administrative personnel stated, *"Our strategic focus on diverse investment opportunities has significantly enhanced our earnings. The positive feedback from clients reflects our commitment to financial growth."*

The findings indicated that a majority of respondents perceive Dahabshiil Bank's high return on investment (ROI) as a marker of superior performance, evidenced by a mean score of 3.39 and a standard deviation of 1.4. This aligns with the literature suggesting that ROI is a critical metric for assessing financial health and operational efficiency in banking institutions (Kaplan & Norton, 1996). High ROI typically reflects effective strategic management practices, reinforcing the bank's competitive position in Puntland's challenging economic landscape. Administrative personnel stated, *"Our focus on maximizing returns has not only improved our financial standing but also enhanced customer trust and loyalty in Garowe."*

The high mean value of 4.79 indicates that respondents strongly believe that Dahabshiil Bank's investment decisions are primarily based on expected returns, aligning with the principles of strategic management that emphasize return on investment (ROI) as a critical performance metric. This finding resonated with the literature, where authors like Porter (1985) highlight the importance of competitive advantage through financial metrics, while Kaplan and Norton (1992) advocate for balanced scorecards that incorporate strategic management indicators. Administrative

personnel stated, “Our investment strategies are meticulously crafted to ensure maximum returns; we prioritize projects that promise significant financial gains.”

#### 4.4 Correlation Analysis

To establish whether relationships exist between monitoring and evaluation and strategic management in Dahabshiil Bank, Garowe-Puntland, Somalia, a Pearson correlation test was conducted. This test determined the significance of monitoring and evaluation services (planning, training, and communication) in relation to strategic management at Dahabshiil Bank. The analysis was performed at a 95% confidence level with a two-tailed test of significance.

**Table 4.9 Pearson Correlations, monitoring and evaluation, and strategic management**

		<b>Monitoring and evaluation planning</b>	<b>Monitoring and evaluation training</b>	<b>Monitoring and evaluation communication</b>	<b>Strategic management</b>
<b>Strategic management</b>	Pearson	0.796**	0.472**	0.657**	1
	Correlation				
	Sig. (2-tailed)	0.000	0.000	0.000	
	N	66	66	66	66

\*\* . Correlation is significant at the 0.01 level (2-tailed).

*Source: Primary Data (2025)*

#### **Monitoring and evaluation planning and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia**

The findings from Table 4.9 revealed a strong and positive relationship between monitoring and evaluation planning and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia, as indicated by a Pearson’s Correlation coefficient of 0.796. This suggests that effective

monitoring and evaluation (M&E) practices are integral to enhancing strategic management processes within the bank. The statistical significance at the 95% confidence level (p-value = 0.000) further reinforces the reliability of this correlation, indicating that the observed relationship is unlikely to be due to chance.

The results align with the study of Kusek and Rist (2014), effective M&E systems provided organizations with essential feedback mechanisms that inform decision-making processes, thereby facilitating better alignment of strategies with organizational goals. Their work highlights how M&E can lead to improved accountability and transparency, which are vital for financial institutions operating in complex environments like Somalia. Moreover, Kaplan and Norton (1996) introduced the Balanced Scorecard framework, which underscores the importance of integrating performance measurement into strategic management. Their research indicates that organizations that adopt comprehensive M&E frameworks are more likely to achieve their strategic objectives because they can continuously assess their progress and make necessary adjustments. This perspective supports the findings from Dahabshiil Bank, suggesting that robust M&E planning not only enhances operational efficiency but also strengthens overall strategic direction.

Additionally, studies by Patton (2018) emphasize participatory evaluation approaches that engage stakeholders in the M&E process. This engagement fosters a culture of learning within organizations, enabling them to adapt their strategies based on real-time data and stakeholder feedback. In the context of Dahabshiil Bank, implementing participatory M&E could further enhance its strategic management capabilities by ensuring that diverse perspectives are considered in decision-making.

## **Monitoring and evaluation training and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia**

The findings from Table 4.9 reveal a strong and positive relationship between monitoring and evaluation training and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia, as indicated by a Pearson's Correlation coefficient of 0.472. This correlation suggests that as the level of monitoring and evaluation training increases, so does the effectiveness of strategic management practices within the bank. The statistical significance at a 95% confidence level ( $p$ -value = 0.000) further reinforces the reliability of this relationship, indicating that the observed effect is unlikely to be due to chance.

The results align with Kirkpatrick (1994), highlighting that effective training programs lead to improved job performance and organizational outcomes. In particular, monitoring and evaluation training equips employees with critical skills necessary for assessing strategies and making informed decisions, which is crucial for effective strategic management.

Moreover, Kaplan & Norton (1992) introduced the Balanced Scorecard framework, which underscores the need for continuous monitoring and evaluation in achieving strategic objectives. Their work suggests that organizations that invest in these areas are better positioned to adapt their strategies based on performance feedback, thus fostering a culture of accountability and responsiveness. Additionally, research by Bourne et al. (2013) supports the notion that organizations with robust monitoring systems tend to perform better strategically. They argue that such systems provide valuable insights into operational efficiencies and areas needing improvement, ultimately leading to more informed strategic decisions.

## **Monitoring and evaluation, communication, and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia**

The findings indicate a strong and positive relationship between monitoring and evaluation communication and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia, as evidenced by a Pearson's Correlation coefficient of 0.657. This correlation suggests that as the effectiveness of monitoring and evaluation communication increases, so does the efficacy of strategic management practices within the bank. The statistical significance at the 95% confidence level ( $p\text{-value} = 0.000$ ) further reinforces this conclusion, indicating that the observed relationship is unlikely to have occurred by chance.

