

The Role of Al-Jawdah Innovation Capability in Enhancing the Performance of Private Schools

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ABSTRACT

This study aims to analyze the influence of Al-Jawdah's innovation capabilities on the performance of private school organizations, both directly and through the mediation role of competitive advantage. Al-Jawdah's innovation capabilities are understood as the school's ability to design and implement innovation in three main dimensions: service, process, and market, which are integrated with Islamic values such as sincerity, honesty, and commitment. The research method used an explanatory quantitative approach with variation-based structural modeling techniques (PLS-SEM), and data were collected from 250 private school principals in Indonesia and Malaysia. The results of the study show that all dimensions of Al-Jawdah's innovation capabilities have a positive and significant influence on organizational performance, both directly and indirectly through competitive advantage. Process innovation is proven to contribute the most to organizational performance, followed by service innovation and market innovation. Competitive advantage has also proven to be an effective mediator in strengthening the influence of innovation on improving operational efficiency, institutional reputation, and customer satisfaction. The implications of this study emphasize the importance of developing an organizational culture that supports innovation based on Islamic values, transformational leadership, and strategic adaptation to the needs of the education market. This research contributes to the development of contemporary Islamic education management models. It encourages private schools to continue to innovate in a structured and valuable manner in the face of increasingly complex educational competition dynamics.

Keywords: Al-Jawdah, Innovation, Competitive Advantage, Organizational Performance.

INTRODUCTION

The importance of quality and competitiveness among private schools is an important topic in modern education. Private institutions are often seen as a high-quality alternative to public education, mainly because of their ability to innovate and respond to parents' demands for educational excellence. Various studies show that private schools can influence educational outcomes through increased competition, which usually encourages improved quality. For example, the existence of private schools often forces public schools to improve their services in order to retain students—a phenomenon that is well documented in the educational literature (Canbolat, 2021; Talancé, 2020). Quality assurance in private schools is essential to maintain the educational standards that parents expect. The findings suggest that the implementation of strong quality assurance practices can reduce the challenges faced by private institutions. Well-established standards and an effective monitoring system are essential

to improve the overall educational experience and ensure continuous improvement (Eslit, 2023). Private schools can offer focused programs and specialized curricula that adapt to the diverse needs of learners, which adds to their competitive advantage over public schools (Talanéc, 2020).

The recruitment of qualified teachers plays a crucial role in raising standards in private schools. Research has shown that private schools often attract educators with better qualifications and training, thereby improving the quality of education provided (Ahmad et al., 2021). This improvement in teacher quality correlates with higher student achievement and readiness for further education, which underscores the impact of quality of education on students' academic trajectories (Ioakimidis et al., 2020). Furthermore, parental satisfaction is associated with the perception of the quality of education provided by private institutions, which drives demand for such schools and strengthens their competitive status (Ved & M., 2021). The strategic implementation of marketing and quality of service in private schools increases their competitive advantage. Studies show that private institutions are increasingly aware of the need to develop strong branding and maintain a positive reputation for attracting and retaining students, particularly in markets with many educational options (Ainunnisa et al., 2023; Jaafar et al., 2022). The delicate balance between maintaining affordable tuition and achieving a high quality of education complicates the private education landscape, particularly in regions facing economic constraints (Rahman & Yahya, 2020). The expansion of private schools has been linked to a variety of policy outcomes, including shifts in educational inequality. Although it can be said that the rise of private institutions encourages competition, this can inadvertently lead to elitism and widen the educational gap among various socioeconomic groups (Frimpong, 2022; Ogawa, 2021). Therefore, the dynamics of school choice in today's educational landscape must consider not only the benefits of educational quality but also the broader implications for equality in the system as a whole.

Innovations in the education system play a crucial role in improving school performance in various dimensions, including academic achievement, management efficiency, and service delivery. In the modern educational landscape, where competition and accountability are at the forefront, schools are increasingly adopting innovative strategies to improve outcomes. A study by Selvaraja et al. (2021) emphasized that school innovation significantly improves school performance, especially in the primary education environment. The study concluded that the application of innovative teaching methods improves student performance in various backgrounds and increases the overall effectiveness of schools. Furthermore, innovative practices in teaching can encourage engagement and improve learning outcomes, making them essential for academic success (Kilimo & Cheboi, 2021). Management practices in schools also benefit from innovation. The role of school leaders, especially school principals, is crucial in fostering an environment conducive to innovation and performance improvement. Apriani's (2023) research highlights how effective leadership can empower administrative staff, improve governance, and accountability in schools. Similarly, transformational leadership, as researched by Sengendo & Musinguzi (2024), has been linked to improved academic performance, suggesting that an innovation-first leadership style can have a positive impact on student learning outcomes.

