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Strategic Adaptation and Performance of Private Primary Schools in Kisii
Town



Strategic Adaptation and Performance of Private Primary Schools in Kisii Town



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ABSTRACT

Purpose: The purpose of this research was to establish the influence of strategic adaptation and organizational performance of private primary schools in Kisii town. The specific objectives of the study was to establish the influence of strategic flexibility, strategic innovation, hedging and organizational capabilities on performance of private primary schools in Kisii town.

Methodology: The study targeted proprietors from 118 pharmacies in Kisumu. Purposive sampling was used to select the sample for the study. Questionnaires were used in collection of data. Descriptive statistics and multiple regression analysis were used to analyze the data.

Findings: From the findings, strategic flexibility, strategic innovation, hedging and organizational capabilities had a significant effect on performance of private primary schools in Kisii town ($t = 2.089$, $p = 0.028$; $t = 2.630$, $p = 0.010$; $t = 2.194$, $p = 0.022$; $t = 3.125$, $p = 0.002$ respectively)

Unique Contribution to Theory, Policy and Practice: This study enriches Dynamic Capabilities Theory by empirically demonstrating how strategic flexibility, innovation, hedging, and organizational capabilities jointly enhance school performance in a changing educational environment. It informs policy by advocating for structured adaptation strategies within Kenya's private education sector to improve resilience and competitiveness. For practice, the findings provide actionable insights for school leaders to implement adaptive strategies that align internal capabilities with external demands, thereby improving sustainability and service delivery in private schools.

Keywords: *Strategic Adaptation, Performance, Strategic Flexibility, Strategic Innovation, Hedging, Organizational Capabilities*

INTRODUCTION

Background to the Study

Since they enable businesses to stay relevant and competitive in a dynamic business environment, strategic change and adaptation are crucial to organizational performance (Ketemaw & Amente, 2023). Sarta *et al*, (2021) observed that organizational adaptation is equivocal since it acts as the glue binding together the central issues of organizational change, performance, and survival. In 2020, the world faced one of the most unpredictable events in recent history, that is, the COVID-19 outbreak (Hanson & Abrantes, 2023).

Zenodo (2023) article analyzed the effectiveness of public, private, government dependent and private independent schools in 19 OECD countries using PISA 2000 data, which shows the educational achievements of 15-year-old students in reading and math. Their analysis clearly showed that private government-dependent schools are more effective than comparable public schools with the same pupils, parents and social composition. The main explanation for this higher effectiveness is the better school climate.

Dronkers (2010) applied propensity score matching to the estimation of differential school effectiveness between the publicly funded private sector and the public one, in a sample of 26 countries. This technique allowed them to distinguish between school choice and school effectiveness processes and thus, to account for selectivity issues involved in the comparison of the two. Concerning school choice, he found two patterns: a choice of the upwardly mobile parents for private schools and a preference for segregation by (lower-) middle class parents. As regards school effectiveness, the results indicate that, after controlling for selectivity, a substantial advantage in reading achievement remains among students in publicly funded private schools in ten out of the 26 countries.

Dynamic capabilities also has been a focus area especially in the field of strategic management (Barreto, 2010) and the firm success is not only depend on the resources and capabilities that the firm has, but most importantly on how the firm adjust themselves with the market they operated (Rua, Franca, & Fernandez Ortiz, 2018).

The global economy's transformations have prompted public healthcare institutions in Kenya to adopt strategies to expand their markets, improve customer satisfaction, and enhance operational efficiency globally (Jumapili & Muathe, 2025). The study concluded that total quality management practices are significant enablers of the organizational performance of an institution.

Chepngetich (2023) studied strategy implementation and performance of private secondary schools in Nakuru County. The study concluded that there existed a moderate positive and significant relationship between organizational structure and performance of private secondary schools in Nakuru County. The study recommended that the private secondary schools should coordinate effectively because coordination gives complete freedom to the employees.

Kamau (2017) addressed quality management practices and performance of Private Primary schools in Ruiru Sub County. The study established that quality management practices improves efficiency and performance thus increasing profitability, pupil's enrolment and competitiveness.

