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NEXUS BETWEEN CULTURAL TRANSFORMATION AND EMPLOYEE PERFORMANCE IN COUNTY GOVERNMENTS IN KENYA

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ABSTRACT

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County Governments in Kenya were established to decentralize governance and enhance the delivery of public services, development projects, and equitable resource distribution. Despite these objectives, several counties continue to register low employee performance, often attributed to limited cultural transformation. This study examined the relationship between cultural transformation and employee performance in Kenyan County Governments. Anchored on the Resource-Based View (RBV) theory, the study adopted a cross-sectional and correlational research design. The target population comprised 470 County Executive Committee (CEC) members, from which a sample of 216 was selected using stratified sampling techniques. Primary data were collected through structured questionnaires, and instrument validity was ensured through expert review. Reliability testing yielded a Cronbach's alpha coefficient of 0.735, indicating acceptable internal consistency. Descriptive statistics (mean and standard deviation) were used to summarize the data, while simple linear regression analysis was employed to test the study objective. Findings revealed that cultural transformation had a significant positive effect on employee performance ($\beta = 0.589$, $p < 0.05$), indicating that a unit increase in cultural transformation is associated with a 58.8% improvement in employee performance. The study concludes that fostering a culture of innovation, digital readiness, and adaptive leadership is essential for enhancing employee productivity and achieving public service effectiveness. It recommends that County Governments prioritize cultural transformation initiatives that promote a shift from legacy practices inherited from the National Government toward more agile, citizen-centric, and innovation-driven cultures.

KEY TERMS: ***Cultural Transformation, Employee Performance, Resource-Based View Theory, Cross-Sectional Design, Correlational Research Design, Kenya.***

INTRODUCTION

Globally, organizations are undergoing unprecedented transformations driven by technological advancements, shifting societal expectations, and evolving managerial ideologies. Among the key facets of this transformation is cultural change, which has emerged as a crucial determinant of organizational adaptability, innovation, and employee performance. In advanced economies such as the United States, Germany, and Japan, cultural transformation has played a pivotal role in redefining organizational behavior, enhancing service delivery, and improving employee engagement. These transformations have been especially notable in public service sectors such as healthcare and education, where digital technologies, participatory leadership, and customer-centric approaches have been adopted to elevate both employee and organizational performance (Sendawula *et al.*, 2018).

Cultural transformation entails the shift from traditional hierarchical and bureaucratic structures to more agile, innovative, and inclusive organizational cultures. This shift has not only improved individual performance but also fostered teamwork, accountability, and continuous improvement. For example, in the United States, public institutions have embraced value-driven leadership and digital platforms to build resilience and enhance citizen satisfaction, especially in times of crisis such as the COVID-19 pandemic (He *et al.*, 2021). Similarly, in Germany and Japan, emphasis on workplace innovation, employee development, and participatory decision-making has yielded tangible gains in employee motivation and organizational output.

In Malaysia, Jayabalan *et al.* (2021) investigated the impact of digital transformation on HR functions in the automotive industry, finding a strong positive relationship between digitalized HR practices and employee performance, particularly in areas such as recruitment, performance appraisal, and training—though compensation practices lagged behind. Similarly, in Nigeria, Nuhammed *et al.* (2021) found that HR digitalization significantly enhanced employee productivity, innovation, and timeliness in the banking sector. These studies underscore the interconnectedness between

digital tools, cultural transformation, and employee outcomes in developing economies.

Cultural transformation is therefore emerging as a strategic imperative for both private and public sector organizations across diverse geographies. According to Foerster-Metz *et al.* (2018), cultural transformation enhances efficiency and collaboration by enabling behavioral shifts supported by digital technology. In Ukraine, Trushkina *et al.* (2020) demonstrated that a culture of agility, innovation, and customer orientation was vital in fostering an information economy and improving organizational performance. In Europe and the Middle East, Alkaraeen and Al-Ashaab (2021) examined public sector institutions in seven countries and found that a digital culture supported by structured learning initiatives like mentoring and coaching significantly enhanced employee skills and service delivery.