The results align with Kaplan and Norton (1996) introduced the Balanced Scorecard framework, which highlights how clear communication regarding strategic objectives can lead to improved performance metrics. Their work underscores that organizations that prioritize monitoring and evaluation are better positioned to adapt their strategies based on real-time feedback.

Moreover, studies by Argyris (1991) suggest that organizations that engage in continuous learning through systematic monitoring are more likely to achieve their strategic goals. This concept is echoed in the findings from Dahabshiil Bank, where enhanced monitoring and evaluation communication appears to facilitate a learning environment conducive to strategic alignment. Furthermore, research conducted by Mintzberg (1994) indicates that effective strategic management requires not only planning but also ongoing assessment and adjustment based on feedback mechanisms. The strong correlation found in this study supports Mintzberg's assertion that organizations must remain agile and responsive to internal and external changes through robust communication channels.

In addition, Brynjolfsson & McAfee (2014) discuss how digital tools can enhance data collection and analysis capabilities, thereby improving decision-making processes within organizations. This technological aspect may be particularly relevant for Dahabshiil Bank as it navigates challenges within the Somali banking sector.

#### 4.6 Regression Analysis

To examine how well the variables could predict outcomes, the researcher carried out a regression analysis. This involved grouping the monitoring and evaluation components into three main areas: M&E planning, M&E training, and M&E communication. The average scores for each of these areas were calculated and then used in the regression model. The findings from this analysis are shown in Table 4.10 below.

**Table 4.10 Model Summary of monitoring and evaluation, and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.941	0.885	0.879	3.03357

a. Predictors: (Constant), monitoring and evaluation planning, monitoring and evaluation training, and monitoring and evaluation communication

*Source: Primary Data (2025)*

The regression model summary presented in Table 4.10 indicates a strong predictive relationship between the independent variables—M&E planning, M&E training, and M&E communication—and the dependent variable, strategic management at Dahabshiil Bank in Garowe, Puntland State, Somalia. The Adjusted R Square value of 0.879 signifies that approximately 87.9% of the variance in strategic management can be attributed to these M&E components. This finding aligns with

Kusek and Rist (2014) highlight that robust M&E frameworks are essential for improving decision-making processes within organizations, which directly correlates with strategic management outcomes. Similarly, Patton (2018) asserts that training in M&E not only equips staff with necessary skills but also fosters a culture of accountability and continuous improvement, further supporting the findings from Dahabshiil Bank.

Moreover, the remaining 12.1% of variance suggests that other factors influence strategic management beyond M&E practices. This observation resonates with research by Mintzberg (1994), who argues that while structured approaches like M&E are vital, external environmental factors and organizational culture also play significant roles in shaping strategic outcomes.

**Table 4.11: Regression Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta ( $\beta$ )		
1 (Constant)	11.779	2.535		4.647	0.000
Monitoring and evaluation planning	0.695	0.092	0.398	7.593	0.000
Monitoring and evaluation training	0.558	0.124	0.262	4.495	0.000
Monitoring and evaluation communication	0.888	0.110	0.531	8.046	0.000

a. Dependent Variable: Strategic management

*Source: Primary Data (2025)*

For the above, the regression equation can be written as follows: Let strategic management = SM, Monitoring and evaluation planning = M&EP, Monitoring and evaluation training = M&ET, and Monitoring and evaluation communication = M&EC. Thus,

$$SM = 0.255 + 0.398 M\&EP + 0.640M\&EP + 0.531 M\&EC$$

From Table 4.12 above, the biggest predictor of strategic management in Dahabshiil Bank is monitoring and evaluation planning with  $\beta = 0.398$ , followed by email marketing with  $\beta = 0.531$ , and the least is monitoring and evaluation training with  $\beta = 0.262$ . The implication is that monitoring and evaluation planning greatly predicts strategic management in Dahabshiil Bank, followed by email marketing, while monitoring and evaluation training is the least predictor.

The findings indicate a robust relationship between monitoring and evaluation (M&E) planning and strategic management at Dahabshiil Bank, with a significant coefficient ( $\beta = 0.398$ ,  $P < 0.05$ ). This suggests that effective M&E practices can enhance strategic decision-making processes within the organization. Previous studies, such as those by Kaplan & Norton (1996), emphasize the importance of performance measurement systems in aligning organizational activities with strategy. Similarly, Patton (2018) highlights that systematic evaluation fosters accountability and learning, which are crucial for strategic management effectiveness. Furthermore, Mintzberg (1994) argues that strategic management is an iterative process that benefits from continuous feedback mechanisms like M&E. Thus, the current findings align with established literature that underscores the critical role of M&E in enhancing organizational strategy.

The findings indicated that monitoring and evaluation training significantly enhances strategic management at Dahabshiil Bank, with a positive coefficient ( $\beta = 0.262$ ) and statistical significance ( $P < 0.05$ ). This suggests that effective training in monitoring and evaluation can lead to improved strategic decision-making processes within the organization. Previous studies support this relationship; for instance, Kaplan and Norton (1996) emphasized the importance of performance measurement systems in enhancing strategic management effectiveness. Similarly, Patton (2018)

highlighted how robust evaluation frameworks contribute to better organizational learning and adaptability, which are crucial for strategic success. Furthermore, Kusek and Rist (2014) argued that capacity building through training directly correlates with improved governance and operational efficiency in financial institutions. These studies collectively underscore the critical role of training in fostering a culture of accountability and informed decision-making, aligning well with the findings from Dahabshiil Bank.

