

# Operational Strategies and Performance of Non Governmental Organizations in Nakuru County, Kenya

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**Abstract:** Performance is the collective end results of the processes carried out to achieve organizational goals. There are diverse ways of assessing organizational performance; however, in the Non-Governmental Organizations (NGOs) performance is measured using both financial and non-financial parameters. In order to enhance performance most NGOs have adopted different operational strategies. These include quality priority and flexibility. This paper examined the effect of quality priority and flexibility on the performance of NGOs in Nakuru County. The analysis was based on causal/explanatory research design and targeted targeting chief officers in 59 NGOs in Nakuru County. Data was collected using questionnaires and analyzed using frequencies, means and standard deviations and the hypotheses tested by the use of simple regression analyses. It is evident that quality priority affected the performance of NGOs in Nakuru County. Hence, a change in quality priority would result into enhanced performance of NGOs. It was also evident that flexibility affected the performance of NGOs. This suggested that the NGOs would register improved performance by being flexible in their operations. The paper concluded that there the relationship between quality priority and flexibility and performance of NGOs in Nakuru County was positive and significant. The study recommends that the management of the NGOs in Nakuru County should incorporate quality priority and flexibility as predictors of performance of the NGOs.

**Keywords:** Quality Priority, flexibility, Impact, NGOs, Operations Strategies, Performance, Relevance, Sustainability, Timeliness

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## 1.0 Introduction

### 1.1 Operational Strategies

In the modern business environment characterized by heightened competition, organizations are compelled to employ strategies that will give them an upper hand (Ireland, Hitt & Sirmon, 2018). Thus, most organizations have focused on identifying and implementing operational strategies that would enhance performance (Lumpkin & Dess, 2019). Generally, operational strategies are the specific actions and decisions that define the functions of business activities and help them in achieving their overall goals. However, most scholars have conceptualized operational strategies in terms of innovativeness, time, technological edge, proper use of resources, structural elements such as facility, capacity, quality and procurement and organization structure, supply network, resource management strategy, knowledge value chain strategy, facilities strategy and value proposition strategies (Ward, 2017). However, the commonly agreed-upon dimensions of operational strategies in the context of NGOs are cost, quality, delivery and flexibility. In this paper quality priority and flexibility were examined in relation to the performance of the NGOs.

Quality priority focuses on conforming to performance specifications. Hence, meeting the beneficiaries' expectations is often used as a criterion of determining the level of product or service quality (Fitzsimmons & Fitzsimmons, 2017). Quality priority has been considered as one of the consistent predictors of performance. Quality objectives are commonly phrased in terms of the level of conformity to specifications, cost of reworking, stakeholder complaints, warranty costs, stakeholder satisfaction, product usefulness and a range of similar measures.

Flexibility is the capability of switching between products and parts instantaneously (Chandes & Pache, 2020). Flexibility covers broader areas such as volume, customization and product development. Volume flexibility shows an organization's ability to deal with variations in demand while customization is concerned with the ability of the organization to deal with individual demands for specific services and products (Erkan, 2019). Zhang (2003) perceives flexibility as the ability to meet and exceed stakeholder expectations using the available resources. In NGOs, it is imperative to adopt the forms of flexibility that can enhance organizational performance.

### 1.2 Performance

Performance is the accumulated end results of all organizational work processes measured against the intended outcome indicators such as cost effectiveness, net income, productivity, consistency, quality, efficiency and certainty (Wibowo, 2017). It is about how effectively an organization transforms the available inputs into outputs. Although different organizations utilize firm-specific performance indicators to define performance, for many organizations, the main performance indicators would typically include a combination of financial and non-financial indicators (Alavi & Yolowe, 2015). In this paper, the performance of NGOs was conceptualized in terms of relevance, timeliness, impact and sustainability of the programs. Relevance is concerned with the extent to which the project activities are suited to the priorities and policies of organization and the beneficiaries, donors or sponsors. The key questions considered when assessing relevance are whether the goals of the program meet the needs of the beneficiaries and whether the program activities are consistent with the overall organizational goals and objectives. Effectiveness focuses on the extent to which a program attains its objectives while impact is concerned with the direct and indirect and the expected and unexpected program outcomes. Timeliness measures the organizational outputs in relation to the amount of time and resources taken to implement the components of a given program. Sustainability relates to whether the benefits of the activities are likely to continue after the closure of the project (Chandes & Pache, 2020). In Kenya, NGOs are actively involved in different humanitarian activities and most of these NGOs have adopted different operational strategies to enhance their performance.