Further, Henriette *et al.* (2016) emphasized that the effectiveness of organizational transformation depends on both structural reforms and cultural shifts—particularly top management's commitment to fostering a culture conducive to digital adoption. Abhari *et al.* (2021) also highlighted the critical role of employee experience, co-governance, and digital engagement in driving sustainable transformation in public institutions. These global insights reveal that organizational transformation cannot be successful without concurrent cultural transformation that aligns values, behaviors, and processes with the institution's strategic goals.

A central outcome of organizational and cultural transformation is enhanced employee performance, which is widely acknowledged as a critical driver of institutional effectiveness and sustainability. Employee performance refers to how effectively individuals fulfill their roles and responsibilities in accordance with organizational expectations. It is often measured through indicators such as productivity, work quality, innovation, attendance, communication skills, and customer satisfaction (Widarko & Anwarodin, 2022). According to Bataineh (2017), employee performance reflects the efficiency and effectiveness with which tasks are executed to meet organizational and stakeholder expectations.

Several factors influence employee performance, including leadership style, organizational culture, resource availability, feedback mechanisms, and training opportunities. Smith and Bititci (2017) assert that effective performance measurement systems, supported by a culture of accountability and continuous feedback, enhance both individual and organizational performance. Similarly, Pawirosumarto, Sarjana, and Gunawan (2017) observed that the physical and non-physical work environment—such as interpersonal relationships, autonomy, and recognition—substantially contributes to performance outcomes. Performance management systems, as defined by Islami, Mulolli, and Mustafa (2018), involve a planned process of agreement, support, evaluation, and positive reinforcement that shapes employee behavior and performance.

Within the Kenyan context, employee performance has become an increasingly important issue, particularly in County Governments, which are responsible for delivering essential services to citizens. The formation of County Governments under Kenya's 2010 Constitution was a landmark move aimed at decentralizing governance and improving public service delivery. However, despite the promise of devolution, many County Governments continue to experience inefficiencies, poor service delivery, and low levels of employee motivation.

Research by Maina and Kwasira (2015) revealed that although human resource planning practices positively influence employee performance in County Governments, political interference, nepotism, and lack of merit-based appointments significantly undermine performance. Muthama, Olouch, and Wawudah (2021) further noted that inefficiencies in service delivery stem from weak organizational cultures that resist change, lack transparency, and discourage innovation. These findings point to a persistent challenge: without deliberate cultural transformation, investments in training and performance management may not yield the desired outcomes.

Problem Statement

Despite a number of County Governments in Kenya have implemented reforms such as training programs, strategic planning, and digitization of services, the overall impact on service delivery and employee performance has been uneven. Many public officers continue to operate within a culture characterized by low accountability, limited motivation, and inadequate citizen responsiveness. This situation calls for a shift toward a more performance-oriented culture that fosters professionalism, continuous improvement, and employee empowerment.

Empirical literature from developed countries suggests that cultural transformation in the public sector can lead to improved service delivery, enhanced transparency, increased employee motivation, and greater operational efficiency. However, in Kenya, there is limited empirical research exploring the relationship between cultural transformation and employee performance, particularly within devolved units of government. Most studies focus on structural or financial reforms, neglecting the crucial cultural dimension of organizational change.

Purpose of the Study

This study, therefore, seeks to fill this gap by examining the relationship between cultural transformation and employee performance in County Governments in Kenya. By exploring how cultural values, leadership styles, communication patterns, and institutional norms affect public sector employee performance, the study aims to generate insights that can inform policies and practices aimed at enhancing service delivery, staff productivity, and institutional effectiveness in the context of devolution.

The study therefore tested the following hypothesis;

H_0: There is no statistically significant relationship between cultural transformation and employee performance in County Governments in Kenya.

LITERATURE REVIEW

Theoretical Framework

The Resource-Based Theory (RBT), also known as the Resource-Based View (RBV), was formally introduced by Jay Barney in 1991 through his seminal work titled "Firm Resources and Sustained Competitive Advantage." According Kruesi and Bazelmans, (2023), theory posits that organizations achieve and sustain superior performance by acquiring and leveraging valuable, rare, inimitable, and non-substitutable (VRIN) resources. According to Barney, internal firm resources including human capital, organizational culture, technological capabilities, and structural systems are strategic assets that can lead to a competitive advantage if effectively deployed.

