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Influence of Differentiation Strategy on Organizational Performance in Private Security Firms in Uasin Gishu County, Kenya

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ABSTRACT

Globally, security challenges have been immensely cited as one of the greatest obstacles to safety of mankind, investment and environmental serenity. It is against this backdrop that governments all over, are coming up with mitigating measures to ameliorate the adverse situations that arise due to insecurity, such as; creating a conducive business environment for private security firms to compete fairly amongst themselves. There have been challenges of keeping private security firms afloat in business as others had been founded but went under because they could not withstand harsh business competition. The purpose of this study was to investigate the influence of Differentiation Strategy on Organizational Performance in Pscs in Uasin Gishu County, Kenya. The study was be guided by three theories; Porter's Generic Competitive Strategies theory, Contingency theory and Resource-Based View theory. A simple and stratified sampling technique was adopted besides using Taro Yamane (1967) formula to calculate the sample size besides considering a non-response rate of 15% ending up with a sample size of 174 respondents from the target population of 234. Use of questionnaires was adopted as a data collection instrument. In order to determine the Validity of these instruments, consultations with supervisors in this field was greatly utilized. Reliability of data collection instrument was determined by using Cronbach's Alpha Coefficient, the acceptable standard for Alpha 0.7 and above. Data Analysis was carried out using Descriptive Analysis (frequencies, percentages, mean and standard deviation), which was then be presented in tables and charts. Additionally, the data was analyzed using Inferential Analysis (multiple regression). The findings showed that the combined influence of Competitive Strategies on Organizational Performance of the private security firms in Uasin Gishu County was significantly greater than the separate effect the Competitive Strategies on Organizational Performance of the private security firms. Thus, Differentiation Strategy, Cost Leadership Strategy, Customer Focus Strategy, Responsiveness Strategy had a synergistic effect on organizational Performance of the private security firms in Uasin Gishu County. This implies that the strategic bundling of these Competitive Strategies remains a strategic pillar for competitiveness and firm performance. The researcher recommended the main objective for security firms implementing a differentiation strategy is to increase their competitive advantage. Business ventures must capitalize on distinct and unique products and services they offer to customers as the basis for establishing their competitive advantage. There is therefore a need for them to continuously analyze their individual strengths and weaknesses, their customers' needs and expectations and the overall value they can provide because of dynamic nature of the business environments. As much as majority of private security firms have focused on ethical customer service through enhanced staff ethics, there is still a need for them to strengthen this so as to meet and exceed customers' expectations. Security firms are under obligation to continuously make sure that all their employees understand the game plan and high stakes of providing excellent service to help attract and retain their customers. PSCs should invest in employee training in order to enhance employee capacity on top of investing in the current technology systems such as customer relationship management system.

Key words: *Differentiation Strategy, Organizational Performance in Pscs in Uasin Gishu County, Kenya*

1.0 INTRODUCTION

Differentiation strategy is a competitive approach that organizations use to distinguish their products, services, or brand from those of competitors. By focusing on unique attributes that add value for the customer—such as quality, innovation, brand image, or exceptional customer service—companies aim to create a distinctive market presence. This approach contrasts with cost leadership strategies, which focus primarily on minimizing expenses to offer lower prices.

Implementing a differentiation strategy can enhance an organization's performance by attracting a dedicated customer base, fostering brand loyalty, and enabling higher pricing due to perceived value. For example, companies that emphasize innovation and quality in product development may attract consumers willing to pay a premium, directly influencing profitability. Additionally, differentiation can create competitive barriers, as unique products or strong brand recognition make it harder for competitors to replicate offerings.

II: LITERATURE REVIEW

2.1 Differentiation Strategy and Organizational Performance

Purwanti, Qlhtt, Mayliza and Mokodompit (2020) carried out a study to illustrate the relationship of differentiation strategy, business strategy and strategic change on the financial performance of firms and the mediating role of enterprise risk management in Vietnam. Data was collected by questionnaires. Data was analyzed through performing SPSS and AMOS software. The study revealed that all variables do not have a significant impact on financial performance but strategic change and business strategy have a significant impact on financial performance while the differentiation strategy does not have a significant impact on the financial output of the companies. This study covered the firms in general and its findings may not reflect the status of private security firms locally.

