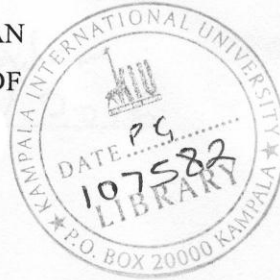


**WORKING CAPITAL MANAGEMENT AND MANAGERIAL PERFORMANCE OF
SELECTED REAL ESTATE COMPANIES IN MOGADISHU, SOMALIA**

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ABSTRACT

This study investigates the extent to which working capital management impacts on the managerial performance of the selected real estate companies in Mogadishu, Somalia. To achieve the research purpose, the following research objectives were formulated and these included: to examine the effectiveness of working capital management among the selected real estate companies in Mogadishu; to assess the level of managerial performance in selected real estate companies in Mogadishu; to establish whether there is any significant relationship between working capital management and managerial performance in selected real estate companies in Mogadishu. A descriptive survey design employing both qualitative and quantitative approaches was adopted and applied to illustrate how working capital management affects the managerial performance of the selected real estate companies; the sample size was 111 respondents and these were sampled from total population of 154. Both systematic random and purposive sampling techniques were used to sample respondents. The data collection instruments used included the questionnaire and interview guide. The validity and reliability of the research instruments was determined using content validity index and pretesting. The data collected about the variables was coded and Statistical Package for Social Scientists (SPSS) was used for data entry and analysis. Frequencies and percentages were used to analyze the profile of respondents; mean ranges and standard deviations were used for the items that significantly measured the study variables. Pearson's correlation coefficient was used to establish the relationships between working capital management practices and the managerial performance of the selected real estate companies. Multiple regression analysis was used to determine how the predictor variables could explain the dependent variable. This was because there were more than one variable affecting the dependent variable. The research findings indicate that the practices of working capital management practices in the selected companies was moderate (overall mean average of 3.34; SD= 1.01); this study found out that the level of managerial performance of the real estate companies was moderate (overall mean average of 2.99; SD=1.13); and finally, this study found out that there is strong, positive and significant relationship between effectiveness in working capital management practices and managerial performance of selected real estate companies (r. value of 0.980 and significant value of 0.000). This study concludes that the working capital management practices of the selected real estate companies is moderate; the managerial performance of the selected real estate companies in Somalia is still moderate; this study finally concludes that any unit improvement in effectiveness in working capital management in the selected real estate companies can lead to improvement in the level of managerial performance of the companies. It was therefore recommended that the management of the selected companies should put emphasis on improving the use of cash, inventories and receivables so as to enhance managerial performance.