The integration of modern technology and administrative techniques significantly improves the educational experience. Alhosani and Yaakub explore the relationship between Total Quality Management practices and academic performance, revealing that innovation serves as an important mediating factor linking effective management practices to improved student learning outcomes (Alhosani & Yaakub, 2020). The implementation of innovative strategies, such as public-private partnerships, has shown potential in creating better learning environments that improve student learning outcomes (Hafeez et al., 2022). There is encouragement for teachers to innovate in promoting creativity and improving student achievement. Research shows that when teachers are motivated and able to adopt innovative techniques, students tend to perform higher academically (Kilimo & Cheboi, 2021). The efficacy of collective teachers can significantly enhance teaching innovation, underscoring the need for collaborative professional development aimed at fostering innovative teaching practices (Xi & Li, 2023).

The influence of innovative abilities on the performance of private schools remains a complex and ever-evolving field of research in the field of educational research. Although the existing literature offers valuable insights, various research gaps still exist that require further investigation (Abdurachman et al., 2021; Konst & Kairisto-Mertanen, 2020; Koribská et al., 2022; Nsabimana & Andala, 2023). Various studies to improve understanding of the influence of innovative abilities on the performance of private schools have been conducted, but there is an urgent need for more nuanced and empirical research targeting performance metrics. To fill this gap requires a more comprehensive understanding of how private educational institutions can effectively grow and leverage innovation for better outcomes. This condition can be integrated with the concept of Al-Jawdah, which emphasizes sincerity and commitment in Islamic teachings, can significantly influence the development of innovative abilities in the educational environment. By harnessing the core values of Islam, educational institutions can foster an environment that supports creativity, collaboration, and effective reform, which are essential for innovation. The concept of Al-Jawdah carries the idea that sincerity and devotion encourage personal and collective growth. Rofi'i et al. (2024) emphasized this foundation as important for fostering a generation characterized by integrity and social contribution. In the context of education, it shows that when educators and students are

genuinely committed to their goals and values, it leads to a more motivated and dynamic learning atmosphere. This intrinsic motivation not only improves academic performance but also encourages innovative thinking as individuals feel empowered to explore new ideas (Asrofi et al., 2022).

The integration of Islamic values such as honesty, cooperation, and trust into the management practices of educational institutions plays a role in efforts to build a culture of innovation. Husnuriyal et al. argue that transformational leadership, guided by these values, fosters a positive school climate and encourages collaborative efforts among educators and students (Husnuriyal et al., 2024). This collaborative climate is essential for nurturing innovative capabilities, as it allows for the sharing of diverse perspectives and the creation of support networks for experimentation and risk-taking in educational practices. The development of competitive advantage in private Islamic educational institutions also reflects the importance of the Al-Jawdah concept in promoting innovation. Sofanudin et al. (2021) suggest that institutions that are based on strong moral and religious foundations are more likely to implement innovative practices that align with societal values and expectations. By adopting a value-based approach, these institutions can differentiate themselves in an increasingly competitive educational landscape. Fostering a culture of continuous learning and improvement is essential for innovative capabilities. Nursikin & Nugroho (2021) discuss how the internalization of Qur'anic values shapes students' moral character and improves their problem-solving and critical thinking skills. These competencies are essential for innovation, as they prepare students to face complex challenges and come up with creative solutions. By combining the teachings of Islamic ethics with a practical educational approach, institutions can create a holistic learning environment that prioritizes moral integrity and innovative thinking.

Collaboration between Islamic values and modern educational practices can enrich the learning experience and empower students to engage with contemporary global issues. Hidayat & Janan (2023) argue that integrating character education into the curriculum fosters understanding and response to societal challenges, aligning students' actions with Islamic principles. This alignment fosters a sense of responsibility among students and stimulates the ability to innovate in addressing pressing social issues. The concept of Al-Jawdah, when used as a value-based approach in an educational setting, significantly enhances innovative capabilities. By combining the principles of excellence, ethical character education, religious interaction skills, and effective leadership, Islamic educational institutions can foster an environment that encourages creativity while ensuring that such innovations are aligned with Islamic values and the needs of society. This comprehensive approach is essential to navigate the complexities of modern education while maintaining fidelity to the core teachings of Islam.