### 1.3 Statement of the Problem

Although NGOs play important roles in stimulating socioeconomic development, most NGOs have not performed as expected because donor funding has steadily declined. To enhance performance, these NGOs have adopted different operational strategies. Previous studies have been conducted to establish the link between operational strategies and performance of NGOs in Kenya (Mwangi, 2017). The results of these studies suggested a significantly positive relationship between the operational strategies adopted and performance. However, the studies concentrated in profit making organizations yet NGOs are not profit making organizations. For example, Kasanga (2015) identified cost reduction strategies as the most significant determinant of organizational performance while Mwangi (2017) identified financial sustainability as the most significant factor in organizational performance. The outcomes of these studies could not be applied in the context of NGOs in Nakuru County as NGOs are not motivated by profit maximization. This presented both the empirical and thematic gap in the context of NGOs. Hence, this paper examined the effect of quality priority and flexibility on the performance of NGOs in Nakuru County.

### 1.4 Research Objectives

- i. To establish the effect of quality priority on the performance of NGOs in Nakuru County.
- ii. To determine the effect of flexibility on the performance of NGOs in Nakuru County

### 1.5 Research Hypotheses

- i.  $H_{01}$ : Quality priority has no significant effect on the performance of NGOs in Nakuru County
- ii.  $H_{02}$ : Flexibility has no significant effect on the performance of NGOs in Nakuru County.

## 2.0 Literature Review

### 2.1 Theoretical Review

The paper was guided by the resource-based theory based on the pioneering works of Wernerfelt in 1984 and Barney in 1991. Theory prescribes that organizations usually position themselves strategically based on their resources and capabilities rather than their products and services. The theory suggests that resources that are valuable, rare, difficult to imitate, and non-substitutable best positions a firm for long-term success. These strategic resources can provide the foundation to develop a firm's capabilities that can lead to superior performance over time. The framework of RBT includes four conditions to assess whether a resource has the potential to generate a sustainable performance. The four conditions are value, being rare, immobility and performance (Barney, 1991). The theory suggests that organizations should look inside to find the sources of performance through the use of these resources. In this regard, performance is an advantage that allows organization to continue operating until it fulfills its obligation (Slack, 2015). Therefore, the resource-based theory offers fundamental insights into why firms with valuable and well organized resources may remain sustainable (Barney, 1991). In this regard, NGOs are unique organizations with specific sets of resources and capabilities applied in creating, producing and offering products and services. In this regard, effective operational strategies can guarantee performance without imposing the costs on the society. In addition, the

strategies are expected to guarantee that the programs implemented by the NGOs are relevant, sustainable, and timely to create a long lasting impact on the society.

## 2.2 Quality Priority and Performance

Past studies have examined how quality strategies can contribute to organizational performance. Levin (2019) studied the impact of quality strategies on the performance of international NGOs in USA. The study adopted the descriptive survey design and gathered primary data from 101 purposively selected operational managers of 6 international NGOs. The results revealed that quality programs resulted into long term impact of the programs. Similarly, Jeromende (2016) examined the perceived role of adherence to the operational service charter in enhancing organizational performance of Finnish insurance companies. The *ex post facto* was adopted and primary data was collected through interviews with the financial advisors in the selected insurance companies. The results provided insights into how service charter positioned the insurance companies on a competitive edge. In another elaborate investigation, Wasel (2019) employed a path model to ascertain the predictors of performance of selected universities in the United States of America (USA). A sample of 125 students voluntarily participated in the investigation. However, the beta coefficient ascertained that quality priority had an insignificant impact on the performance of the universities (R-square=0.277; beta=0.596;  $p > 0.005$ ). The relevance of Wasel's study is that most of the operational strategies were examined to ascertain whether they predicted the success of the universities. In another related study, Bagherzadeh and Trezemon (2015) investigated the operational strategies responsible for the performance of NGOs. The study adopted the qualitative techniques and primary data was gathered using interviews. It was evident that adherence to the regulations governing the operations of NGOs ensured the sustainability of NGOs. However, the study could not be generalized to the NGOs in Nakuru County, Kenya.