On her part, Mwongeli (2016) studied effect of competitive strategies on organizational performance of private primary schools in Embakasi Sub County. The objectives of the study were to examine the effect of cost reduction strategy on organizational performance, to determine the effect of differentiation strategy on organizational performance, and to examine the effect of focus strategy on organizational performance. The study found out that the schools draw a budget for the full year, issue annual fee guidelines, charge moderately higher fee compared to other schools, hire external auditor services each year and outsource some services.

Statement of the Problem

Contemporary society is currently based on knowledge, technology development and globalization, which inevitably contributes to its evolution at a rapid pace. Due to escalating dynamism, turbulence, uncertainty, risk, complexity, and irregularity in modern business environments, sustained organizational performance (OP) has become a major challenge for many contemporary organizations (Awais *et al*, 2023). Therefore, organizations must have abilities to adapt to prevalent environmental changes to adjust their strategies to achieve performance goals. Consequently, strategic adaption has obtained an ongoing and sustained interest among researchers (Dermonde & Fischer, 2021; Goncalves & Bergquist, 2022).

Ketemaw and Amente (2023) observed that anticipating strategic change and how to adapt it is essential for surviving in a fast-paced economic and technological environment. Cera and Kusaku (2020) studied factors influencing organizational performance with results revealing that work environment, training-development and management are its important determinants.

Locally, Jumapili and Muathe (2025) have studied quality management practices and performance of Public Healthcare Institutions in Kenya. Atonga *et al* (2024) determined the moderating effect of stakeholders' management on the relationship between organizational characteristics and the performance of seaports in Anglophone Africa. The finding established a positive and significant moderating effect of stakeholders' management on the relationship. Chelangat (2022) focused on organizational culture and organization performance. Mwangi et al (2022) studied organizational performance as an outcome of adaptive capability. The reviewed studies indicate that strategic adaptation has not receive so much attention in Kenyan literature.

This study sought to address this gap by exploring the extent to which strategic adaptation contributes to the performance of organizations with private schools in Kisii Town forming the popuation for the study. The aim of the study was to identify the best practices that have and can be implemented to mitigate risks associated with the performance of such schools in Kenya.

General Objective

The main objective of the study was to establish the influence of strategic adaptation and organizational performance of Private Schools in Kisii town, Kenya

Specific objectives

- i. To assess the influence of strategic flexibility on organizational performance of private schools in Kisii Town.
- ii. To establish the role of strategic innovations on organizational performance of private Schools in Kisii Town.
- iii. To examine the influence of hedging on organizational performance of private Schools in Kisii Town.
- iv. To determine the organizational capabilities on performance of private schools in Private schools in Kisii Town.

Research Hypothesis

The study was guided by the following hypotheses.

H₀₁: Strategic flexibility does not significantly influence performance of private schools in Private schools in Kisii Town.

H₀₂: Strategic innovations do not significantly influence performance of private schools in Private schools in Kisii Town.

H₀₃: There is no relationship between hedging and performance of private schools in Private schools in Kisii Town.

H₀₄: organizational capabilities do not significantly influence performance of private schools in Private schools in Kisii Town.

LITERATURE REVIEW

Theoretical Framework

Contingency Theory

Contingency theory presents that organizations seeking competitiveness should maintain a balance between internal operations and external environment (Husin & Oktaresa, 2018). Environmental uncertainties and high competitive levels are external environmental factors that are likely to affect business activities. Internal operations of a firm result from resources and capabilities. Resources are inputs to the activities carried out by a firm while capability is the ability of an organization to utilize the resources to generate superior performance (Bantugan, 2021). Contingency theory advocates that situations outside the normal planning and control of management are likely to affect the routine practices of an organization, therefore managers should incorporate such unanticipated occurrences in their plans (Naidu *et al.*, 2021).