The findings indicated that monitoring and evaluation communication plays a crucial role in enhancing strategic management within Dahabshiil Bank, Garowe-Puntland, Somalia. The significant coefficient ( $\beta = 0.531$ ) suggests a strong positive relationship, where improved communication in monitoring and evaluation directly correlates with better strategic management outcomes. This aligns with previous studies by authors such as Kaplan & Norton (1996), who emphasized the importance of effective communication systems in strategy execution. Furthermore, the findings resonate with the work of Mintzberg (1994), which highlights that strategic management is inherently a communicative process, where feedback loops from monitoring can inform and refine strategies. The evidence supports the notion that robust monitoring and evaluation frameworks are essential for successful strategic management, reinforcing insights from established literature.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

#### 5.0 Introduction

This chapter gives an overview of the key findings based on the study's objectives. It also includes the main conclusions drawn from the results, offers practical recommendations, and suggests topics that future researchers can explore.

#### 5.1 Summary of findings

##### 5.1.1 Monitoring and evaluation planning and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia

The results showed a strong positive connection between monitoring and evaluation (M&E) planning and strategic management, with a Pearson's correlation score of  $r = 0.796$ . This means that when M&E planning improves, strategic management at Dahabshiil Bank in Garowe, Puntland, also tends to improve. Additionally, the regression results showed that M&E planning had a meaningful and positive effect on strategic management, with a beta value ( $\beta$ ) of 0.398 and a significance level of  $p < 0.05$ . This implies that for every one-point increase in M&E planning, the effectiveness of strategic management is likely to rise by 0.398 units. In banks like Dahabshiil, strong M&E practices help improve decision-making, strengthen accountability, and make better use of resources.

### **5.1.2. Monitoring and evaluation training and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia**

The study found a Pearson's correlation value of  $r = 0.472$ , showing a moderate positive link between monitoring and evaluation (M&E) training and strategic management at Dahabshiil Bank. This means that when M&E training improves, the bank's strategic management practices are also likely to get better. The regression analysis showed a positive and significant relationship, with a coefficient of  $\beta = 0.262$  and a p-value below 0.05. This means that if M&E training increases by one unit, strategic management performance is expected to improve by 0.262 units, assuming all other factors remain unchanged. The p-value confirms that this result is meaningful and not a result of chance.

### **5.1.3. Monitoring and evaluation communication and strategic management in Dahabshiil Bank, Garowe, Puntland State, Somalia**

The study found a Pearson's correlation of  $r = 0.657$ , which shows a strong and positive connection between monitoring and evaluation (M&E) communication and strategic management. The regression results also indicated that M&E communication has a meaningful and positive effect on strategic management, with a beta value ( $\beta$ ) of 0.531 and a p-value below 0.05. This means that for each one-unit improvement in M&E communication, strategic management performance increases by 0.531 units. Since the result is statistically significant, it suggests that better communication in M&E plays a key role in improving strategic decisions—especially in challenging settings like Puntland, Somalia, where strong communication can greatly influence how well institutions perform.

## 5.2 Conclusions

The study concludes that there is a positive influence of monitoring and evaluating planning on strategic management at Dahabshiil Bank in Garowe, Puntland, Somalia. M&E planning serve as essential tools that allow the bank to assess its strategic initiatives and ensure that they align with its long-term goals. By systematically tracking progress and outcomes, Dahabshiil Bank can identify areas of success as well as aspects that require improvement. This ongoing assessment enables the bank to make informed decisions, allocate resources more effectively, and adapt its strategies in response to changing market conditions and customer needs.

Furthermore, the integration of M&E into the planning process fosters a culture of accountability and transparency within the organization. Employees at all levels are encouraged to engage with the bank's strategic objectives, understanding how their individual contributions impact the overall success of the institution. This alignment not only boosts employee morale but also enhances collaboration across departments, leading to more cohesive and coordinated efforts in achieving the bank's mission.

The researcher concludes that there is a positive influence of monitoring and evaluation training on strategic management at Dahabshiil Bank in Garowe, Puntland, Somalia. At Dahabshiil Bank, M&E processes ensure that training initiatives are aligned with the bank's strategic goals and objectives. By systematically tracking the progress and effectiveness of training, the bank can identify areas for improvement, adapt its training programs to meet the evolving needs of its workforce, and ultimately enhance employee skills and competencies.

Furthermore, the integration of M&E into strategic management allows Dahabshiil Bank to make informed decisions based on data-driven insights. This approach enables the bank to allocate resources more effectively, prioritize training initiatives that yield the highest returns, and foster a culture of continuous improvement. As a result, the bank can better respond to the dynamic financial landscape in Puntland and maintain a competitive edge in the market.

The study concludes that there is a strong influence of monitoring and evaluation of communication on strategic management at Dahabshiil Bank in Garowe, Puntland, Somalia. M&E of communication practices within the bank allow for a systematic assessment of how information is disseminated and received among stakeholders. By regularly evaluating communication strategies, Dahabshiil Bank can identify areas for improvement, ensuring that messages are clear, relevant, and aligned with the bank's strategic objectives. This process not only fosters transparency and trust but also enhances employee engagement and customer satisfaction.