Similarly, Ofweneke (2015) carried out a study to determine the relationship between quality priority and the performance of automobile firms in Nigeria. The study adopted the correlational research design and the findings revealed that there was positive relationship between quality priority and the performance of the firms studied ( $r=0.501$ ,  $p=0.020$ ). However, the study did not examine the relationship between quality priority and organizational performance in NGOs. In Kenya, Korir and Kipkemboi (2019) investigated the perceived impact of quality control on learning outcomes in secondary schools in Vihiga County, Kenya. Perceived quality control was conceptualized as assessing the progress of learning and the anticipated results illustrated that the perceived quality control significantly augmented students' academic achievement (R-square=0.447;  $p < 0.005$ ). However, the study deviated from the current study as it did not focus on the performance of NGOs. Okutoyi (2019) also interrogated the determinants of project performance undertaken by NGOs in the water sector in Busia County. The study revealed that adherence to operational guidelines enabled the projects undertaken by the NGOs to create a long term impact. In addition, Kiaritha (2014) explored the relationship between quality priority and the financial performance of the banks' based SACCOs in Kenya. Primary data was collected using a questionnaire and analyzed using the correlation analysis. It was evident that quality priority significantly and positively predicted financial performance of the banks' based SACCO (R-square=0.6612;  $\beta=0.639$ ;  $p < 0.005$ ). However, the results could not be generalized to the present study because the focus was not on NGOs.

## 2.3 Flexibility and Performance

Previous studies have attempted to examine the link between flexibility and organizational performance. For instance, Sonam (2017) analyzed the correlation between flexibility and performance of financial institutions in Italy. A mixed research methodology was adopted hence the combination of questionnaires and interviews in the data collection process. Data was gathered, recorded, analyzed and interpreted on the basis of the research objectives. The analysis showed that flexible organizations reported increased performance. Becchetti (2020) examined the influence of resource management on organizational performance of institutions of higher learning in Brazil. A correlation research design was adopted to establish the relationship between resource management and performance. The findings indicated that relationship between resource management and performance of institutions of learning was positive but the study did not examine the concept of flexibility in NGOs. Qi (2020) studied the impact of flexibility on the performance of agri-based projects in China. Primary data was collected from 11 purposively selected on shore agri-based projects. It was evident that flexibility was significant but the study may not apply in this study due to the contextual differences. However, Miyata (2019) examined the effect of flexibility on the performance of projects in Benin, Madagascar and Malawi and found that flexible enhanced project success. The results are similar to the present study which revealed that flexibility played a role in enhancing the performance of NGOs in Nakuru County. Moreover, Kamau (2017) investigated the institutional factors influencing the sustainability of NGOs in Nairobi County. 302 project managers from five purposively selected local NGOs constituted the

study's sample size. The results revealed that responsiveness to stakeholder interest was among the variables determining the sustainability of NGOs. However, Tsuma (2015) examined the financial performance of Saccos in Kenya and revealed that flexibility was not related to financial performance ( $r=-0.417$ ,  $p=0.409$ ). However, the study was not based on the performance of NGOs.

## 2.4 Conceptual Framework

The conceptual framework presented in Figure 1 indicates that the independent variables for the study were cost priority and delivery speed the dependent variable was performance of NGOs.