METHOD

This study uses an explanatory quantitative approach. This approach is used to test the causal relationships between variables. With variant-based structural modeling techniques, it is used to analyze the relationships between latent variables that cannot be measured directly through measurable indicators (Lusianti et al., 2024). This approach was chosen on the grounds of model compatibility and the development of new theories. The primary data used was in the form of a questionnaire that was distributed to 250 private school principals in Indonesia and Malaysia. From these results, it was found that 70.3 percent of school principals were male, with a dominant experience of more than ten years. This condition interprets the organizational culture or the general perception that men are more often trusted to hold leadership positions. The majority of school leaders have mature managerial experience, which has the potential to strengthen strategic decision-making and innovation. Al-Jawdah's innovation capabilities can be reflected in the fact that experience usually correlates with leadership competencies.

The instruments used in this study include intelligent service quality, trustworthy variants, trustworthy services, and adjustment to holistic market trends for the Al-Jawdah Service Innovation Capability variable. Indicators for Al-Jawdah Market Innovation Capability include consistent output quality, operational flexibility, intelligent use of new technologies, and intelligent efficiency. Al-Jawdah Process Innovation Capability has indicators in the form of honest customer orientation, intelligent competitor orientation, consistent coordination between functions, and a holistic marketing strategy. Competitive Advantage is an indicator of having a value of benefits to the community, a commitment to religious values, superior resources, and a blessed market share. Increased assets, sales profits, employee productivity, organizational reputation, and customer satisfaction are indicators of sustainable organizational performance. All of these research instruments are declared valid, reliable, and free from multicollinearity as shown in Table 1.

Table 1. Instrument Test Results.

Indicators	Outer Loading	VIVID	AVE	Cronbach Alpha
Al-JawdahService1	0,883	2,723	0,775	0,903
Al-JawdahService2	0,900	3,073		
Al-JawdahService3	0,859	2,395		
Al-JawdahService4	0,879	2,591		
Al-JawdahMarket1	0,894	2,744	0,772	0,902
Al-JawdahMarket2	0,859	2,344		
Al-JawdahMarket3	0,886	2,735		
Al-JawdahMarket4	0,877	2,573		
Al-JawdahProcess1	0,853	2,317	0,771	0,901
Al-JawdahProcess2	0,911	3,223		
Al-JawdahProcess3	0,900	2,949		
Al-JawdahProcess4	0,847	2,240		
CA1	0,893	2,963	0,818	0,926
CA2	0,923	2,993		
CA3	0,898	2,301		
CA4	0,903	2,100		
OP1	0,896	2,866	0,765	0,897
OP2	0,893	3,801		
OP3	0,863	3,126		
OP4	0,844	3,164		

RESULT AND DISCUSSION

Results

This study examines the influence of Al-Jawdah Innovation Capability on Organizational Performance with the mediating role of Competitive Advantage. The test results showed that Al-Jawdah Market Innovation Capability had a positive and significant influence on organizational performance, with a path coefficient value of 0.098, a T-statistical value of 2.869, and a p-value of 0.004. This means that the higher the school's ability to respond to market needs, the better the overall performance of the school organization. The path showed the strongest influence among the three dimensions, with a coefficient of 0.130, a T-statistic of 3.756, and a p-value of 0.000. These findings show that innovations in processes have a significant impact on improving school performance. This signifies that efficiency and modernization of internal processes are key factors for the success of private education organizations. The influence of the Al-Jawdah Service Innovation Capability dimension was also proven to be significant with a coefficient of 0.123, a T-statistic of 3.235, and a p-value of 0.001. This means that the development of innovative curriculum, flagship programs, and academic services directly impacts the organization's performance. Schools that offer different, value-added educational products tend to have higher attractiveness and performance, as shown in Table 2 and Figure 1.

Table 2. Regression Weight Structural Equation Model.