Furthermore, the integration of M&E into strategic management enables the bank to make informed decisions based on data-driven insights. By analyzing the effectiveness of communication efforts, the bank can adjust its strategic initiatives to better meet the needs of its clientele and respond to market dynamics. This adaptability is particularly important in the context of Puntland, where economic conditions and customer expectations may shift rapidly.

### **5.3 Recommendations**

The research recommendations are organized according to the study objectives and are based on the conclusions presented in the previous sections.

First, in relation to M&E planning, the study recommends that Dahabshiil Bank develop a robust M&E framework that aligns with the bank's strategic objectives. This framework should include clear success indicators, standardized data collection methods, timelines for evaluations, and clearly defined responsibilities for each stage of the M&E process. In addition, it is essential to involve both internal and external stakeholders in the planning process to ensure that the framework reflects institutional needs, which will enhance buy-in, accountability, and practical relevance.

Second, with respect to M&E training, the study recommends that Dahabshiil Bank design training programs tailored to the specific roles and responsibilities of different departments. Customized training will enhance employee understanding and practical application of M&E tools. This should be supported by hands-on workshops that allow staff to practice developing indicators, collecting and analyzing data, and reporting findings. Moreover, mentorship opportunities should be established to promote peer learning, where experienced staff guide newer employees in adopting and implementing M&E practices.

Third, concerning M&E communication, the study recommends that the bank formulate a comprehensive communication strategy that defines how M&E information will be shared internally among departments and externally with stakeholders. This strategy should include regular reporting mechanisms—such as monthly updates or quarterly reports—to communicate key M&E findings and their strategic implications. Additionally, structured feedback loops should be established to allow employees to provide input on the M&E process and how results are communicated and used in decision-making. This participatory approach will foster a culture of learning, transparency, and continuous improvement across the institution.

#### **5.4 Suggestions for Further Research**

This study focused on just three aspects of monitoring and evaluation—planning, training, and communication—though there are several other parts that can also influence how banks manage their strategies. Therefore, it is recommended that future research explore the impact of these other M&E components on strategic management in banks. Additionally, further studies could look at different sectors of the economy to see if the results differ in other fields.



Mount Kenya University

## REFERENCES

- Ababa, A. (2014). *Training, monitoring, and evaluation practices and challenges of local nongovernmental organizations executing education projects in Addis Ababa* (Doctoral dissertation, Addis Ababa University).
- Acharya, B. Y., Kumar, V., Satyamurti, R., & Tandon. (2016). Reflections on participatory evaluation based on the PVOH experience. Presented at the International Conference on Participatory Monitoring and Evaluation, Cavite, Philippines.
- Alcock, P. (2009). Targets, indicators, and milestones in public management. *Public Management Review*, 6(2).
- Amin, E. M. (2005). *Social science research: Conception, methodology and analysis*. Kampala: Makerere University Press.
- Babbie, E., & Mouton, J. (2006). *The practice of social research*. Oxford, UK: Oxford University Press.
- Bamberger, M., Rao, V., & Woolcock, M. (2018). Insights on using mixed methods for M&E in international development.
- Barasa, F., & Jelagat, T. (2020). Community participation in planning and managing projects for sustainable development. *International Journal of Current Research*, 5.
- Bhat, A. (2019). *Understanding quantitative methods in evaluation*. Retrieved from QuestionPro.com

- Bloomberg, B., Cooper, D. R., & Schindler, P. S. (2011). *Business research methods* (3rd European ed.).
- Bourne, M., Neely, A., Mills, J., Platts, K., & Richards, H. (2020). Implementing performance measurement systems. *International Journal of Operations & Production Management*, 40(4), 421–445.
- Chen, L., Zhang, Y., & Wang, J. (2021). Strengthening trust in banks through transparent M&E. *International Journal of Bank Marketing*, 39(4), 678–695.
- Chukwuma, I. C., Okafor, G. E., & Ugochukwu, E. C. (2019). Enhancing efficiency in Nigerian banks through M&E. *African Journal of Business Management*, 13(6), 143–152.
- Cook, S. (2008). *Customer care excellence: How to create an effective customer focus* (5th ed.). London: Kogan Page.
- Cooper, C. R., & Schindler, P. S. (2014). *Business research methods* (12th ed.). Boston: McGraw-Hill.
- Cox, J. (2009). A theory of change in evaluation. *Evaluation Exchange*, 15(1), 10–12.
- Cox, E. A. (2009). *Theory-driven evaluation: A practical guide*. New York: Wiley.
- Cox, J. W., & Hassard, J. (2005). Understanding triangulation in organizational studies. *Management Science*, 12, 109–133.
- Cox, P. (2009). *Evaluation for improvement: A seven-step empowerment approach*. National Center for Injury Prevention.

Gyorkos, T. (2011). M&E in large-scale helminth control. *Acta Tropica*, 86(2), 275–282.

Hague, C., et al. (2017). Participatory planning for sustainable communities. Report for the Office of the Deputy Prime Minister (ODPM), London.

Henry, E. P. (2013). Evaluation of Projoven job training for disadvantaged youth.

Jones, H. (2011). How to monitor and evaluate policy influence. *ODI Background Notes*. Overseas Development Institute.

Kothari, C. R. (2004). *Research methodology: Methods and techniques*. New Delhi: New Age International.