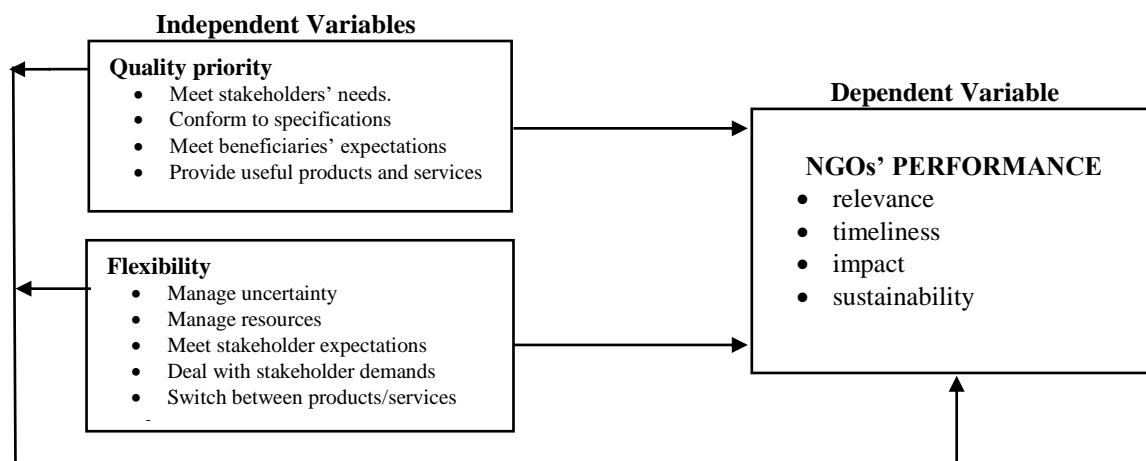


Figure 1: Conceptual Framework

Source: Adapted from Literature Review

Figure 1 presents the interaction among the study variables. The independent variables were operational strategies involving quality priority and flexibility. These variables were analyzed in relation to the performance of NGOs. The parameters of performance were relevance, timeliness, impact and sustainability of the programs and projects undertaken by the NGOs. In the context of this paper, quality priority and flexibility were conceptualized to enhance NGOs' performance.

## 3.0 Methodology

### 3.1 Research Design, location and Target Population

The causal/explanatory research design was adopted to explore empirically the effect of quality priority and flexibility on the performance of NGOs in Nakuru County. 59 NGOs that had adopted diverse operational strategies constituted the units of analysis. Based on the relatively small target population, a census of 59 chief officers in the 59 NGOs participated in the study.

### 3.2 Data Collection Instrument: Validity and Reliability

Data was collected using questionnaires that were structured to gather data on the study variables. Content validity was ensured by developing the instrument to reflect the research objectives. The reliability was ensured by pre-testing the questionnaires in three NGOs in Baringo County. Cronbach alpha index more than 0.7 was accepted as evidence of internal consistency of the questionnaire items (Creswell, 2014).

### 3.3 Data Analysis and Presentation

Data was coded and analyzed using both descriptive and inferential statistics. The descriptive statistics included the means and standard deviations. The quantitative data was further subjected to regression and correlation analysis. The Pearson correlation coefficient was computed to establish the relationship between each independent variable and the dependent variable. The hypotheses were tested using simple regression analysis.

## 4.0 Research Findings and Discussion

### 4.1 Descriptive Information on Quality Priority

The descriptive results on quality priority in the NGOs in Nakuru County, Kenya were presented in Table 1.

Table 1: Descriptive Information on Quality Priority

Statements	N	Mean	Std. Dev
My NGO conforms to donor quality specifications	54	4.2222	.83929
I am concerned about the quality of programs we offer	54	3.9074	.73378
Our employees have adequate experience and skills to improve the quality of service delivery	54	3.8519	.73734
My NGO delivers quality programs to the beneficiaries	54	3.8333	.74606
In my NGO programs are formulated to meet stakeholders' needs	54	3.7778	.88310
The programs undertaken by my NGO are approved by the government	54	3.7037	.81564
My NGO conforms to the rules and regulations governing the operations of all NGOs in Kenya	54	3.6481	.70463
In my NGO programs formulated are useful to the society	54	3.6111	.99843
In our NGO we try to maximize the utility of the resources through adherence to quality standards	54	3.2963	1.09251
In our NGO, quality is considered before initiating programs	54	2.9630	1.18103
<b>Average</b>	<b>54</b>	<b>3.6815</b>	<b>0.8732</b>