According to Apriliyanti (2022), RBT provides a strong justification for internal capacity development, it often understates the role of external environment factors such as policy, politics, and stakeholder pressure, which are especially influential in public sector institutions like county governments. Additionally, RBT assumes that resources are deployed effectively, which may not always hold in bureaucratic contexts where resource misuse or resistance to change can limit the realization of performance gains. However, the theory is well-suited to explain cultural transformation as these are non-tangible resources like culture that align with RBT's emphasis on unique, hard-to-imitate organizational capabilities (Tiwari, Bryde, Stavropoulou, & Malhotra, 2024). This is relevant in explaining the role of culture transformation utilizing the organization human resource for higher employee performance.

Review of Related Literature

Cultural transformation which involves people and structure remain crucial in organizational transformation. Foerster-Metz, Marquardt, Golowko, Kompalla, and Hell (2018) asserts that organizational transformation enables the organization to interconnect, utilize information and intelligence, adopt automation leading to efficiency and collaboration. These benefits arise from the firm's ability to change organization behavoir and culture. In another study Trushkina, Abazov, Rynkevych, and Bakhautdinova (2020) proclaims that transformation of organizational culture contributes to organizational transformation. Organization culture in Ukraine that focused on information economy improved organizational transformation.

This implies that organizational transformation is dependent on the tranformation of organizational culture to achieve information economy. He, Huang, Choi, and Bilgihan, (2021) who studied organizational resilience indicated that organizational vision, governance and culture were crucial in facing uncertainities such as Covid-19. The study asserts that USA among other firms were affected by Covid-19 where organizational transformation assisted small and medium-size service industry to create organization resilience during the pandemic. However, organizational transformation required the organization to conduct organization culture transformation as a means of achieving organizational resilience to Covid-19. Verhoef, Broekhuizen, Bart, Bhattacharya, and Dong (2021) asserted that organizational transformation process entails digitization, digitalization and digital transformation. The organizational transformationneeds appropriate organizational structure for it to bear performance. Hence, organizational structural change fits different digital platforms which translate to performance if aligned with the organizational transformation.

Organization behavior was examined by Foerster-Metz, Marquardt, Golowko, Kompalla, and Hell (2018) in relation to organizational transformation. Analytical robotics and algorithms among other digital technology affect the employees in an organization. A review of literature that examined rising technologies and its impact on organizational behavior affecting leadership and employees. The findings indicated that mobile, internet of things and cloud digital technology have transformed interconnectedness which have been readly available to both employees and their leaders. Big data and analytics have been responsible for improvement in information and intelligency assisting improving performance and optimization of process.

Automation efficiency has also improved significantly with organizations adopting robotics, robot processing, intelligentautomation and artificial intelligence. Finally, organizational transformation has assisted in communication and collaboration through the adoption of social media platforms. The cultural transformation should be geared to behavior change of employees and leadership to facilitate organizational transformation as new oppurtunities in business. The current study used primary data to assess organizational transformation that is appropriate for enabling organizational transformation in the County Governments.

A study by Trushkina, Abazov, Rynkevych, and Bakhautdinova (2020) assessed organizational transformation of organizational culture in the conditions of achieving information economy in Ukraine. Data were obtained from literature review of trends, barriers, features, problems and direction of digital tranformation in relation to organizational culture among Ukrainian firms. The synthesis of literature were grouped into involvement, consistency, mission and adaptability themes. In organizational transformation, communications efficiency, innovative business models, information powered business ecosystems and digital technology were examined. The findings indicated that organizational culture that impacts organizational transformation in information economy included the agile systems, customer-centric process, innovativeness and people oriented collaboration. Organization culture transformation remains an important pillar in changing people's behaviour and perception in organizational transformation. The current study measured organizational transformation using organization culture. This was done through the adoption of correlational research design that depends on primary data as opposed to synthesis of literature.