Existing literature is replete with studies on the correlation between quality improvement and external environment. For instance, (Lamprey & Singh, 2018) established that the developmental culture type is the most prominent culture type that supports the implementation of the soft quality management practices. In addition, firms that adopt developmental culture report an increase in organizational performance ((Husin & Oktaresa, 2018). Developmental culture dimension seeks to attain flexible operations within an organization while achieving parity with external environment. Contingency theory is useful in explaining the relationships among QMPs, OC and organization performance. This is because maintaining a balanced focus between internal factors such as organization culture and strategy formulation manifested through quality initiatives and the changes in the external environment enable organizations to realize their objectives (Cheng & Fisk, 2021).

Dynamic Capabilities Theory

Dynamic capabilities theory proposed by Teece and Pisano (1994) is the extension from resource-based view (RBV) of the firm (Barney, 1986, 1991). Based on the RBV, firm in the similar industry perform differently because they have different kind of resources and capabilities (Barney, 1986, 1991; Peretaf, 1993) whereby RBV is considered as static in nature and insufficient to explain the competitive advantage of the firm in changing market environment (Priem & Butler, 2001). Additionally, the resource based view of the firm is looking at the unique, rare and inimitable resources that the firm has that created competitive advantage and firm growth (Barney, 1986). However, the process of maintaining competitive advantage is limitless and it is the dynamic process (Hung, Yang, Lien, McLean, & Kuo, 2010). Hence scholars has proposed that in order for the firm to remain competitive in the market, the firm need to develop specific capabilities and continuous learning (Argyris & Schon, 1978; Hammer, 2001; Jashapara, 1993; Senge, 1990; Zott, 2003) which is from dynamic capabilities point of view especially in the new or changing market environment (Wilden, Gudergan, Nielsen, & Lings, 2013).

The relationship between dynamic capabilities and organizational performance has indicated a positive relationship based on empirical studies (Hung et al., 2010). For example, Danneels (2002) conducted a study on five high-tech firms and found that product innovation capabilities increase the firm competencies and performance. Apart from that, Zott (2003) identified how the different dynamic capabilities of the firm can influence the performance and the study further identified that even in small different of dynamic capabilities between the firm, it can create significantly divergence in firm performance. From international business perspective, Luo (2000) discovered that the exploitation of dynamic capabilities can increase the firm expansion in international market and simultaneously increase firm performance.

Social Exchange Theory

Social exchange theory, proposed by Homans (1958), suggests that relationships are built on the exchange of resources, whether tangible or intangible, and that these exchanges are guided by the principle of reciprocity. In the context of stakeholder engagement, this theory posits that the trust and relationships between project managers and stakeholders are shaped by the mutual exchange of information, resources, and support. The theory implies that strong, trust-based relationships can lead to better cooperation, reduced resistance, and more successful project outcomes (Homans, 1958). This theory is relevant for analyzing how trust and relationship management between stakeholders and project managers in Laikipia County impact the performance of infrastructure projects, including how these relationships influence project success.

Resource Dependence Theory

Resource dependence theory, developed by Pfeffer and Salancik (1978), argues that organizations are dependent on external resources and that these dependencies can influence organizational behavior and decision-making. In infrastructure projects, stakeholders often control critical resources such as funding, regulatory approvals, or community support. This theory suggests that the power and influence of stakeholders are derived from their control over these essential resources, and that project managers must strategically manage these dependencies to ensure project success (Pfeffer & Salancik, 1978). Resource dependence theory can be applied to examine how the power dynamics and influence of different stakeholders in Laikipia County affect the performance of infrastructure projects, particularly in terms of decision-making, resource allocation, and project outcomes.