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Al-Jawdah Market Innovation Capability -> Organizational_Performance	0,098	0,099	0,034	2,869	0,004
Al-Jawdah Process Innovation Capability -> Organizational_Performance	0,130	0,130	0,035	3,756	0,000
Al-Jawdah Service Innovation Capability -> Organizational_Performance	0,123	0,123	0,038	3,235	0,001

The structural model in this study was analyzed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach. Three exogenous constructs are each measured by four indicators with loading values above 0.85, indicating high indicator validity. Endogenous constructs Z and Y also show very good validity, with loading values between indicators exceeding 0.84. Structurally, constructs have a positive effect on competitive advantage, with path coefficients of 0.285 and 0.229, respectively. Meanwhile, competitive advantage has a significant effect on organizational performance of 0.430, indicating a strong mediation role. The direct effects of Al-Jawdah Market Innovation Capability and Al-Jawdah Process Innovation Capability on organizational performance are also seen, although relatively weaker, at 0.151 and 0.226, respectively. The coefficient of determination (R^2) values for

constructs Z and Y are 0.484 and 0.516, respectively, indicating that the model has moderate explanatory power. Overall, this model meets the validity and reliability criteria and shows meaningful structural relationships between the constructs tested.

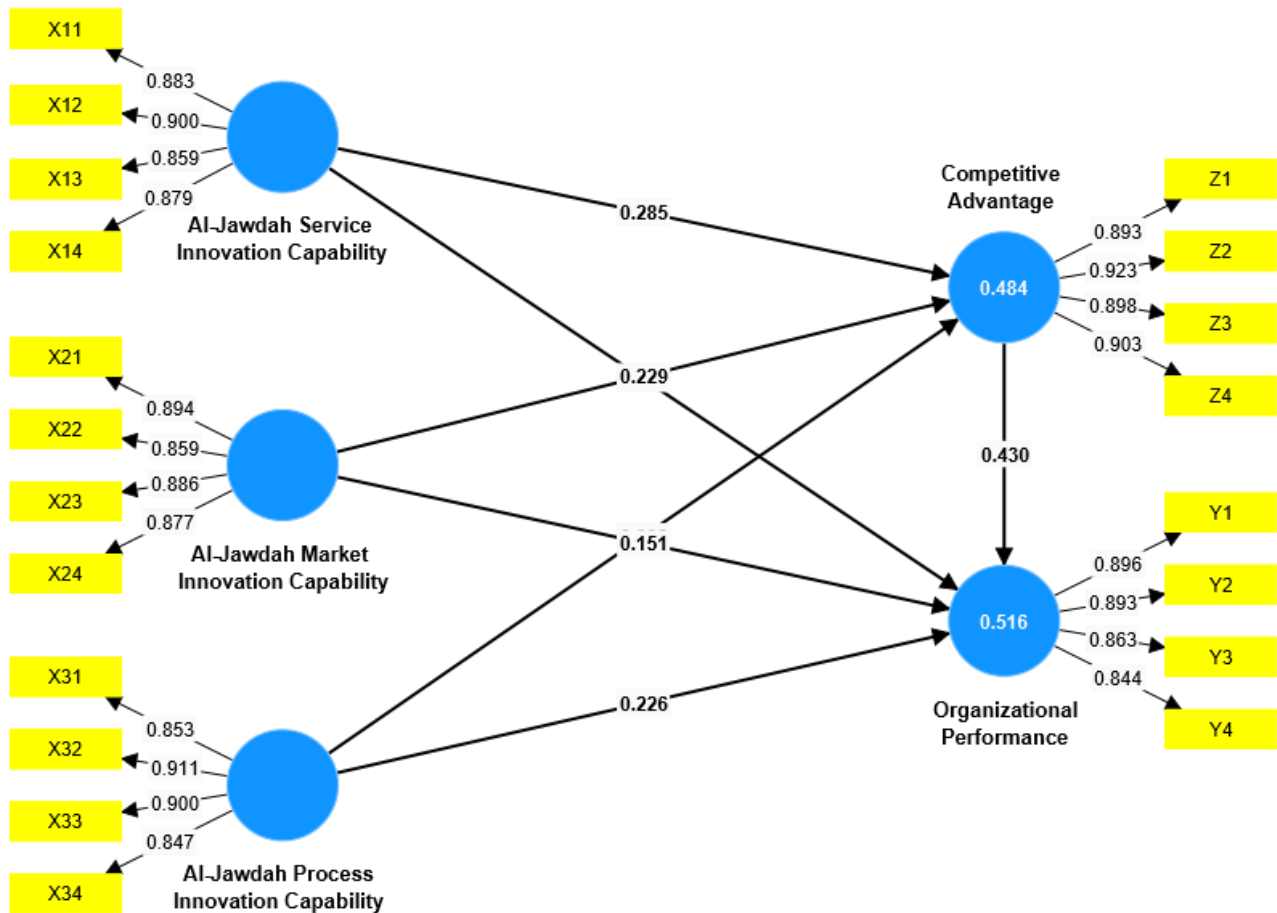


Figure 1. Analysis Results.

The Indirect Influence of Al-Jawdah Service Innovation Capability on Organizational Performance through Competitive Advantage also had a positive and significant effect with a coefficient value of 0.123, a T-statistic of 3.235, and a p-value of 0.001. This indicates that the development of educational programs, superior curricula, and differentiation of educational services are important factors in strengthening competitive advantages that have a direct impact on the performance of private schools. Overall, these results confirm that Al-Jawdah's innovation capabilities in both market, process, and product aspects, play an important role in improving organizational performance indirectly through competitive advantage. These findings support the research hypothesis and strengthen the argument that strategic and systematic innovation is an important foundation for the management of superior private schools as shown by Table 3.

Al-Jawdah Market Innovation Capability on Organizational Performance through Competitive Advantage results show that Al-Jawdah Market Innovation Capability has a positive and significant effect on organizational performance through competitive advantage, with a path coefficient value of 0.098, a T-statistical value of 2.869, and a p-value of 0.004. A statistical T-value of > 1.96 and a p-value of < 0.05 indicate that this relationship is statistically significant. This indicates that the school's ability to adapt to market dynamics and community needs also strengthens competitiveness, which ultimately