Islami, Mustafa and Topuzovska (2020) indicated the effects of Porter's generic strategies (low-cost strategy, differentiation strategy, and focus strategy) on firm performance in the Republic of Kosovo. Data was collected using questionnaires. Data was analyzed from the econometric model. Pearson's correlation analysis and multivariate regression analysis were used to provide testing of hypotheses. Econometric results suggest that pursuing differentiation strategy provides higher firm performance compared to two other Porter's generic strategies (low-cost strategy or focus strategy) that have a positive impact as well. This study covered firms in general and its findings may not be generalized to private security firms which operate under different market industry.

Giantari and Jatra (2019) determined the influence of market orientation on business performance mediated by the differentiation and innovation strategy of the textile SME in Bali using census. The data analysis technique used was the SEM based on the PLS (Partial Least Square). The research result shows that market orientation has a positive and significant influence on business performance, differentiation and innovation strategy. Differentiation strategy has a positive and significant influence on business performance. Innovation strategy has a positive and significant influence on business performance. However, the study was

conducted in the textile industry whose findings may not be generalized to the security industry which has different operational strategies. Besides the sample size of the study was too low which may prevent the findings from being extrapolated to other industries.

Akidi, Akello and Nsisi (2023) established the contribution of strategic management practices on performance of Agro processing firms in Lira City, Uganda. Data was collected using questionnaires administered through random sampling. The study employed multiple regression analysis to analyze contribution of strategic management practices on performance of Agro processing firms in Lira City. The finding of the study revealed that that evaluation and control and strategic implementation are significant predictors of SMEs performance. This study however, covered agroprocessing SMEs whose findings may not be generalized to the private security firms.

Mkakile and Salum (2022) investigated the influence of generic strategies (low-cost leadership, focus and differentiation) on performance of tourism firms in Tanzania's northern circuit using a cross-sectional survey design. The study employed explanatory sequential mixed method strategy, where questionnaires and interview guide were used to collect quantitative and qualitative data respectively. Quantitative data were analyzed both descriptively and inferentially using SPSS while qualitative data were analyzed thematically using content analysis. The study revealed that, the generic strategies positively influence by 62.8% the performance of tourism firms in the Tanzanian northern circuit while 37.2% is contributed by other factors which were not studied. The study concludes that, generic strategies influence performance of tourism firms. This study however, covered tourism firms which obviously operate differently from private security firms and therefore its findings may not be wholly applicable.

Ifeoma, Vincent, Purity and Akaegbobi (2021) explored the relationship between the differentiation strategy and organizational growth of manufacturing in Ebonyi State in Nigeria, but specifically sought to ascertain the relationship between product differentiation and market share and to examine the effect of personnel differentiation and competitive advantage. The study was guided by a Strategic Balance Theory by David Deephouse (1999). Correlational research design was employed to examine the relationship between differentiation strategy and organizational growth of manufacturing firms. Data was collected by questionnaires. Pearson product-moment correlation coefficient and simple regression were used to test the hypotheses. The result revealed that there is a statistically significant relationship between product differentiation and market share also personnel differentiation has a significant positive effect on competitive advantage. This study however covered the manufacturing firms as opposed to service industry which operates in a different market environment, and therefore its findings may not be generalized to private security firms.

Njue, Kambura and Moguche (2023) determined the effect of product differentiation strategy on the performance of commercial banks in Nairobi County, Kenya. The study used a quantitative research method with a sample of 227 branch managers selected using stratified sampling. Data was collected using an online questionnaire. Ordinal logistic regression was used to analyze the relationship between the variables. From the findings, the effect of product differentiation on performance was statistically significant. Therefore, product differentiation statistically significantly affects commercial banks' performance. However, the study only focused on

product differentiation only which provided a gap for the current study which investigated other dimensions of differentiation as brand image, technology, product features and staff ethics and how they affect performance of private security firms.

Mutuku, Oloko and Muturi (2024) determined the effect of Differentiation Strategy on Financial Performance of Deposit-Taking Saccos in Kenya. The study adopted a descriptive survey research design. The study utilized a census approach. The study utilized both primary and secondary data sources. Primary data was collected using questionnaires. Both bivariate and multivariate analysis was conducted using SPSS. The study found that differentiation strategy was among participating SACCOS. Regression analysis showed that there was a strong positive correlation between the differentiation strategy and performance of SACCOS. The study however focused on aggressiveness in developing and distinguishing products based on place aimed at winning different geographical markets, as opposed to brand image and technology adoption. Its findings were solely on the performance of Saccos which may not be generalized in the private security industry.