Conceptual Framework

Independent variables

Dependent variable

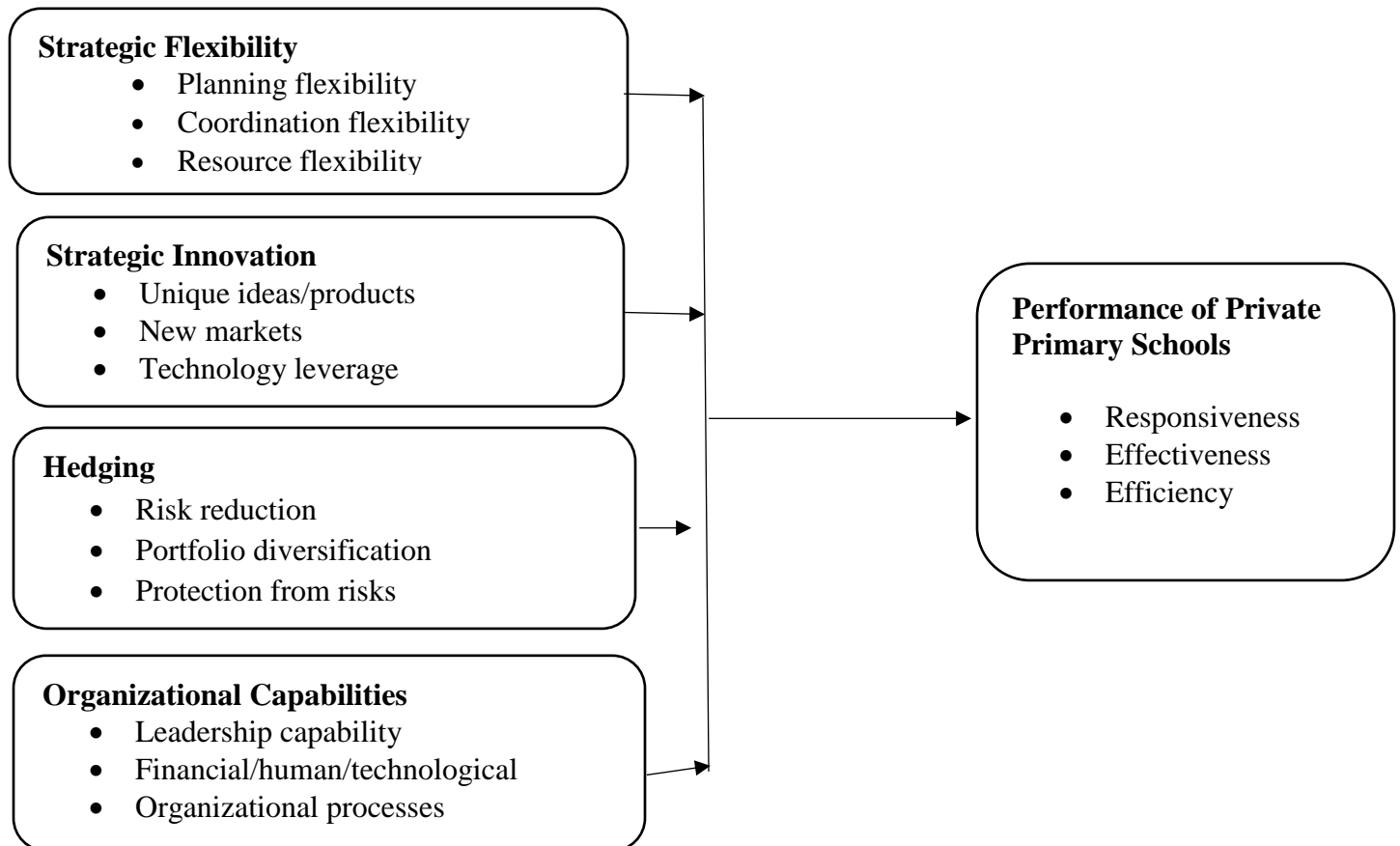


Figure 1: Conceptual Framework

Empirical review of literature

Ketemaw *et al.* (2023) studied effect of strategic change and adaptation on organizational performance; a comprehensive literature review. The study reviewed theoretical and empirical aspects of strategic change and adaptation and addressed 28 articles that were systematically selected. There are a number of factors that influence strategic change and adaptation, but the external environment and external factors have the biggest impact on these two processes and ultimately on organizational performance.