Kusek, J. Z., & Rist, R. C. (2014). *Ten steps to a results-based monitoring and evaluation system*. World Bank.

Lahey, R. (2015). Frameworks for public sector M&E systems. REL Solutions, Canada.

Mackay, K. (2007). *Building M&E systems to support better governance*. Washington, DC: World Bank.

Michelle, Y. W., & Mike, A. I. (2018). How M&E planning affects project performance in Kenyan state firms.

Msila, V., & Stehlik, A. (2013). Interpreting Carol Weiss's work on program evaluation. *Horizon Research Publishing*.

Mugenda, O., & Mugenda, A. (2003). *Research methods: Quantitative and qualitative approaches*. Nairobi: ACTS Press.

Mwangi, J., & Ngugi, R. W. (2022). M&E practices and strategic management in Kenyan commercial banks. *African Journal of Business Management*, 16(3), 45–62.

Ndubisi, N. O., Malhotra, N. K., & Hsu, S. H. (2022). Accountability in banks through M&E. *International Journal of Bank Marketing*, 40(3), 456–472.

Nduka, E. C., & Okafor, C. E. (2021). M&E communication challenges in Nigerian banks. *International Journal of Economics and Finance*, 13(5), 34–50.

Nyonje, R. O., Ndunge, K. D., & Mulwa, A. S. (2017). *Monitoring and evaluation of projects and programs: A handbook for students and practitioners*. Nairobi: Aura Publishers.

Osei-Tutu, E., Owusu-Antwi, G., & Asante-Darko, D. K. A. (2019). The role of M&E communication in strategic planning in Ghanaian banks. *Journal of African Business*, 20(4), 456–472.

Oyuga, B. A. (2012). Adoption of participatory M&E in Kenyan public schools (Doctoral dissertation, University of Nairobi).

Phiri, B. (2015). How M&E affects project success: A case from African Virtual University, Kenya.

Saunders, M., Lewis, P., & Thornhill, A. (2014). *Research methods for business students* (5th ed.). Harlow: Pearson Education.

UNDP. (2012). *Handbook on monitoring and evaluation for results*. UN.

United Nations Environment Programme. (2019). *Finance, mining, and sustainability*. UNEP.

Weiss, C. H., & Shirley, D. L. (2002). How evaluation improves policy. In J. P. McLaughlin & D. C. Jordan (Eds.), *Evaluation research: A systematic approach*.

Weiss, C. H. (1995). Why good theory is practical: Theory-based evaluation. *New Directions for Evaluation*, 57.

World Bank. (2015). *Global monitoring strategy for eliminating new HIV infections among children*

Wysocki, R. K., & McGary, R. (2013). *Effective project management: Traditional, adaptive, and extreme* (3rd ed.). Indianapolis, IN: Wiley Publishing.

Abdel-Maksoud, A., Elbanna, S., Mahama, H., & Pollanen, R. (2015). How performance data is used in public decisions. *International Journal of Public Sector Management*, 28(7), 528–549.

Abdulkadir, M. (2012). Simulating maximum power point tracking in photovoltaic systems. In *2012 IEEE International Conference on Power and Energy* (pp. 325–330). IEEE.

Adalety, E. J., & George, T. J. (2019). Monitoring stakeholder participation in e-governance projects. *IOSR Journal of Humanities and Social Science*, 24, 52–60.

Amason, A. C., & Ward, A. (2020). *Strategic management: From theory to practice*. Routledge.

- Babafemi, I. (2015). Reviewing corporate strategy and evaluation. *Journal of Management Policies & Practices*, 3(1), 43–49.
- Bappy, M. M., Ali, S. M., Kabir, G., & Paul, S. K. (2019). Sustainability in supply chains using Dempster-Shafer theory. *Journal of Cleaner Production*, 237, Article 117790.
- Binning, A. (2017). Three key challenges in renewable energy. *Energy Manager Magazine*.
- Callistus, T., & Clinton, A. (2018). Role of M&E in construction project management. In *International Conference on Intelligent Human Systems Integration* (pp. 571–582). Springer.
- Cattani, G., Porac, J. F., & Thomas, H. (2017). Categories and competition. *Strategic Management Journal*, 38(1), 64–92.
- Muogbo, U. S. (2013). The impact of strategic management on organizational growth and development: A study of selected manufacturing firms in Anambra State. *IOSR Journal of Business and Management*, 7(1), 24–32.
- Muriithi, J. G., & Waweru, K. M. (2017). Liquidity risk and financial performance of commercial banks in Kenya. *International Journal of Economics and Finance*, 9(3), 256–265.
- Ng'ang'a, P. K. (2017). The effect of interest rate capping on the financial performance of commercial banks in Kenya [Master's thesis, University of Nairobi]. <http://erepository.uonbi.ac.ke>
- Otieno, S. A. (2013). Strategic issue management practices by small and medium enterprises in Mombasa County, Kenya [Master's thesis, University of Nairobi]. <http://erepository.uonbi.ac.ke>

Peters, T. J., & Waterman, R. H. (1980). *In search of excellence: Lessons from America's best-run companies*. Harper & Row.

Pollanen, R. M., Abdel-Maksoud, A., Elbanna, S., & Mahama, H. (2017). Relationships between strategic performance measures, strategic decision-making, and organizational performance: Empirical evidence from Canadian public organizations. *Public Management Review*, 19(5), 725–746.