The findings presented in Table 1 demonstrated that the NGOs conformed to donor quality specifications (M=4.2222; SD=0.83929). Also the managers were concerned about the quality of programs offered by the NGOs (M=3.9074; SD=0.73378). Furthermore, it was evident that the employees had adequate experience and skills to improve the quality of service delivery (M= 3.8519; SD=0.7374). Also the NGOs delivered quality programs to the beneficiaries (M=3.8333; SD=0.74606). Similarly, the programs were formulated by the NGOs to meet the stakeholders' needs (M=3.7778; SD=0.88310). This has been supported by Owino (2023) who ascertained that innovative strategies were responsible for the quality improvement in business organizations. Furthermore, the programs undertaken by the NGOs were approved by the government (M=3.7037; SD=0.81564) and conformed to the rules and regulations governing the operations of NGOs in Kenya (M=3.6481; SD=0.70463). It is also evident that the NGO programs formulated were useful to the community (M=3.6111; SD=0.99843). However, the respondents were undecided as to whether quality was considered before any programs were launched (M=2.9630; SD=1.18103) and whether the programs undertaken by the NGO were approved by the government (M=3.2963; SD=1.0251). Since the respondents tended to agree with most of the statements, it can be considered that on average (M=3.6815; SD=0.8732) that quality priority was largely carried out in the NGOs with the intention to upgrade and improve service quality while also aiming at enhancing the performance of the NGOs. These results are congruent Karanja (2023) who observed that quality priority was significant during the uncertain and competitive financial environment.

#### 4.2 Descriptive Information on Flexibility

The descriptive information on flexibility in the NGOs is presented in Table 2.

Table 2: Descriptive Results on Flexibility

Statements	N	Mean	Std. Dev
My NGO promptly switches between products and services as needs arise	54	4.2037	.83281
My NGO effectively manages uncertainty if and when they do occur	54	4.0185	.65849
Due to donor uncertainty we usually make adjustments in our operations	54	4.0000	.70040
As an organization we usually adjust to the environmental changes	54	3.9815	.81242
As an NGO we deal with tackle problems as they emerge	54	3.8148	.82586
Flexibility enables our NGO to prioritize the needs of the target beneficiaries	54	3.8148	.72876
Innovativeness, creativity and responsiveness are our guiding principles	54	3.7963	.62585
As an organization we rely on new information to make informed decisions	54	3.6481	.80464
As an organization we have turned flexibility into a competitive advantage	54	3.6296	.73449
Through flexibility my NGO has managed to meet the expectations of the beneficiaries	54	3.5370	1.14452
<b>Aggregate Mean</b>	<b>54</b>	<b>3.8444</b>	<b>0.8217</b>

From Table 2, it is evident that the NGOs promptly switched between products and services as needs arose (M=4.2037; SD=0.83281) and effectively managed uncertainty if and when they did occur (M=4.0185; SD=0.65849). Due to donor uncertainty the NGOs usually made adjustments in their operations (M=4.0000; SD=0.70040). The results also showed that the NGOs usually adjusted to the environmental changes

( $M=3.9815$ ;  $SD=0.81242$ ) and through flexibility the NGOs prioritized the needs of the target beneficiaries ( $M=3.8148$ ;  $SD=0.72876$ ). Similarly, the NGOs tackled problems as they emerged ( $M=3.8148$ ;  $SD=0.82586$ ) as innovativeness, creativity and responsiveness were the guiding principles of the NGOs ( $M=3.7963$ ;  $SD=0.62585$ ). Kinuthia (2018) also concurred that responding to the emerging uncertainties was a major role played by NGOs though some NGOs remained rigid in addressing their core mandate in spite of the emerging challenges affecting the society. Similarly, the NGOs had turned flexibility into a competitive advantage ( $M=3.6296$ ;  $SD=0.73449$ ). This has been supported by Sonam (2017) who noted that NGOs that remained flexible in their operations reported increased performance. This is also evident in the study findings as the NGOs relied on new information to make informed decisions ( $M=3.6481$ ;  $SD=0.80464$ ). However, the respondents slightly agreed that through flexibility the NGOs had managed to meet the beneficiaries' expectations ( $M=3.5370$ ;  $SD=1.14452$ ). The results demonstrated that the respondents agreed that flexibility strategies were adopted in the NGOs. The aggregate mean response of 3.7852 ( $SD=0.8188$ ) indicated that the NGOs were concerned about delivery speed. Consequently, improved performance was bound to be realized by adopting flexibility as an operational strategy.