Sadraei *et al* (2024) looked at strategic adaptation in a dynamic global environment: unleashing the power of dynamic capabilities for international organizational performance. In today's fast-paced and interconnected global business landscape, organizations face the constant challenge of

adapting their strategies to stay competitive and thrive in rapidly changing environments (Clohessy *et al.*, 2020). The concept of dynamic capabilities forms the core of strategic adaptation.

Sarta *et al* (2021) reviewed 443 adaptation articles that leverages both computational and hand-coded analysis, they produced an interactive visual of the themes most studied by adaptation scholars. They inductively draw out a definition of adaptation as intentional decision-making undertaken by organizational members, leading to observable actions that aim to reduce the distance between an organization and its economic and institutional environments.

Yusof (2008) focused on strategic adaptation and the value of forecasts: the development of a conceptual framework. This paper examined the lack of emphasis on the value of forecasts in strategic adaptation frameworks. The objective of this paper was to offer a conceptual framework of strategic adaptation that incorporates and emphasizes the value of forecasts. The study highlighted that companies with high strategic adaptation ability need to be examined further in order to understand and take on board how they withstand the volatile market.

Havlovska *et al* (2020) studied strategic adaptation as a way of managing organizational changes in the context of implementing a safety-oriented enterprise management approach. In the process of research, the use of Greiner's Model of organizational change was proposed (for a generalized picture of the sequence of organizational changes), and the change curve model by Duck was adapted (when developing a fundamental sequence of measures to identify the main causes of workers' resistance and choose ways to counter it). This allows optimizing the processes of strategic adaptation within the safety-oriented approach of enterprise management.

Sternad (2017) looked at the strategic adaptation process: a literature review. Adaptation is a term that has been widely used in the strategy and organizational literature. In an effort to clarify terminology, Chakravarthy (1982) distinguished between three concepts of adaptation: a state of adaptation, adaptive ability and the process of adaptation. Later studies confirmed that organizations do adapt their strategies to major changes in their environment.

Fankhauser (2017) studied adaptation to climate change. This article reviews the economic and analytical challenges of adaptation to climate change. Adaptation to climate risks that can no longer be avoided is an important aspect of the global response to climate change. Humans have always adapted to changing climatic conditions, and there is growing, if still patchy, evidence of widespread adaptation behavior. The paper highlights the strong inter linkages between adaptation and economic development, pointing out that decisions on industrial strategy, urban planning, and infrastructure investment all have a strong bearing on future vulnerability to climate change.

Cosa (2024) addressed business digital transformation: strategy adaptation, communication and future agenda. Employing a conceptual approach, this paper synthesizes existing literature and theoretical frameworks related to DT, integrating its technological, strategic and organizational

dimensions. The findings revealed that despite DT's inherent complexity, the paper reveals that it is crucial for businesses navigating the contemporary digital landscape. It underscores the importance of strategic adaptations in DT, highlighting their implications on customer experiences and organizational structures amidst the evolving technological and market dynamics.

Simonet-Uman (2010) highlighted the concept of adaptation: interdisciplinary scope and involvement in climate change. Adaptation refers to both a process and its outcome, leading to many interpretations and much debate. Environmental sciences are at the intersection of natural and social sciences and have strong interdisciplinary features as does adaptation. Because of the acceleration of global environmental and socio-economic change, there is a growing interest in adaptation in environmental science. Climate change has become one of the major topics concerned by adaptation since this subject became a priority in research and on the political agenda.

Quansah and Hartz (2021) studied strategic adaptation: leadership lessons for small business survival and success. A constructivist grounded theory approach was used. Thirty-two CEOs and leaders from fifteen organizations were interviewed. It was determined that successful SB leaders avoid organizational complacency by being continuous learners, who are agile and flexible in determining appropriate management strategies. Additionally, they leverage time management processes, build strong and productive relationship networks and create positive family-oriented workplace cultures to increase their odds of survival.