Schapper, P. R., Malta, J. N. V., & Gilbert, D. L. (2017). An analytical framework for managing and reforming public procurement. *Journal of Public Procurement*, 5(1), 1–26.

Predictive Analytics. (2024). What is data analysis? *Predictive Analytics Today*.

Shapiro, J. (2024). *Monitoring and evaluation*. Johannesburg: CIVICUS: World Alliance for Citizen Participation.

Woodhill, J., & Lisa, R. (2024). *Participatory evaluation for Landcare and catchment groups: A guide for facilitators*. Greening Australia.

Wysocki, R. K., & McGary, R. (2024). *Effective project management: Traditional, adaptive and extreme* (3rd ed.). (R. M. Elliott, Ed.). Indianapolis, IN: Wiley Publishing.

## APPENDICES

### APPENDIX I- CONSENT FORM FOR PARTICIPATION IN RESEARCH

**TITLE OF THE STUDY: INFLUENCE OF MONITORING AND EVALUATION CAPACITY ON STRATEGIC DECISION-MAKING IN DAHABSHIIL BANK, GAROWE, PUNTLAND STATE, SOMALIA**

**INVESTIGATOR'S NAME: DEKO MOHAMED HUSSEIN- (MAME/2019/51246**

**Dear Participant,**

You are kindly invited to take part in a research study titled: "**Influence of Monitoring and Evaluation Capacity on Strategic Decision-Making in Dahabshiil Bank, Garowe, Puntland State, Somalia.**"

I am currently pursuing a Master's degree in Monitoring and Evaluation at Mount Kenya University and working on my final research project. The main goal of this study is to examine how the bank's monitoring and evaluation capacity affects its strategic decision-making process in Garowe, Puntland.

#### **Risks and Benefits:**

There are no expected risks from participating in this study. However, you might experience minor discomforts such as fatigue, headaches, or uneasiness when interacting with others during the process. While there are no direct personal benefits, your participation may help improve how monitoring and evaluation is understood and applied in strategic decisions within Puntland, particularly in Garowe.

**Confidentiality:**

Your information will be treated with full confidentiality. All responses will be kept secure and only used for this study by the research team. Your name or personal details will not be mentioned in any reports or publications.

**Voluntary Participation:**

Taking part in this study is entirely up to you. You can choose not to participate or withdraw at any time without any consequences. If you choose to stop, any information you have provided will be safely discarded and not used in the study.

**Contact Information:**

If you have any questions about the study, please feel free to contact me, **Deko Mohamed Hussein**, at +252 907767110 or reach out to my supervisor, **Dr. Ibrahim Nyaboga**, at +254 722469824.

If you have concerns about your rights as a participant, you may contact the **Chairman of the Mount Kenya University Ethical Review Committee**, P.O. Box 342-01000, Thika.

**Consent Statement:**

By signing below, you confirm that you have read and understood the information provided above. You also agree that your questions have been answered clearly and that you freely agree to participate in this study.

**Participant's signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Investigator's signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

## APPENDIX II: QUESTIONNAIRE

**Dear Respondent,**

My name is Deko Mohamed Hussein, and I am a student at Mount Kenya University. I am conducting this research as part of the requirements to earn a Master of Arts Degree in Monitoring & Evaluation. The study focuses on the "Influence of Monitoring and Evaluation Capacity on Strategic Decision-Making at Dahabshiil Bank, Garowe, Puntland State, Somalia." Your answers are very important, so please respond honestly. All information you provide will be kept private and confidential. Your participation in this study is greatly valued. This questionnaire is used solely for academic purposes, and all data will be handled with strict confidentiality.

**Instruction:** Pick from the box given or circle where there is no box. If the space provided is not enough, kindly use the back of the paper.

### Section (A): Background Information of Respondents

1. Gender

Male  Female

2. Age Group

18 – 25 yrs  26 – 33 yrs  34 – 41 yrs  Over 42 yrs

3. Highest level of education

Certificate  Diploma  Degree  Post Graduate

Other (Please specify): .....

4. Period worked in bank?

Less than 2 years       2 – 4 years       5 – 7 years       Over 8 years

**Section B: Monitoring and evaluation planning at Dahabshil Bank, Garowe-Puntland State**

*Instruction: Tick (✓) the box with your appropriate answer and that best describes the extent to which you agree with each of the statements afterward: 1-Strongly Disagree (SD), 2-Disagree (D), 3-Not Sure (NS), 4- Agree (A), 5-Strongly Agree (SA)*

Statement	SD	D	NS	A	SA
	1	2	3	4	5
The bank always come up monitoring and evaluation plan gives a clear direction					
Monitoring and evaluation planning is done at the very point where the banks come with any strategic decision					
Most of the bank’s monitoring and evaluation plans contain a list of parameters that help to achieve the desired results					
The contents of the monitoring and evaluation plan are well-defined conceptual measures and definitions, along with baseline data needed					
Planning for monitoring and evaluation takes care of all aspects that need to be in place at the bank					
Monitoring and evaluation plan help in understanding expectations of the bank					

**SECTION C: Monitoring and evaluation training at Dahabshiil Bank, Garowe-Puntland State**

*Instruction: Tick (✓) the box with your appropriate answer and that best describes the extent to which you agree with each of the statements afterward: 1-Strongly Disagree (SD), 2-Disagree (D), 3-Not Sure (NS), 4- Agree (A), 5-Strongly Agree (SA)*