Kubai, Karanja and Kihara (2021) established the influence of differentiation strategy on performance of the insurance companies in Kenya. Specifically, the study aimed at determining the influence of strategy scope, products perception, value based services and market experience on insurance companies' performance, with the ultimate goal of providing tangible solutions to exiting differentiation challenges in the industry and beyond. Data was collected by semi-structured questionnaires. Descriptive analysis was done using SPSS software, and inferential statistics including regression, correlation and ANOVA analysis were applied to establish the association between the dependent and the independent variables. The study found out that over 85% of the insurance companies had adopted the differentiation strategy at different magnitudes, which enabled development of products and services offering more value and great market experience, and were since enjoying enhanced competitive advantage. This study however focused on insurance firms which operate in a different market and legal environment and therefore its findings may not be generalized to private security forms.

Mwazuna (2023) established the effect of price differentiation strategy on performance of selected edible oils manufacturing firms in Kenya. The study adopted a causal research design. The study used census sampling to include all the 104 respondents as the sample size. Purposive sampling was used to target the marketing managers and brand managers while simple random sampling was used for the sales representatives. Data was collected using a structured questionnaire which were analyzed using descriptive and inferential statistics. The results indicated that price differentiation was evident in the manufacturing firms in Kenya and that price differentiation strategy had a positive and significant effect on the performance of the selected edible oils manufacturing firms in Kenya. This study however, focused on manufacturing firms whose findings may not be generalized to private security firms.

III: RESEARCH METHODOLOGY

3.1 Research Design

According to Nardi, (2018) survey is a method that collects data from a population in relation to more than two variables. Collection of data from the population brings out evidence of facts because it mirrors what the situation looks like on the ground. The survey research design therefore suits this Study because it explores relationships how PSCs in Uasin Gishu County adopt competitive strategies which make them perform so as to meet their business objectives. Carpino *et al.* (2019) says that research design is a plan showing how problem under investigation was solved. Its function is to ensure that the evidence obtained enables the Study to answer the research questions as unambiguously as possible.

3.2 Study Area

This was carried out in Uasin Gishu county located in the formerly known Rift Valley Province (between 34°50' and 35°37' East and between latitude 0°03' South and 0°05' North). This county borders Kericho and Baringo counties in the East; Elgeyo Marakwet County in the North East; Trans Nzoia County and Kakamega to the North West and West respectively. It covers an area of 1,141 miles squared and a population of 894,179 (KNBS., 2010). Uasin Gishu County, as perceived to be one of the economic hubs of the North Rift Region, it boasts of massive industrial, commercial, educational and real estate investment, which, on the other hand, inadvertently exposes it to an array of security challenges which are perfectly mitigated by appropriate security measures well laid in place. This is where the private security firms find a market niche.

3.3 Target Population

Kothari (2005) defines Population as a set of all those individuals which have got a given characteristics. This study targeted the operations managers and security supervisors of the 17 PSCs in Uasin Gishu County as shown in the table below:

Table 3. 1: Distribution of Target population

Category	Target Population
Chief Executive Officers	17
Management Team members	217
TOTAL	234

Source: Department of Trade, Uasin Gishu County (2023).

3.4 Sampling Design and Sample Size

From the target population of 234, Taro Yamane, (1967) cited in Adam (2020), sample size formula modified by Kent and Myers (2008) as cited in Etuk and Akpabio (2014) was used to select a sample size of 148 employees as shown below:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

- n = Sample size
- N = Population size
- e = the error of Sampling

This study allowed the error of sampling of 0.05. Thus, sample size was 148:

$$n = \frac{234}{1 + 234 \times 0.05^2} = 148$$

According to Lundström and Särndal (2002), non-response leads to nonresponse bias in the estimates. Besides, non-response increases the variance of estimates because the effective sample size is reduced. According to this sample size, a non-response rate was considered using the following formula adopted from (Nilima, 2017). The final sample size = Effective sample size / (1 - non response rate anticipated).

The study anticipated a non-response rate of 15%, thus the final sample size was calculated as follows;

$$148 / 1 - 0.15 = 174$$

The final sample size was thus 174 respondents.