Research Gaps

The foregoing studies have indicated that strategic adaptation has been studied largely from a literature review perspective. These have included studies by Sternad (2017), Ketemaw et al (2023) and Sarta et al (2021). Other studies have developed a conceptual framework such as Yusof (2008). This presents a need to carry out an empirical study with observable results to express the relationship. Secondly, strategic adaptation has also been studied as a climate change concept. Such ideas are gaining more prominence with studies such as Fankhauser (2017) and Simonet-Uman (2010). There is need to relate it to strategic management especially organizational performance. Finally, other studies such as Cosa (2024) related it to digital transformation. A literature gap, thus, exists that this study aimed to fill.

RESEARCH METHODOLOGY

The study used a descriptive correlational research design. The target population was the 38 private schools located in Kisii Town. These formed the unit of analysis for the study. The study selected two respondents from each school, the owner or manager and the head teachers of the schools. This constituted a sample size of 76 respondents. The study adopted the use of questionnaires for data collection. Pilot test entailed 8 respondents, drawn from the sample size

of the study. The gathered data were modified to ensure that it is accurate and comprehensive, thereby minimizing biases, enhancing precision, and achieving consistency. Following that, data were examined using descriptive statistics, which was then reported through mean, correlation, standard deviation, and percentages, using SPSS software version 26.0 for regression analysis. Analysing data that has already been recorded entails summarizing the information, putting it through the proper statistical analysis, and making conclusions. A visual representation of the analysis was then presented using graphs, frequency tables, and charts. A multiple regression analysis was conducted in order to examine the impact of several covariates on a particular response variable (Cohen, West, & Aiken, 2003).

PRESENTATION AND DISCUSSION OF FINDINGS

Response Rate

Data was collected from 38 private schools with a total of 76 respondents from private schools. In total, 76 respondents were targeted and 76 respondents filled and returned questionnaires and this was a response rate of 100% which was excellent. Tsui *et al.* (1995) argue that a response rate of 90% or more is excellent. The high response rate was due to the fact that study's population was relatively small.

Correlation Analysis

Correlation analysis was conducted on the study variables using the Pearson's correlation coefficient to determine the strength of relationships between study variables. Table 1 presents outcomes of correlation analysis that was conducted.

Table 1: Correlation Analysis Results

		SF	SIN	DP	OC	Performance
Strategic Flexibility	Pearson	1				
	Correlation					
	Sig. (1-tailed)					
Strategic Innovation	N	106				
	Pearson	.331	1			
	Correlation					
Hedging	Sig. (1-tailed)	.043				
	N	106	106			
	Pearson	.270	.147	1		
Organizational capabilities	Correlation					
	Sig. (1-tailed)	.060	.067			
	N	106	106	106		
Performance of Private Schools	Pearson	.166*	.128	.211*	1	
	Correlation					
	Sig. (1-tailed)	.045	.096	.015		
	N	106	106	106	106	
	Pearson	.143	.293**	.219*	.350**	1
	Correlation					
	Sig. (1-tailed)	.031	.001	.012	.000	
	N	106	106	106	106	106

*. Correlation is significant at the 0.05 level (1-tailed).

**. Correlation is significant at the 0.01 level (1-tailed).

The results of correlation analysis in Table 1 show that the relationship between strategic flexibility and performance was weak and positive ($r = 0.143$) and this was significant at 0.05 level. Correlation between strategic innovations and performance was also weak and positive ($r = 0.293$) which was also significant at 0.05 level. Further, the correlation between hedging and performance was weak and positive ($r = 0.219$) and this was significant at 0.05 level. However, the correlation between organizational capabilities and performance was moderate and positive ($r = 0.350$) and significant at 0.05 level. Ahmed et al (2014) found that the effectiveness of the risk management practices varies significantly across the financial risks and the derivative used for hedging. For instance, they found that the relationship between interest rate risk hedging and firm financial performance was negative for the overall hedging but positive for the hedging with forward contracts.

Multiple Linear Regression**Table 2: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.685 ^a	.469	.362	.541

a. Predictors: (Constant), Strategic Flexibility, Strategic Innovation, hedging and organizational capability.