has an impact on organizational performance. The Indirect Influence of Al-Jawdah Process Innovation Capability on Organizational Performance through Competitive Advantage showed a significant indirect influence with a coefficient value of 0.130, a T-statistic of 3.756, and a p-value of 0.000. This score was the highest among the three tracks analyzed, which means that in-process innovations (e.g., operational efficiency, learning governance, digitalization of administration) contribute the most to improving the school's competitive advantage, which in turn improves overall organizational performance.

Table 3. Indirect Effect.

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Al-Jawdah Market _Innovation Capability -> Competitive_Advantage -> Organizational_Performance	0,098	0,099	0,034	2,869	0,004
Al-Jawdah Process _Innovation Capability -> Competitive_Advantage -> Organizational_Performance	0,130	0,130	0,035	3,756	0,000
Al-Jawdah Product _Innovation Capability -> Competitive_Advantage -> Organizational_Performance	0,123	0,123	0,038	3,235	0,001

DISCUSSION

Innovation capabilities in the education sector are increasingly recognized as an important component that improves organizational performance, especially in private schools where competition and expectations are high. Al-Jawdah's Service Innovation Capabilities play a crucial role in influencing Organizational Performance in private schools. The results of the study show that Al-Jawdah Service Innovation Capability has a positive and significant effect on Organizational Performance in private schools. This indicates that the school's ability to create and develop innovative services, both in terms of learning, administration, and student services, has a direct contribution to improving organizational performance. Responsive, personalized, and technology-based services have been proven to increase student and parent satisfaction, strengthen the school's image, and encourage operational efficiency. Thus, service innovation not only strengthens the school's position amid competition but also becomes an important foundation in achieving sustainable quality education.

The focus on service innovation includes the development and implementation of new services or improvements to existing services, which are critical to maintaining a competitive advantage in the education sector. This relationship can be understood by exploring the various dimensions of service innovation, including its impact on student satisfaction, organizational learning, and overall performance metrics. Service innovation is directly related to improved organizational performance, as it drives improved student experience and satisfaction levels. The ability to innovate services is positively correlated with organizational performance, which confirms that institutions that actively pursue innovative service strategies can achieve better results in performance metrics (Zia et al., 2023). This is especially relevant for private schools, where satisfaction and reputation contribute significantly to enrollment and retention rates.