The use of 15% non response rate was justified by the argument of Stedman, Connelly, Heberlein, Decker and Allred (2019), Nix, Pickett, Baek and Alpert (2019) Lundström and Särndal (2002) that a 15- 20% non-response rate is common in many business and individual surveys. The sample size was distributed proportionally according to Neyman’s allocation formula (Carfagna & Arti, 2007). The purpose of the method was to maximize survey precision given a fixed sample size. With Neyman’s allocation, the best sample size for cluster *h* would be:

$$n_h = \left(\frac{N_h}{N} \right) n$$

Where;

- n_h - The sample size for strata *h*,
- n - Total sample size,
- N_h -The population size for strata *h*,
- N - The total population

Table 3.2: Sample Size

Category	Target Population	Sample Size
Chief Executive Officers	17	13
Management Team members	217	161
TOTAL	234	174

Source: Department of Trade, Uasin Gishu County (2023).

Stratified random sampling was used to sample Chief Executive and Management Team members. Simple random sampling was used to select the respondents within the stratum to participate in the research, but after it has been determined how many from each of the strata were to participate. Simple random sampling (SRS) is a method of selection of a sample comprising of n number of sampling units out of the population having N number of sampling units such that every sampling unit has an equal chance of being chosen (Collis & Hussey, 2009).

3.5 Data Collection

This Study adopted discrete procedures of data collection by use of a questionnaire. Questionnaires provide prospective respondents with structured questions which easily elicit mining of information which are easily collected within a stipulated timeframe (Kelling, et al., 2019). Opinions expected from the respondents on competitive strategies and performance of the PSCs in Uasin Gishu County dictated the manner in which the questionnaires were designed. Lickert Scale that appertions 1= strongly disagree, 2= disagree, 3=neutral, 4=agree, and 5= strongly agree; measures the opinions of the respondents. There were open and close ended questions as this elicits response on extra information from the prospective respondents. The two sections of the questionnaires included Section A for demographic information as sections B, C, D E and F touched on the variables derived from the Study objectives.

3.5.1 Instrumentation

This study used questionnaires whose choice was determined by time constraints, study objectives and nature of data being collected. The researcher conducted study pilots in Pada security firm in Nakuru County using 17 questionnaires representing 10% of 174 respondents in Uasin Gishu County for testing reliability and validity of the research instruments.

3.5.1.1 Validity

Rahi, Alnaser and Abd Ghani, (2019) explains that validity refers to the degree the instrument generates data that it was meant to generate. This test the instruments for content validity, which measures the degree to which data collected by a particular instrument represents the content of the concept which was to be measured. This is rather, the degree the instruments generate what it was meant to generate. Gutiérrez-Castillo et al (2023) explains that validity of a research tool is improved through expert judgment. Validity of a research tool refers to the extent to which a chosen research tool measures what it ought to have measured.

The other type of validity is construct validity. This refers to the degree to which a test measures what it claims, or purports, to be measuring. Construct validity was ensured by use of **content analysis** to ensure that the instrument adequately covers all aspects of the construct being measured. Besides experts in the field assessed the relevance and representativeness of the items included in the instrument. Finally, face validity (logical validity or criterion related validity) refers to the degree to which a procedure, especially a psychological test or assessment, appears effective in terms of its stated terms. This is where a researcher applies a superficial and subjective assessment of whether or not his or her study or test measures what it is supposed to measure. This involved the experts looking at the items in the questionnaire and agreeing that the

test is a valid measure of the concept which is being measured just on the face. This means that they are evaluating whether each of the measuring items matches any given conceptual domain of the concept (Rahi, Alnaser & Abd Ghani, 2019).

3.5.1.2 Reliability

Reliability is the ability of a measurement instrument to produce the same answer in the same circumstances, time after time (Mueller & Knapp, 2018). Erlinawati and Muslimah (2021) defines reliability as the measure of degree to which a research instrument yields consistent results or data after repeated trials. Therefore Olabode, Olateju, and Bakare (2019) maintains that if respondents answer a question the same way on repeated occasions, then the instrument can be said to be reliable. When a measurement elicits a consistent result over a period of time, its reliability is determined. Karlinger and Lee (2000) equate reliability to dependability, stability, consistency, predictability and accuracy.