Table 2 presents results demonstrating that the coefficient of determination (R^2) was 0.469 which implied that strategic adaptability explained 46.9% of variation in performance of private schools in Kisii Town. Table 3 indicates the results of ANOVA on strategic adaptability and performance of Private schools in Kisii Town.

Table 3: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.363	4	4.341	22.376	.000 ^b
	Residual	19.607	101	.194		
	Total	36.969	105			

a. Dependent Variable: Performance of Private Schools

b. Predictors: (Constant), Strategic Flexibility, Strategic Innovation, hedging and organizational capability.

Table 3 presents ANOVA results showing that F value was 22.376 with a p-value of 0.000 which was significant. The regression model, therefore, robust in explain the relationship between strategic adaptability and performance of private schools in Kisii Town. This implied that the model had a good predictive power of the effect of strategic adaptability on performance of Private schools. Table 4 provides the regression coefficients of strategic adaptability effects on performance of Private schools.

Table 4: Coefficients of Regression of the Effect of Strategic adaptability on Performance

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	T	
1	(Constant)	.468	.231		2.026	.031
	Strategic flexibility	.117	.056	.012	2.089	.028
	Strategic innovation	.341	.130	.238	2.630	.010
	Hedging	.136	.062	.123	2.194	.022
	Organizational capability	.384	.123	.291	3.125	.002

a. Dependent Variable: Performance of Private schools

$$Y = 0.468 + .117X_1 + .341X_2 + .136X_3 + .384X_4 + \varepsilon$$

Regression equation above has established that taking all factors constant at zero, performance would be .468. From the regression coefficients results it can be noted that the independent variables has a probability of 0.05 and below which implies that the coefficients are statistically significant.

Hypotheses Testing

The hypotheses formulated for the study were tested for acceptance or rejection using the t-test statistical tool. The coefficients from the t-test analysis are presented below.

Hypothesis One

H₀: Strategic flexibility has no significant effect on performance of Private schools in Kisii Town.

H₁ Strategic flexibility has a significant effect on performance of Private schools in Kisii Town.

Based on t- statistics of 2.089 and p-value =0.028, it is concluded that strategic flexibility has significant positive effect on performance, therefore, the null hypothesis that strategic flexibility has no significant effect on performance of private schools is rejected.

Hypothesis Two

H₀ Strategic innovation has no significant effect on performance of Private schools in Kisii Town.

H₁ Strategic innovation has a significant effect on performance of Pharmacies in Kisumu City.

Based on t- statistics of 2.630 and p-value =0.010, it is concluded that strategic innovation has significant positive effect on performance of Private schools, therefore, the null hypothesis is rejected.

Hypothesis Three

H₀ Hedging has no significant effect on performance of Private schools in Kisii Town.

H₁ Hedging has a significant effect on performance of Private schools in Kisii Town. .

Based on t- statistics of 2.194 and p-value =0.022, it is concluded that hedging has significant positive effect on performance, therefore, the null hypothesis is rejected.

Hypothesis Four

H₀ Organizational capabilities has no significant effect on performance of Private schools in Kisii Town.

H₁ Organizational capabilities has a significant effect on performance of Private schools in Kisii Town.

Based on t- statistics of 3.125 and p-value =0.002, it is concluded that organizational capabilities has significant positive effect on performance of Private schools, therefore, the null hypothesis that organizational capabilities has no significant effect on performance of private schools in Kisii is rejected.

Discussion of the results

The hypothesis results agree with Katanew and Amante (2023) who argued that since they enable businesses to stay relevant and competitive in a dynamic business environment, strategic change and adaptation are crucial to organizational performance. Anticipating strategic change and how to adapt it is essential for surviving in a fast-paced economic and technological environment.

The study results also corroborate with Mwangi *et al* (2022) who affirmed that organizations must increasingly deal with discontinuous, complex and unpredictable change. Learning to respond to weak signals of environmental changes constitutes the development of dynamic capabilities for environmental adaptation, or what is simply called, adaptive capabilities. The current business environment is characterized by rapid changes in customer preferences, technology, and competition. Companies must be more creative to sustain their survival efforts. Innovative ability, organizational learning, market orientation, and entrepreneurial ability become the main ability for an organization to achieve profit competitiveness.