Statement	SD	D	NS	A	SA
	1	2	3	4	5
There is increase in training of staff to enhance understanding and competency in monitoring and evaluation					
There is continuous induction of monitoring and evaluation experts in the bank					
There are formal training courses on the monitoring and evaluation in the bank					
There are short courses on the monitoring and evaluation in the bank					
The skilled and knowledgeable inform on new innovation easing implementation of core bank strategic plan					
Monitoring and evaluation training enhances staff's understanding of strategic management deliverables					

**SECTION D: Monitoring and evaluation communication at Dahabshiil Bank, Garowe-Puntland State**

*Instruction: Tick (✓) the box with your appropriate answer and that best describes the extent to which you agree with each of the statements afterward: 1-Strongly Disagree (SD), 2-Disagree (D), 3-Not Sure (NS), 4- Agree (A), 5-Strongly Agree (SA)*

Statement	SD	D	NS	A	SA
	1	2	3	4	5
There is reporting schedules of monitoring and evaluation progress					
There is effective reporting of core banking system monitoring and evaluation progress					
Information sharing strengthen/improve and advocacy for additional resources for future strategic plans					
The information sharing on the strategic plan achievements are published					
Data collection complement information needed for performance of the bank					
The monitoring and evaluation reports are important for the bank to evaluate the performance of the bank					

### SECTION E: Strategic Management at Dahabshiil Bank

**Instruction:** Tick (✓) the box with your appropriate answer and that best describes the extent to which you agree with each of the statements afterward: 1-Strongly Disagree (SD), 2-Disagree (D),

3-Not Sure (NS), 4- Agree (A), 5-Strongly Agree (SA)

SN		SD	D	NS	A	SA
1	The bank makes profits from its banking services					
2	There is consistent profit generation at the bank					

3	The costs of operations of the bank have continued to decline					
4	The bank has more of the current assets that are easily converted into cash					
5	The bank has enough cash to run the daily activities					
6	The bank has cash to meet financial obligations when they fall due					
7	My bank yield enough from its investments					
8	High return on investment indicates better performance					
9	Investments of the bank are judged on the level of returns					

**Thank you once again for your precious time and attention**

### APPENDIX III: INTERVIEW GUIDE

Dear Respondent,

The aim of this interview is to get data on ***“INFLUENCE OF MONITORING AND EVALUATION CAPACITY ON STRATEGIC DECISION MAKING, CASE STUDY OF DAHABSHIIL BANK, GAROWE-PUNTLAND, SOMALI”***. You have been purposely selected given your level of knowledge and position. All information provided is solely for academic purposes and shall be treated with the highest confidentiality.

1. Does Dahabshiil Bank conduct monitoring and evaluation planning? What types of plans are done at the bank?
2. How does monitoring and evaluation training influence strategic management of the bank?
3. Does Dahabshiil Bank conduct training for staff in monitoring and evaluation? Explain how it done at the bank?
4. How does monitoring and evaluation training influence strategic management of the bank?
5. Does Dahabshiil Bank to ensure there is effective communication in monitoring and evaluation? Explain how it done at the bank?
6. How does communication in monitoring and evaluation influence strategic management of the bank?
7. What is the level of strategic management at Dahabshiil Bank?

**Thank you for your precious time**

**APPENDIX IV: TABLE DETERMINING SAMPLE SIZE FROM A GIVEN  
POPULATION**

<b>N</b>	<b>S</b>	<b>N</b>	<b>S</b>	<b>N</b>	<b>S</b>	<b>N</b>	<b>S</b>	<b>N</b>	<b>S</b>
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

*Source: Krejcie, Robert V., and Morgan, Daryle W., (1970). “*

Note: “N” is population size  
“S” is sample size.

## APPENDIX V: INTRODUCTION LETTER

# Mount Kenya University



### DIRECTORATE OF GRADUATE STUDIES

MAME/2019/51246

11<sup>th</sup> December, 2024

National Commission for Science Technology & Innovation (NACOSTI)  
Off Waiyaki Way, Upper Kabete,  
P.O Box-50623-00100  
NAIROBI, KENYA


**RE: DEKO MOHAMED HUSSEIN – REGISTRATION NO. MAME/2019/51246**

The purpose of this letter is to introduce the abome named student who is pursuing Master of Arts in Mioniforing and Evaluation in the Department of Social and Development Studies in School Social Science.

The title of the research is **Influence of Monttoraf Evaluation Practices on Strategic Management in Dahabshill Bank, Garowe-Puntland, Somalia.**  
(Certificate attached) *attued.* **January, 2025 and March, 2025.**


Any assistance accorded to the student will be highly appreciated.

Thank you.

  
Dr. Samuel K. Korretja, **En-D**are Soudres  
Director, Graduate Studies

Main Campus, General Kago Road, P.O. Box 540 010000 Thika  
Fo: 1669 20 5877503 1349 d 596 166 000 500  
E mail: info@mku.ac.ke; website: www.mku.ac.ke

## APPENDIX VI: CERTIFICATE OF ETHICAL CLEARANCE

  
**Mount Kenya University**

REF: MKU/ISERC/4863 Date: 10/ 12/2024  
TO: DEKO MOHAMED HUSSEIN REG: MAME/2019/51246

Dear Sir/Madam.

**RE: INFLUENCE OF MONITORING AND EVALUATION PRACTICES ON STRATEGIC MANAGEMENT IN DAHARSHIIL BANK. GAROWE PUNTLAND SOMALI**


This is to inform you that **Mount Kenya** University has reviewed and approved your research proposal. Your application approval number is **3582**. The approval period is **10/14/2024 - 09/12/2025**.