This study use Alpha α (Cronbach), being the model for internal consistency based on average inter-item correlation to test scaled items. Abideen, Kolade and Adekunle (2022) says that Cronbach's Alpha Reliability Coefficient normally ranges between 0 (if no variance is consistent) and 1 (if all variance is consistent), and therefore, the closer the coefficient is to 1.0, the greater the internal consistency of items in the scale. Dejonckheere et al. (2022) maintain that an Alpha (α) score of 0.70 or higher is considered satisfactory. Internal consistency is usually associated with Likert-type scales and the relevant statistical index computed to assess such consistency is the Cronbach's Alpha Coefficient, (Shodiya & Adekunle, 2022).

3.5.2 Data Collection Procedures

Data collection procedures give procedures for collecting data. Gutiérrez-Castillo *et al.* (2023) define data gathering as the process of collecting a particular data with the intention to concur or contradict certain truths. After obtaining an Introduction letter from Kisii University, a permit was obtained from the National Commission for Science, Technology and Innovation (NACOSTI). With this in place, questionnaires were then administered and interviews conducted depending with the arrangement with the individual firms. The questionnaires were accompanied by an introductory statement to emphasize confidentiality and ethical concerns.

3.6 Data Analysis

3.6.1 Descriptive Analysis

This study adopted descriptive statistics data analysis which is appropriate for analyzing numerical data because of the quantitative data. Descriptive statistics display characteristics of location, spread and shape of an array of data (Mölder, et al., 2021). They guide that in order to ensure analysis, questionnaires are coded by assigning numbers or other symbols to answers so that responses can be grouped into a limited number of classes or categories. It was typed using Ms Windows 2010 computer software. Descriptive data helps in computing measures of central tendencies and measures of variability in order to allow the determination of how independent variables affect the dependent variable (Mertler, Vannatta, & LaVenía, 2021). Quantitative data was analyzed using SPSS Version 26.0 Package to generate frequency distribution, percentages and cross tabulations.

Multiple Regression has the following assumptions; Normality assumption- which assumes that all the variables have normal distribution; Linearity assumption- which assumes that the relationship between the variables is linear, and; Homoscedasticity assumption- which assumes that the variance of the errors is the same in all the independent variables (Osborne & Waters, 2019). The assumption of Normality was tested by use of Kurtosis and Skewness based on the rule of ± 1.96 . If it is between -1.96 and $+1.96$, then the data is normal, and if it lies outside the bracket, the data significantly deviates from a normal distribution.

3.6.2 Inferential Analysis

Inferential statistics was applied through correlation analysis and the use of multiple regression analysis. The nature of existing relationship between the dependent variables and independent variables was determined by correlation analysis. Furthermore, regression analysis was used to determine with statistical significance, the influence that the independent variables has in the dependent variable.

Regression analysis estimated the coefficients of the linear equation, involving one or more independent variables, which best predict the value of the dependent variable. The Multiple Linear Regression (MLR) Model was in the form:

$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$. This is also denoted as follows:

$$Y = \alpha + \beta_1 DS + \beta_2 CSL + \beta_3 CFS + \beta_4 RS + \epsilon$$

Where Y was Performance of PSCs, and X was Competitive Strategies.

X_1 = Differentiation Strategies (DS)

β_1 = the coefficient of X_1 , which represents Differentiation Strategies. The Study found out influence of differentiation strategies on the performance of the PSCs. If the null hypothesis is rejected, then X_1 would be taken to have significant influence on Y.

X_2 = Cost Leadership Strategies (CLS)

β_2 = the coefficient of X_2 , which represented Cost Leadership Strategies. The Study found out influence of cost leadership strategies on the performance of the PSCs. If the null hypothesis is rejected, then X_2 would be taken to have significant influence on Y.

X_3 = Customer Focus Strategies (CFS)

β_3 = the coefficient of X_3 , which represents Customer Focus. The Study shall find out influence of customer focus on the performance of the PSCs. If the null hypothesis is rejected, then X_3 would be taken to have significant influence on Y.

X_4 = Responsiveness Strategies (RS)

β_4 = the coefficient of X_4 , which represents Responsiveness. The Study found out influence of responsiveness on the performance of the PSCs. If the null hypothesis is rejected, then X_4 would be taken to have significant influence on Y.

α = Constant Value

ϵ =Error Term

3.6.1 Assumptions of the Multiple Linear Regression

The following are the assumptions of Multiple Linear Regression (Osborne & Waters, et al 2019):

Linearity: There is a linear (straight line) relationship between Y and the Xs. Any curvilinear relationship is ignored. This is most easily evaluated by scatter plots in the analysis. Non-linear patterns show up in residual plots. The variance of the ϵ^1c is constant for all values of Xs. If the residual plots show a rectangular shape, we can assume constant variance. On the other hand, if a residual plot shows an increasing or decreasing wedge or bowtie shape, non-variance exists and must be corrected.