He, Huang, Choi, and Bilgihan, (2021) assessed the organizational transformation in relation to building organizational resilience in USA. Covid-19 provided a lesson to businesses around the world resulting to uncertainies and risks that needed immediate, flexible, creative and resilient response. The study's purpose was to establish theoretical relationship between digital platforms and organization resilience and its effect to organizations and employees. The

study targeted 474 participants who worked as employees in small and medium-sized service enterprises. This was analyzed using structural equation modelling, confirmatory factor analysis, exploratory factor analysis and path analysis. Findings indicated that strategic technology investment assisted the firms in developing a systematic control sustain operation but does not directly contribute to employee capabilities. A transformation management enables organizational transformation in culture, governance and vision in relation to organizational transformation. Organization resilience had different effect on organization and employees. The current study focused on organizational transformation through organizational resilience and also touched on organizational culture, governance and vision. However, Organizational transformation was measured in the current study using structural changes, organizational culture changes and organizational learning.

Alkaraeen and Al-Ashaab (2021) examined the the role of digitalization of the Organizational Learning Capability in relation to organizational performance in public sector. The study interviewed 37 employees from 30 public sector organizations from seven countries which are Spain, Finland, France, Poland, EAU, UK and Norway. The results indicated that public organizations offer various learning opportunities to develop and enhance their employees' skills to improve the quality of their services. Different learning methods such as classroom training, mentoring, and coaching are being used to enhance employees' service provision abilities. To effectively provide these learning programs, public organizations need to adopt an approach that supports their efforts.
The study proposed that the Organizational Learning Capability (OLC) model is an appropriate approach to facilitate the learning process. The OLC model consists of key elements such as learning processes, enablers, and influential factors that can support the learning initiatives in public organizations. The study aimed to bridge the gap between learning investments and service provision improvement in public organizations by providing a set of learning and development programs. This paper focuses on coaching as one of the learning programs presented within the top OLC model. The current study focused on organization learning as a variable of cultural transformation.

Abhari, Ostroff, Barcellos, and Williams (2021) examined co-governance in organizational transformation iniatives as well as its role in digital culture and employee experience. Organizational transformation is instrumental in convertion of digitization of human resource functions, cultural transformation, process transformation and structural transformation to remain competitive. Empirical synthesis of literature has indicated that organizational transformation is not limited to the process of implementation of digital technology but should consider culture, values and goals of the organization. It is important to consider employees by examining organizational transformation through culture, organizational transformation co-governance and employee experience. The study provides theoretical and practical role of process and organizational transformation by showing the role of the employees in organizational transformation. The current study not only considered process and cultural transformation but also digitization of human resource functions.

Using synthesis of literature review Uysal (2021) studied digital culture in relation to employees. The technological advancements of the current era have resulted in the emergence of digitalization and digital culture, which have become significant factors that shape the social and business aspects of individuals. It is evident that digital culture, which is influenced by organizational culture, plays a vital role in defining the identity and activities of organizations operating in the business environment. The impact of digitalization on organizational culture has attracted the attention of researchers, resulting in a surge of academic studies on digitalization and culture. While previous studies have focused on the digital change in business life and digital leadership, this study is centered on the impact of organizational transformation on organizational culture, digital culture, and employees. The current study focused on organizational learning, organizational cultural change and leadership.

A systematic literature review of organizational transformation challenges was examined by Henriette, Feki, and Boughzala (2016). The study used exploratory qualitative design in desining and development of dimension of organizational transformation obtained from organizational transformation literature. The results indicated that organizational transformation had higher stakes in improve firm commitment and engagement of top management in organizational transformation. This is because the cultural change in digitalization process assisted efficiency and effectiveness of digital adoption in the firms. The current study examined the relationship between organizational transformation and employee performance rather than challenges of organizational transformation.