This approval is subject to compliance with the following requirements:

- i. Only approved documents including informed consents, study instruments, study instruments
- ii. All changes, amendments, deviations and violations are submitted for review and to-approval by **Mount Kenya University**
- iii. Death, life-threatening problems serious adverse or adverse events or unexpected adverse events within 72 hours of occurrence to Mount Kenya University within 72 hours of notification, presentation of notification
- iv. Any changes, anticipated or otherwise that increase the risks or affect the safety or welfare of study participants and others or affect the integrity of the research data to Mount Kenya University within 70 hours at occurrence
- v. Written transfers of biological specimens shipments
- vi. Submission of a request for approval renewal at least 50 days before the approval period expired. Attach comprehensive progress report to Mount Kenya University
- vii. Submission of an executive summary report within 90 days upon completion of study to **Mount Kenya University**

Prior to commencing your study, you may obtain clearance from the National Commission for Science, Technology and Innovation (NACOSTI) and any other clearances.

Yours sincerely,

  
**Dr. Alfred Owind, PhD**  
Chairman, Mount Kenya University ISERC

  
MOUNT KENYA UNIVERSITY  
ETHICS REVIEW COMMITTEE  
P.O. Box 582 61000,  
THIKA

Main Campus, General Kago Road, P.O. Box 349-87000 Thika  
Tel: +254-20-6674609 Gal: +254-20-172-412  
Email: hr@mku.ac.ke, M3B www.mku.ac.ke  
Near a green of children, gold or white

## APPENDIX VII: FIELD ENTRY /RESEARCH AUTHORIZATION



REF GD/DG/0347/2025

25/01/2025

RE: Authorization letter to Conduct Research in Garowe District

To Whom It May Concern,

This letter is to confirm that the Garowe Municipality has granted full authorization to:

**Name: Deko Hussein Mohamed**  
**Reg. Number: MAME/2019/51246**  
**Institution: Mount Kenya University**

**To conduct academic research under the title: "Influence of Monitoring and Evaluation Practices on Strategic Management in Dahabshil Bank, Garowe, Puntland, Somalia."**

The research is scheduled to be conducted within the Garowe District between **January and March 2025**, and may involve interviews, questionnaires, and visits to public and private institutions, including Dahabshil Bank.

The Municipality expects the researcher to:

- Observe high ethical standards,
- Respect the confidentiality of respondents,
- Coordinate with institutional heads,
- And avoid disruption of services.

For any inquiries or verification, don't hesitate to get in touch with the Office of the Mayor using the email address above.

Thank you.



**Hon. Abdulkadir Mohamed Mohamud**  
**Mayor, Garowe Municipality**

Mount Ken

## APPENDIX VIII: SIMILARITY INDEX REPORT

INFLUENCE OF MONITORING AND EVALUATION CAPACITY ON STRATEGIC DECISION-MAKING IN DAHABSHIL BANK, GAROWE, PUNTLAND STATE, SOMALIA

ORIGINALITY REPORT

20% SIMILARITY INDEX 19% INTERNET SOURCES 7% PUBLICATIONS 12% STUDENT PAPERS

PRIMARY SOURCES

1	<a href="http://uminspace.umi.ac.ug">uminspace.umi.ac.ug</a> Internet Source	2%
2	<a href="http://pub.nkumbauniversity.ac.ug">pub.nkumbauniversity.ac.ug</a> Internet Source	1%
3	<a href="http://erepository.uonbi.ac.ke">erepository.uonbi.ac.ke</a> Internet Source	1%
4	<a href="http://dj.univ-danubius.ro">dj.univ-danubius.ro</a> Internet Source	1%
5	<a href="http://www.coursehero.com">www.coursehero.com</a> Internet Source	1%
6	<a href="http://ir-library.ku.ac.ke">ir-library.ku.ac.ke</a> Internet Source	1%
7	<a href="http://ir.kiu.ac.ug">ir.kiu.ac.ug</a> Internet Source	1%
8	<a href="http://journals.miu.ac.ug">journals.miu.ac.ug</a> Internet Source	1%
9	<a href="http://dissertations.umu.ac.ug">dissertations.umu.ac.ug</a> Internet Source	1%
10	<a href="http://etd.aau.edu.et">etd.aau.edu.et</a> Internet Source	1%
11	<a href="http://repository.anu.ac.ke">repository.anu.ac.ke</a> Internet Source	<1%
12	Submitted to University of Lay Adventists of Kigali Student Paper	<1%
13	<a href="http://erepository.mkuit.ac.rw">erepository.mkuit.ac.rw</a> Internet Source	<1%

INFLUENCE OF MONITORING  
AND EVALUATION CAPACITY  
ON STRATEGIC DECISION-  
MAKING IN DAHABSHIIL BANK,  
GAROWE, PUNTLAND STATE,  
SOMALIA

*by* MOHAMED HUSSEIN DEKO

---

**Submission date:** 27-Jun-2025 12:06PM (UTC+0300)  
**Submission ID:** 2706797899  
**File name:** DEKO\_MOHAMED\_HUSSEIN-2.docx (1.24M)  
**Word count:** 20000  
**Character count:** 119683

Mount

**APENIX IX: MAP OF GAROWE DISTRICT-PUNTLAND STATE-SOMALIA**