### 4.3 Descriptive Information on Organizational Performance

The results on the performance of NGOs as described in terms of the mean and standard deviation are presented in table 3.

Table 3: Descriptive Results on Organizational Performance of NGOs

Statements	N	Mean	Std. Dev
The NGO promotes activities that add value to community	54	3.7222	.89899
The programs carried out by my NGO are structured to meet the stipulated objectives of the NGO	54	4.0370	.77613
Programs are suited to the target group and the donor	54	3.7407	.82839
My NGO supports programs ensuring society development	54	3.6481	.70463
Our programs contributes in alleviating human suffering	54	3.8333	.74606
Our programs have created an impact to the community	54	3.8519	.73734
My NGO enhances socio-economic development	54	3.8519	.65610
Our programs improve living standard of beneficiaries	54	3.9074	.73378
Once the programs are complete community is left intact	54	3.7407	.64968
Our NGO provides permanent solution to problems	54	3.9444	.76273
My NGO maintains community activities for welfare	54	3.8704	.72804
My NGO provides continuous community support	54	3.9074	.68041
The sustainability of the programs is the focus of our NGO	54	3.9074	.85271
We monitor our programs to keep track of the programs	54	3.8148	.82586
All our programs are undertaken until full completion	54	3.9074	.85271
In my NGO activities are completed on time	54	3.6481	.73092
In my NGOs programs are delivered in the stipulated time	54	3.9444	.76273
In my NGO the objectives are timely delivery of programs	54	3.8704	.72804
The resources required are usually obtained on time	54	3.8148	.64644
In our NGO we obtained the required resources on time	54	4.0000	.67293
<b>Aggregate Mean</b>	<b>54</b>	<b>3.8481</b>	<b>0.70609</b>

The results illustrated that the NGOs promoted activities that added value to the community ( $M=3.7222$ ;  $SD=0.89899$ ) and that the programs were structured to meet the stipulated NGOs' objectives of the NGOs ( $M=4.0370$ ;  $SD=0.77613$ ). It is apparent that the NGOs were quite careful about the expectation of the beneficiaries of the programs. This is further supported by majority of the respondents who asserted that the programs were suited to the priorities of the target group and the donor ( $M=3.7407$ ;  $SD=0.82839$ ). Furthermore, the NGOs supported the programs that ensured the development of the society ( $M=3.6481$ ;  $SD=0.70463$ ). Similarly, the programs run by the NGOs contributed in alleviating human suffering ( $M=3.8333$ ;  $SD=0.74606$ ) and created a long lasting impact to the community ( $M=3.8519$ ;  $SD=0.73734$ ).

Also the respondents agreed that the NGOs enhanced the socio-economic development in the community ( $M=3.8519$ ;  $SD=0.65610$ ) and improved the living standard of the beneficiaries ( $M=3.9074$ ;  $SD=0.73378$ ). It is also evident that once the programs had been undertaken the community was left intact ( $M=3.7407$ ;  $SD=0.64968$ ). Moreover, the presence of the NGOs had provided permanent solutions to the society's problems ( $M=3.9444$ ;  $SD=0.76273$ ) as the NGOs maintained the community activities for their good welfare