Knowledge Gap

The review revealed that there few study that are done in Kenya on cultural transformation. In study related with organizational transformation and organization behavior Foerster-Metz, Marquardt, Golowko, Kompalla, and Hell (2018) that used synthesis of literature review. The results that were achieved were not in the context of organizational transformation in County Governments. The current study addressed by using primary data obtained from the County Governments management to examine the role of organizational transformation. A systhesis of literature was adopted by Trushkina, Abazov, Rynkevych, and Bakhautdinova (2020) which were based on organizational culture trends, features, barriers, direction and problems. The study utilized correlational research design which adopted primary data from County Governments in Kenya.

RESEARCH METHODOLOGY

The study adopted a positivist research philosophy and employed cross-sectional and correlational research designs. It was conducted in Kenya, targeting all 47 County Governments. The population comprised 470 County Executive Committee (CEC) members, from which a sample of 216 was drawn using stratified random sampling based on departmental representation. Primary data were collected through a

structured questionnaire. A pilot study involving 22 CEC members (excluded from the main sample) was conducted to test reliability, yielding a Cronbach's alpha of 0.735, which exceeded the 0.7 threshold for internal consistency. Descriptive statistics, including means and standard deviations, were used to summarize the data. Inferential statistics, specifically simple linear regression analysis, were employed to test the relationship between cultural transformation and employee performance.

RESULTS AND DISCUSSIONS

Cultural Transformation

The study explored on cultural transformation as important organizational transformation concept. The opinions were analyzed in terms of mean and standard deviation as presented in Table 1.

Table 1: Cultural Transformation

	SD	D	N	A	SA	Mean	Std. Deviation
The County Government has digitalized the management systems as an improvement in leadership structures.	0(0.0%)	11(5.1%)	26(12.0%)	163(75.5%)	16(7.4%)	3.8519	.61478
The County Government leadership has supported the changes in organizational transformation to enable high efficiency in service delivery.	0(0.0%)	5(2.3%)	37(17.1%)	92(42.6%)	82(38.0%)	4.1620	.78749
The County Government has created a culture that embraces digital platforms in every department in the county.	0(0.0%)	8(3.7%)	31(14.4%)	151(69.9%)	26(12.0%)	3.9028	.63597
The County Government has a conducive environment for learning and innovation based on existing digital platforms.	0(0.0%)	6(2.8%)	22(10.2%)	147(68.1%)	41(19.0%)	4.0324	.63529
The County Government has encouraged organizational learning process in digital concepts to improve efficiency.	0(0.0%)	10(4.6%)	21(9.7%)	159(73.6%)	26(12.0%)	3.9306	.63230
The County Government has benchmarked with different counties and countries on the best adoptable technology for organizational transformation of our county.	0(0.0%)	4(1.9%)	21(9.7%)	170(78.7%)	21(9.7%)	3.9630	.51806
Aggregate						3.9738	.44673

Table 1 results showed that 163(75.5%) of the respondents agreed that the County Government had digitalized the management systems as an improvement in leadership structures. The mean results of 3.8519 and standard deviation of 0.61478, further indicated that digitalization of management systems was done to fit leadership structures among different County Governments. The results further revealed that the County Government leadership had supported the changes in organizational transformation to enable high efficiency in service delivery, as revealed by 92(42.6%) and 82(38.0%) who agreed and strongly agreed respectively. The mean results of 4.1620 and standard deviation of 0.78749 showed that organizational transformation has improved efficiency of service delivery.

The results indicated that 151(69.9%) respondents agreed that the County Government had created a culture that embraces digital platforms in every department in the County. A mean of 3.9028 with a standard deviation of 0.63597 implied that digital platforms are embraced in County Government departments across Kenya.

The results further indicated that 147(68.1%) of the respondents agreed that the County Government had a conducive environment for learning and innovation based on existing digital platforms. The mean of 4.0324 and standard deviation of 0.63529 were obtained, which implied that the learning and innovation culture was driven by digital platforms utilized in the County Governments.

The findings revealed that 159(73.6%) of the respondents agreed that the County Government had encouraged the organizational learning process in digital concepts to improve efficiency. This had a mean of 3.9306 and a standard deviation of 0.63230, which implied that the organizational learning process was encouraged as a culture in County Governments in Kenya.