Normality: All errors are normally distributed around zero. We assume that the ϵ^1s are normally distributed. Regression assumes that variables have normal distributions. Non-normally distributed variables (highly skewed or Kurtotic variables or variables with substantial outliers) can distort relationships and significance tests. Outliers can be identified either through visual inspections of histograms or frequency distribution or by converting data to Z-scores. Kurtosis measures whether the data is peaked or flat relative to a normal distribution (Williams, Grajales, & Kurkiewicz, 2019). Normal distributions which produce a Kurtosis statistics increasing positively from zero signifies a leptokurtic distribution (with a tall peak), while negative departure indicates a platykurtic distribution (with a flat peak). Knief and Forstmeier (2021) explains that Normality means that distribution of the test is normally distributed (or bell shaped) with a symmetric bell-shaped curve and this assumption allows what need to be considered for validation of data presented. It can be assessed visually using histogram or based on assumptions of observations ≥ 30 . Large values for Kurtosis measure indicates that data distributions with high distinct peaks near the mean followed by rapid decline and heavy tails. Low values indicate flat tops near the Mean, the uniform distribution being an extreme case. Large values for Kurtosis and Skewness indicates underlying distributions that are not normal. Skewness should be within the range of ± 2 and Kurtosis values should be within range of ± 7 (Osemeke, Igabari, & Christian, 2024).

Multicollinearity: The independent variables in the model are strongly associated with each other that they are essentially measuring the same thing. Multicollinearity exists when there are more than one variable measuring the same value Williams, Grajales and Kurkiewicz (2019), and it is concerned with high correlation between independent variables that are supposed to predict a certain dependent variable (Osemeke, Igabari, & Christian, 2024). This is therefore the existence of near-linear relationship among the set of independent variables. The study tested multicollinearity using VIF. Variance inflation factor (VIF) can detect and measure the amount of collinearity in a multiple regression model. VIF measures how much the variance of the estimated regression coefficients is inflated as compared to when the predictor variables are not linearly related. Data has high multicollinearity when the variable inflation factor is more than 5. If the VIF is between one and 5, variables are moderately correlated, and if equal to 1, they are

not correlated (Hayes, 2023). A VIF of 1 means that there is no correlation among the j^{th} predictor and the remaining predictor variables, and hence the variance of b_j is not inflated at all.

Homoscedasticity: This means that the variance of errors is the same across all the levels of the independent variable. When the variance of errors differs at different values of independent variable, homoscedasticity is indicated and slight heteroscedasticity has little effect on significance tests (Verma & Abdel-Salam, 2019). However, when heteroscedasticity is marked, it can lead to serious distortion of findings and seriously weaken the analysis thus increasing the possibility of a Type I error. This assumption was checked by visual examination of a plot of the standardized residuals (the errors) by the regression standardized predicted value. Ideally, residuals are randomly scattered around the 0(zero), being the horizontal line providing the relatively even distribution. Heteroscedasticity is indicated when the residuals are not evenly scattered around the line. It can take many forms as a bow-tie or fan shape.

3.7 Ethical Considerations

It is anticipated that this study was mining a lot of information held with high levels of secrecy within the PSCs. It is against this backdrop that anonymity of the respondents coupled with utmost confidentiality could not be overemphasized. Before being requested to participate in this Study, prospective respondents were assured of their anonymity, and well explained to, the data required, objectives of this study and its benefits to the Private Security industry. They were required to participate in this study on their own volition and their right to volunteer or not cannot be waved whatsoever the case (Dooly, Moore, & Vallejo, 2017). Prospective respondents were requested to volunteer themselves and nobody would be coerced into giving information. The Code of Ethics for Research at Kisii University was observed to the letter.

IV: RESULTS

4.1 Differentiation Strategy

According to the study findings presented in Table 4.4 below, the researcher sought to know the status of differentiation strategy in PSCs in Uasin Gishu County.