( $M=3.8704$ ;  $SD=0.72804$ ) by providing continuous community support ( $M=3.9074$ ;  $SD=0.68041$ ) as shown by a significant number of the respondents concurring that sustainability of the programs was the main focus of the NGOs ( $M=3.9074$ ;  $SD=0.85271$ ). Also the NGOs obtained the required resources on time ( $M=3.8148$ ;  $SD=0.82586$ ) to undertake the programs until full completion ( $M=3.9074$ ;  $SD=0.85271$ ). It was also evident that the activities of the NGOs were completed on time ( $M=3.6481$ ;  $SD=0.73092$ ) and delivered within the stipulated time ( $M=3.9444$ ;  $SD=0.76273$ ). Consequently, the overall objective of the NGOs was timely delivery of programs ( $M=3.8704$ ;  $SD=0.72804$ ) as the resources were acquired on time to implement the programs on time ( $M=3.8148$ ;  $SD=0.64644$ ) while also keeping track of the progress in programs implementation ( $M=4.000$ ;  $SD=0.67293$ ). Since the aggregate mean was 3.8481 with a standard deviation of 0.70609 it is evident that the performance of the NGOs in Nakuru County had improved.

#### 4.4 Correlation Analysis on operational Strategies and Performance of NGOs

This section presents the inferential analysis. The analysis was carried out in light of the research hypotheses. The linear relationship between the independent variables and the dependent variable was analyzed using Pearson's correlation as shown in Table 4.

Table 4: Pearson Correlation Analysis Results

		Performance	Quality priority	Flexibility
Performance	Pearson Correlation	1	.467**	.631**
	Sig. (2-tailed)		.000	.000
	N	54	54	54
Quality priority	Pearson Correlation	.467**	1	.711**
	Sig. (2-tailed)	.000		.000
	N	54	54	54
Flexibility	Pearson Correlation	.631**	.711**	1
	Sig. (2-tailed)	.000	.000	
	N	54	54	54

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

Table 4 shows that the correlation coefficients for quality priority and flexibility and performance of NGOs were all positive ( $p < 0.05$ ). The analysis of the findings further revealed that there was moderate positive relationship ( $r=0.467$ ;  $p=0.001$ ) between quality priority and performance of NGOs. Wamalwa (2017) found that quality priority was not only statistically significant but also related linearly with performance variables in the considered NGOs. There was also a moderate positive relationship ( $r=0.631$ ;  $p=0.000$ ) between flexibility and performance of NGOs. This is supported by Sonam (2017) who noted that many organizations that were flexible in their operations reported increased performance.

#### 4.5 Hypotheses Tests on Quality Priority and Performance of NGOs

The second objective sought to determine the effect of quality priority on the performance of NGOs in Nakuru County. The study hypothesized that quality priority had no effect on the performance of NGOs. The results are presented in table 5.

Table 5: Regression Test on effect of Quality priority on the Performance of NGOs

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.567 <sup>a</sup>	.321	.103	.16676		
a. Predictors: (Constant), Quality Priority						
ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.034	1	1.034	14.534	.000 <sup>b</sup>
	Residual	3.701	52	.071		
	<b>Total</b>	<b>4.735</b>	<b>53</b>			
a. Dependent Variable: Performance						
b. Predictors: (Constant), Quality priority						
Coefficients <sup>a</sup>						
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	

		B	Std. Error	Beta		
1	(Constant)	2.315	.404		5.731	.000
	<b>Quality priority</b>	.417	.109	.467	3.812	.000

a. Dependent Variable: Performance

The findings presented in table 5 show that the R-square of 0.321 implied that quality priority had a chance of explaining 32.1% of the variance in the performance of NGOs. The ANOVA results indicated that the F-statistic was 14.534 (p=0.000) which confirmed that the regression model was statistically significant and displayed goodness of fit. The regression model fitted to test the effect was;

$$Y = \beta_0 + \beta_2 X_2 + \epsilon \dots \dots \dots (7)$$

The standardized coefficient results for the model equation was;

$$Y = 2.315 + 0.467 X_2$$

Where;

Y = Performance of NGOs

X<sup>2</sup> = Quality priority

The results for the beta coefficient for quality priority revealed that without quality priority, the performance of the NGOs remained fixed at 2.315 units. However, a unit increase in quality priority led to an increase of 0.417 (or 41.7%) units in the performance of NGOs. The increase was significant since the p-value of 0.000 was significantly less than 0.05. From the findings, the hypothesis which stated that quality priority had no significant effect on the performance of NGOs in Nakuru County was rejected. This implied that by implementing quality priority would result into improved performance of the NGOs. This has been supported by Levin (2019) who concurred that quality programs accelerated the performance of NGOs while Bagherzadeh and Trezemon (2015) concurred that quality priority was important in the sustainability of NGOs.