The role of organizational learning in improving service innovation capabilities is critical. Organizational learning enables schools to acquire and apply knowledge effectively thereby enhancing service innovation capabilities (Zhou et al., 2022). Learning capacity not only allows schools to innovate but also allows them to adapt to changes in the educational environment quickly. Implementing a robust knowledge management framework enhances this process, providing fundamental support for continuous improvement in service delivery. The effectiveness of service innovation depends on the organizational culture and leadership within the educational institution. Issah et al. underlined that an organizational culture that emphasizes quality management and supports innovation directly improves performance outcomes. These findings suggest that organizations, including educational institutions, that foster an innovative culture are more likely to experience improvements in service and product performance, ultimately leading to improved overall organizational performance (Issah et al., 2024).

Private schools that leverage strong leadership to promote service innovation also see considerable benefits. The integration of service-oriented leadership styles can drastically improve employee engagement and foster a more innovative climate within the institution (Wang, 2024). Leaders who prioritize service innovation can improve workflow efficiency and staff morale, which together contribute to improved performance across multiple dimensions of school operations. Service innovation is aligned with market demands and stakeholder expectations; This alignment can result in significant performance improvements. This study shows that focusing on customer feedback and ongoing market research helps schools refine their service offerings and, consequently, improve their organization's performance (Al-Subaihi & Salim, 2023).

A comprehensive approach that includes knowledge management, an innovative organizational culture, and service-oriented leadership enhances Al-Jawdah's Service Innovation Capabilities. This integrated approach plays a crucial role in driving organizational performance, making it essential for private schools looking to thrive in a competitive and ever-evolving educational landscape. Al-Jawdah's Service Innovation Capabilities have a significant impact on Organizational Performance in private schools through improved service delivery, increased customer satisfaction, a strong culture of learning and innovation, and effective leadership. Schools seek to improve

performance outcomes and should focus on developing their capacity for service innovation that aligns with best practices in organizational management.

The findings of this study show that private schools that have innovative abilities in understanding the market and tailoring services to external needs tend to show better organizational performance. This means that the higher the market innovation capabilities that the school has, the greater the potential for the school to improve its performance, both in terms of the number of students, parental satisfaction, and competitiveness in the education sector. An important aspect highlighted is that innovation acts as a strong predictor of school performance. Leadership along with a supportive organizational culture, contributes significantly to improving school performance in private educational institutions. It emphasizes that innovative approaches not only improve educational practices but also lead to better student outcomes, which is especially important in the context of private schools (Tarigan et al., 2024). Strategic adaptability, including innovation, has been shown to have a statistically significant effect on the performance of private schools. Agwata & Juma (2025) found that strategic flexibility, innovation, and organizational capabilities are important determinants of performance, which shows that schools that are able to implement innovative strategies tend to perform better. This statement is supported by the need for schools to adapt strategically to the latest educational trends and market demands, which reaffirms the importance of organizational innovation.

The role of organizational culture is crucial in the context of innovation and performance. A healthy organizational climate promotes employee satisfaction and, subsequently, improves performance outcomes. A people-oriented organizational climate contributes significantly to employee satisfaction and affects overall work performance in private schools (Hanaysha et al., 2022; Zoubi & Alzoubi, 2023). This shows that an innovative culture that supports teachers and other staff can directly translate into improved organizational performance. Leadership practice plays an important role. Leadership has been found to have a significant positive influence on organizational performance, mediating the effects of organizational civic behavior and innovation strategies within schools (Warman et al., 2022). This leadership approach goes hand in hand with the development of an environment that encourages innovation, as leaders who inspire and motivate their staff create an atmosphere conducive to innovative practices to thrive. By combining sophisticated organizational practices, such as talent management and a commitment to effective HR practices, further strengthens the relationship between innovation capabilities and school performance. Shrestha (2024) found that private schools that implement strong human resource strategies, aligned with their innovative capabilities, witness improved organizational performance compared to public schools. This underscores the need for private schools to align their HR practices with their innovation strategies to realize optimal performance outcomes. Al-Jawdah's Market Innovation Capabilities significantly impact organizational performance in private schools through the interaction of innovative practices, strong organizational culture, effective leadership, and strategic adaptability. Schools that make effective use of these variables can achieve higher levels of performance, leading to better educational outcomes and stakeholder satisfaction.