Table 4.1: Descriptive Analyses of Differentiation Strategy in PSCs in Uasin Gishu County

Responses		SD	D	UD	A	SA	MEAN	SD	Min	Max
The security firm has a unique branding on their offices, uniforms and automobiles.	f	0	0	15	80	39	4.18	.611	3	5
	%	0.0	0.0	11.2	59.7	29.1				
The security firm has a presence in the social media platforms.	f	1	11	10	44	68	4.25	.961	1	5
	%	0.7	8.2	7.5	32.8	50.7				

Technology adoption attracts the customers	f	0.0	2	8	38	86	4.55	.678	2	5
	%	0.0	1.5	6.0	28.4	64.2				
Specializations by security staff influence the customer retention.	f	2	8	3	27	94	4.51	.915	1	5
	%	1.5	6.0	2.2	20.1	70.1				
Reliability as perceived by customers influence the firm performance.	f	3	2	6	26	97	4.58	.834	1	5
	%	2.2	1.5	4.5	19.4	72.4				
Good customer care skills by the staff improves customer retention.	f	5	4	2	29	94	4.51	.956	1	5
	%	3.7	3.0	1.5	21.6	70.1				
Display of service charters influence customer perception on services offered.	f	2	5	13	22	92	4.47	.923	1	5
	%	1.5	3.7	9.7	16.4	68.7				
Staff ethics influence the customer attraction.	f	4	5	11	16	98	4.49	1.002	1	5
	%	3.0	3.7	8.2	11.9	73.1				

Source: Research study, (2023)

Key: N = Number, MIN = Minimum, MAX = Maximum, M = Mean, SD= Standard Deviation

From the findings majority of the respondents were in agreement at 88.8% with a Mean of 4.18, that their security firms have unique branding on their offices, uniforms and automobiles while some respondents were undecided at 11.2% with a Standard Deviation of .611 (Min=3, Max=5). This implies that the security firms exploit initiatives for making their businesses stand out from competitors *and memorable to the clients. Additionally 83.5 % of the respondents were in agreement that the security firms have a presence in the social media platforms based on a Mean of 4.25 and Standard Deviation of .961 while 7.5% were undecided and 8.9% in disagreement (Min=1, Max=5). It implies that majority of private security firms utilizes social media as a powerful platform to differentiate their product and services in the market. By strategically showcasing unique features, benefits, and customer experiences, through social media an organization can create a distinct brand identity (Bleier, Harmeling, & Palmatier, 2019). Establishing a social media presence serves as a way to communicate, meet consumer needs, and build trust before a direct relationship is established. Majority of the respondents were in agreement at 92.6% that technology adoption has attracted their customers with a Mean of 4.55 and Standard Deviation of .678. This implies that majority of the security firms are much interested in delivering their services as per their customers' needs and expectations to make*

them competitive. Additionally, business technology has revolutionized the way companies conduct business. However based on the (Min=2, Max=5) some of the respondents were in disagreement at 1.5% that their security firms have adopted technology. It implies that some of the security firms are not ready for the shift in technology. Accordingly, Akoch (2021) asserts that PSCs should invest in employee training in order to enhance employee capacity and also should invest in the current technology systems such as customer relationship management.

From the findings, majority of the respondents were in agreement at 90.2% that specializations by security staff influence the customer retention while some in disagreement at 7.5% and 2.2% undecided with Mean of 4.51 and Standard Deviation of .915 (Min=1, Max=5). This implies that most of the security firms have adopted specialization to help them maximize productivity making the customers to stick around. Accordingly a majority of respondents agreed and strongly agreed at 91.8% that reliability as perceived by customers influence the firm performance while 3.7% in disagreement and 4.5% undecided with a Mean of 4.58 and Standard Deviation of .834 (Min=1, Max=5). Besides, majority of the respondents were in agreement at 91.7% that good customer care skills by the staff improves customer retention with a Mean of 4.51 and Standard Deviation of .956 (Min=1, Max=5). This implies that the security firms have capitalized on their good customer service through potent customer care skills amongst their staff. Great customer service is a cost-effective way to win loyalty, lift revenue and stand out from competitors (Goodman, Strategic customer service: Managing the customer experience to increase positive word of mouth, build loyalty, and maximize profits, 2019). In this regard the security firms are under obligation to continuously make sure that all employees understand the game plan and high stakes of providing excellent service to help attract and retain their customers. In addition majority of the respondents were in agreement at 85.1% that service charters displayed by their security firms influence their customer perception on services offered with a Mean of 4.47 and Standard Deviation of .923 (Min=1, Max=5). This implies that the security firms have utilized the service charters as means of service differentiation focusing on *providing better customer service, support, delivery, or warranty*. Service differentiation translates into different ways to achieve competitive advantages through services (Aisyah, 2020).