#### 4.6 Hypotheses Tests on Flexibility on the Performance of NGOs

The second objective sought to establish the effect of flexibility on the performance of NGOs in Nakuru County, Kenya. It was hypothesized that flexibility had no effect on the performance of NGOs. This hypothesis was tested using simple regression analysis. Performance was regressed on flexibility and the results obtained are presented in table 6.

**Table 6: Regression Test on Effect of Flexibility on the Performance of NGOs**

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.631 <sup>a</sup>	.398	.387	.23407		

a. Predictors: (Constant), Flexibility

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.886	1	1.886	34.419	.000 <sup>b</sup>
	Residual	2.849	52	.055		
	<b>Total</b>	<b>4.735</b>	<b>53</b>			

a. Dependent Variable: Performance of NGOs  
 b. Predictors: (Constant), Flexibility

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.554	.392		3.959	.000
	Flexibility	.597	.102	.631	5.867	.000

a. Dependent Variable: Performance

The findings revealed that the R-square value of 0.398 implied that flexibility had a chance of explaining 39.8% of the variance in performance of NGOs in Nakuru County. The ANOVA results for flexibility indicated that the F statistic was 34.419 (p=0.000) which implied that the model was statistically significant and displayed goodness of fit. Hence the results confirmed that there was a positive relationship between flexibility and performance of NGOs ( $\beta_4 = .631$ ,  $t = 5.867$ , p-value=0.000). In order to test the relationship, the regression model fitted was  $Y = \beta_0 + \beta_4 X_4 + \epsilon$ ; .....



The resulting regression model was;

$$Y=1.554+.631X_4;$$

Where;

Y=Performance of NGOs

X<sub>4</sub>=Flexibility

The beta coefficient results for flexibility implied that in the absence of flexibility, the performance of NGOs remained at 1.554 units. However, for a unit change in the index of flexibility, there was a .631 (63.1%) increase in index of the performance of NGOs. The increase was significant (p=0.000). The results of the simple regression model failed to support the null hypothesis which stated that flexibility had no significant influence on the performance of NGOs. Therefore, the null hypothesis was rejected. This means that if the NGOs in Nakuru County adopted flexibility as an operational strategy the performance of NGOs would significantly improve. This has been supported by Sonam (2017) who contended that adjusting the available resources in tandem with the stakeholders' expectations would improve the performance of the NGOs. Barnett (2017) also concurred that being flexible in dealing with stakeholder demands was closely associated with organizational success. Naomi (2019) contended that being able to manage uncertainty was a critical success factor for NGOs. The results are also congruent with Gachimu and Njuguna (2017) who found that flexibility was related to performance. However, the results are incongruent with Tsuma (2015) who established that flexibility was inversely related to performance (r=-0.417, p=0.409).

## 5.0 Conclusion And Recommendations

### 5.1 Conclusion

The purpose of the paper was to determine the effect of operational strategies on the performance of NGOs in Nakuru County, Kenya. The first objective was to establish the effect of quality priority on the performance of NGOs. Based on the results, the study concluded that there was a statistically significant effect of quality priority on the performance of NGOs in Nakuru County. Hence, a change in quality priority would result into enhanced performance of NGOs.

The second objective of the study was to establish the effect of flexibility on the performance of NGOs in Nakuru County. The study concluded that flexibility affected the performance of NGOs. This suggested that the NGOs would register improved performance by being flexible in their operations.

### 5.2 Recommendations for Practice and Policy

From the results it is evident that operational strategies have a positive and significant effect on the performance of NGOs in Nakuru County. Hence, the paper recommends that the NGOs should aim at meeting the stakeholder needs by ensuring that the programs are conforming to the quality standards and rules guiding the functions of the NGOs.

The NGOs should be flexible in their operations by customizing their activities to cover broader areas such as volume, customization and product development as this will help them to operate under resource constraints environments while meeting the NGOs' performance goals.

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