Adrine (2022) offers an insight on the characteristics of organizations that can improve their chances of responding successfully to rapid change. In times of crisis that affects the global economy, organizations operating in competitive markets cannot take an approach based only on plans, due to the fact that these cannot anticipate an unpredictable future considering the turbulence of the environment. Adaptability resides in a competitive advantage for small, medium-sized and large organizations alike, because, as identified in the paper, adaptability is not necessarily a function of size. Even though an enterprise has identified its capabilities, analyzed the opportunities, and found strategies to maximize its future success, it is required that the managers cope with unexpected events that might occur in turbulent times.

Odunayo (2020) examined the relationship between Innovation Strategy (IS) and Organizational Adaptability of the hospitality industry in Port Harcourt. The study findings confirmed that there was a positive significant relationship between innovation strategy and organizational survival. The study concluded that innovation strategy bears a positive and significant influence on organizational adaptability.

Adai (2020) observed that innovation, which leads to process changes and product development, tends to increase the sustenance of companies and helps firms to expand faster and more effectively, eventually more profitably than non-innovators. Innovation is commonly seen as a key source of sustainable competitive advantage in a changing environment. Responses from

small hotel managers/owners indicate that there is a strong correlation between innovative activities and patronage.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The study concludes that strategic flexibility has a positive and statistically significant effect on the performance of Private schools. This is crucial for maintaining a competitive edge and ensuring long term success for schools. The key aspects to consider in trying to create a flexible school environment are time available to respond to changes, the range of solutions and the school's perspective on change.

The study concludes that strategic innovation has a positive and statistically significant effect on the performance of Private schools. Strategic innovation has been viewed as the systematic methods of generating implementing big, novel ideas that are outside the firm's core business and which are tied to their long-term growth strategy. The study has shown that the creation of value by using relevant knowledge and resources for conversion of an idea into a new product, process or practice with the potential to have a major transformational effect on the firm.

The study concluded that hedging had a positive and statistically significant effect on the performance of Private schools. Hedging is a risk management strategy employed to offset losses in investments by taking an opposite position in a related asset. The reduction in risk provided by hedging also typically results in a reduction in potential profits.

The study concludes that organizational capabilities has a positive and statistically significant effect on the performance of Private schools. These have been shown to enable companies to maximize their performance and achieve their goals. They are acquired and refined internally from multiple interactions to be organization-specific. The ability to manage resources and information effectively helps focus an organization on meeting customer demands with its distinctive products and services. This leads to surpassing competitors and gaining prominence in the marketplace.

Recommendations

The study recommends that since strategic flexibility is connected to strategy and vision, indicate how well an organization handles its business environment, and sets itself apart, organizations should strive to ensure their processes are open and flexible. This will provide staff with opportunities to enhance themselves and the organization. The private schools need to adapt to a changing business environment by building, integrating, and reconfiguring its competencies.

The researcher recommends that in order for schools to be successful, companies employing strategic innovation need to make changes to the goods and services they sell to their customers, nor to the technologies that support these products. Strategic innovation not only drives growth, but also enhances resilience by enabling organizations to anticipate and respond to market disruptions and emerging trends.

The researcher recommends that hedging should be encouraged since it allows individuals and organizations to manage risk and protect their assets and investments. It helps limit losses to a comfortable level and effectively stabilizes the value of a portfolio, reducing the impact of market volatility. This is necessary to maintain financial reserves to sustain the schools.

The researcher recommends that organizations should maintain their capabilities since an organization that makes effort to align with employees, customers, and emerging trends and markets can better foresee and plan for the new directions it must take. Investing in the development of organizational capabilities hones a company's strengths and identity. Harnessing this intangible value promotes stability and makes the most of what everyone has to offer. This will help in delivering optimal performance.

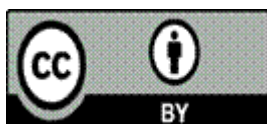
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