Additionally, majority of the respondents were in strong agreement and agreement at 85% that staff ethics influence the customer attraction in majority of security firms while 6.7% were in disagreement with a Mean of 4.49 and Standard Deviation of 1.002 (Min=1, Max=5). This implies that majority of security firms have focused on ethical customer service through enhanced staff ethics. Ethical customer service is concerned with truth and justice and has a variety of aspects, such as meeting and exceeding customer expectations with fairness, courtesy, respect, honesty and transparency (Kiraka, 2020). From the findings, majority of the security firms have embraced a differentiation strategy as a means of beating competition. However, there is need for them to continuously analyze their strengths and weaknesses, their customers' needs and expectations and the overall value it can provide because of the dynamic nature of the business environment. This is because the main objective for security firms implementing a differentiation strategy is to increase their competitive advantage. Business ventures must capitalize on distinct differences in there offering to customers as the basis for establishing a competitive advantage (Neil, 2021).

H₀₁ There is no statistically significant influence of Differentiation Strategy on the

Organizational Performance in private security firms in Uasin Gishu County.

The study sought to test the null hypothesis on the influence of Differentiation Strategy on the organizational performance in private security firms in Uasin Gishu County. The model summary presented in Table 4.12 below involves Differentiation Strategy as the only independent variable.

Table 4.2: Model Summary of Differentiation Strategy

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.646 ^a	.417	.413	.348	1.712

a. Predictors: (Constant), Differentiation Strategy

b. Dependent Variable: Organizational Performance in private security firms

From the findings in Table 4.12 the Coefficient of Determination (R square) of 0.417 indicated that the model explained only 41.7 % of the variation or change in the dependent variable (Organizational performance of private security firms) with the remainder of 58.3 % explained by other factors other than Differentiation Strategy(DS). Adjustment of the R square did not change the results substantially, having reduced the explanatory behavior of the predictor to 41.3% . Second, the ANOVA output was examined as presented in Table 4.13 to check whether the proposed model was viable.

Table 4.3 Goodness of fit test results of Differentiation Strategy

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	11.431	1	11.431	94.495	.000 ^b
	Residual	15.968	132	.121		
	Total	27.399	133			

a. Dependent Variable: Organizational Performance in private security firms

b. Predictors: (Constant), Differentiation Strategy

V: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Influence of Differentiation Strategy on organizational performance in private security firms in Uasin Gishu County

The influence of Differentiation Strategy was analyzed using simple regression model. The model proved significance of Differentiation Strategy in enhancing Performance of the private security firms in Uasin Gishu County. The findings were supported by empirical literature and Porter's Generic Theory and Resource Based View Theory. The results indicated that Differentiation Strategy significantly affect Performance of the private security firms in Uasin Gishu, therefore it was concluded that higher performance of the private security firms in Uasin Gishu County would be explained by their adoption of differentiation strategies.

5.2 Conclusion

The study concluded that the combined influence of Competitive Strategies on Organizational Performance of the private security firms in Uasin Gishu County was significantly greater than the separate effect the Competitive Strategies on Organizational Performance of the private security firms. Thus, Differentiation Strategy, Cost Leadership Strategy, Customer Focus Strategy, Responsiveness Strategy had a synergistic effect on organizational Performance of the private security firms in Uasin Gishu County. This implies that the strategic bundling of these Competitive Strategies remains a strategic pillar for competitiveness and firm performance.

5.3 Recommendation

The main objective for security firms implementing a differentiation strategy is to increase their competitive advantage. Business ventures must capitalize on distinct and unique products and services they offer to customers as the basis for establishing their competitive advantage. **There is therefore a need for them to continuously** analyze their individual strengths and weaknesses, their customers' needs and expectations and the overall value they can provide because of dynamic nature of the business environments. As much as majority of private security firms have focused on ethical customer service through enhanced staff ethics, there is still a need for them to strengthen this so as to meet and exceed customers' expectations. Security firms are under obligation to continuously make sure that all their employees understand the game plan and high stakes of providing excellent service to help attract and retain their customers. PSCs should invest in employee training in order to enhance employee capacity on top of investing in the current technology systems such as customer relationship management system.

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