The results of the study show that Al-Jawdah Process Innovation Capability has a positive and significant influence on the Organizational Performance of private schools. These findings confirm that the school's ability to update and refine internal processes contributes directly to increased organizational effectiveness and efficiency. Innovation in the work process helps to create a more adaptive, professional, and structured system, which in turn has an impact on improving the quality of educational services, stakeholder satisfaction, and school competitiveness in a dynamic and competitive environment. The Al-Jawdah Process Innovation Capability is essential to improve organizational performance in private schools. These capabilities include the systems, practices, and approaches that educational institutions use to drive innovation, which can include everything from curriculum development to administrative processes. Understanding these capabilities through a variety of research perspectives highlights their far-reaching influence on organizational outcomes.

It is important to realize that the ability to innovate in education can significantly increase a school's competitive advantage. Trueman (1997) emphasized that an organization's ability to innovate is related to its adaptability in a dynamic regulatory environment. Schools that align strategic capabilities with innovative practices can differentiate service offerings thereby improving performance metrics such as student satisfaction and institutional reputation. This differentiation is especially important in a competitive educational landscape where private institutions are constantly competing for enrollment and funding. The relationship between management ability and innovation is well documented. Effective management skills are positively correlated with the performance of product and process innovation, highlighting that schools with strong managerial practices can implement innovative educational strategies more effectively (Jiménez et al., 2021). By nurturing talent and promoting a culture of innovation, private schools can improve their overall performance through better teaching methods and educational outcomes.

The role of organizational learning cannot be ignored. Research by Putra et al. (2020) shows that teachers' innovation skills are enhanced through hard and soft skills, with a strong relationship with organizational learning

processes in educational institutions. These findings imply that fostering an environment of continuous learning and professional development can lead to greater innovation capabilities. When educators are empowered through training and resources, they are more likely to engage in innovative practices that enhance the student learning experience. The interaction between exploration and exploitation of the innovation process can also affect performance outcomes. The importance of balancing exploratory innovation, which is riskier and long-term, with exploitative innovation that focuses on incremental improvement. In the context of private schools, this balance can lead to sustainable performance improvements by allowing institutions to innovate while leveraging existing strengths (Lauria et al., 2014).

The ability to innovate has a significant impact on overall performance in business, a finding that can also be observed in education. Schools that embrace innovative entrepreneurship tend to be better positioned to meet changing market demands and improve operational efficiency (Hope et al., 2021). Overall, these elements underscore the important interaction between Al-Jawdah's Process Innovation Capability and organizational performance in private schools. Schools that systematically develop their innovation capabilities, invest in management processes, and encourage a culture of continuous learning and adaptation tend to exhibit superior organizational performance. The utilization of the Al-Jawdah Process Innovation Capability effectively affects various aspects of performance in private schools. By fostering an environment that supports innovation, continuous learning, and strategic adaptability, these institutions can realize significant improvements in operational effectiveness and educational outcomes.

The results of this study provide strong managerial implications for school principals and private education stakeholders. To continuously improve organizational performance, school management must actively encourage the development of innovative capabilities in three key areas: service innovation, processes, and markets. This includes improving the administrative digitization system, adjusting service programs to market needs, and strengthening the quality of responsive and value-added teaching. Furthermore, Al-Jawdah's values that emphasize sincerity, commitment, and integrity need to be used as a foundation in the school's leadership and organizational culture to create an environment conducive to innovation and competitive advantage.

CONCLUSION

This study concludes that Al-Jawdah's value-based innovation capabilities significantly improve the performance of private school organizations both directly and indirectly through strengthening competitive advantage. All three dimensions of innovation, service, process, and market have proven to play a critical role in driving operational efficiency, customer satisfaction, and an institution's reputation. Increasingly competitive educational competition demands that private schools integrate religious values with modern managerial practices to have a sustainable strategic advantage in improving the quality of education and institutional competitiveness. Future research is suggested to explore more deeply the dynamics of the implementation of innovation capabilities in private schools based on religious values with a longitudinal approach and case studies. It is necessary to conduct cross-cultural studies and comparisons between religious-based and non-religious schools to test the consistency of the influence of Al-Jawdah Innovation Capability in various contexts. Further research also needs to consider moderation variables such as leadership style, digital technology, and teacher innovation literacy levels to broaden understanding of the factors that strengthen or inhibit the influence of innovation on the performance of educational organizations.

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