Finally, 170(78.7%) of the respondents agreed that the County Government had benchmarked with different counties and countries on the best adoptable technology for organizational transformation of the County. A mean of 3.9630 and standard deviation of 0.51806 implied that the County Government focused on improving technology adoption through benchmarking other counties and countries.

An aggregate mean of 3.9738 and standard deviation of 0.44673 implied that cultural transformation was applied uniformly across Counties. Therefore, cultural transformation contributed significantly to organizational transformation in the County Government.

Employee performance

The results in Table 2 highlight the perceptions of respondents regarding employee performance in the County Government, analyzed using frequency, percentage frequency, mean, and standard deviation.

Table 2: Employee Performance

	SD	D	N	A	SA	Mean	Std. Deviation
The County Government has improved the quality of employees' tasks through improvement in technology.	0(0.0%)	9(4.2%)	18(8.3%)	167(77.3%)	22(10.2%)	3.9352	.59099
The County Government has improved effectiveness in internal collaboration between employees.	1(0.5%)	0(0.0%)	32(14.8%)	109(50.5%)	74(34.3%)	4.1806	.70861
Adoption of digital technology in the county government has increased the quantity of tasks done.	0(0.0%)	7(3.2%)	24(11.1%)	148(68.5%)	37(17.1%)	3.9954	.64338
The County Government has enhanced the efficiency of service delivery through technology advancement.	0(0.0%)	7(3.2%)	24(11.1%)	148(68.5%)	37(17.1%)	4.0324	.59757
The County Government has received positive comments from the citizens that they are satisfied with the service delivery.	1(0.5%)	4(1.9%)	30(13.9%)	160(74.1%)	21(9.7%)	3.9074	.58726
The County Government has improved the timeliness in service delivery.	0(0.0%)	10(4.6%)	18(8.3%)	171(79.2%)	17(7.9%)	3.9028	.58253
Aggregate						3.9923	.41227

The results revealed that a majority of respondents, 167 (77.3%), agreed that technological advancements within County Governments have led to improved quality in employee task execution. This is reinforced by a mean score of 3.9352 and a standard deviation of 0.59099, indicating a consistent perception of technology's role in enhancing task quality. Additionally, 109 respondents (50.5%) agreed and 74 (34.3%) strongly agreed that internal collaboration among employees had become more effective, attributed to cultural transformation initiatives. This perception is supported by a high mean of 4.1806 and a standard deviation of 0.70861, reflecting a strong commitment to enhancing internal teamwork.

The integration of digital technologies was also found to increase task output, with 148 respondents (68.5%) agreeing and 37 (17.1%) strongly agreeing. This is captured by a mean of 3.9954 and a standard deviation of 0.64338, suggesting notable improvements in productivity. Moreover, 148 respondents (68.5%) affirmed that technological improvements have enhanced service delivery efficiency. This view is supported by a mean of 4.0324 and a standard deviation of 0.59757.

In terms of citizen feedback, 160 respondents (74.1%) acknowledged receiving positive public responses regarding service delivery, reflected in a mean of 3.9074 and a standard deviation of 0.58726. Furthermore, 171 respondents (79.2%) agreed that service timeliness had improved, as evidenced by a mean of 3.9028 and a standard deviation of 0.58253. Overall, the aggregated mean for employee performance was 3.9923 with a standard deviation of 0.41227, indicating generally high performance levels across County Governments in Kenya.

H_0: There is no statistically significant relationship between cultural transformation and employee performance in County Governments in Kenya.

The results presented in Table 3 to Table 5 offer valuable insights into the relationship between cultural transformation (X_1) and employee performance (Y) in County Governments in Kenya. The analysis provides strong evidence of a statistically

significant and positive relationship between these two variables.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.638[a]	.407	.404	.31821

a. Predictors: (Constant), Cultural Transformation

The model summary result in Table 3 shows that the correlation coefficient (R = 0.638) indicates a moderate to strong positive linear relationship between cultural transformation and employee performance. This suggests that as cultural transformation initiatives improve, there is a corresponding and significant improvement in employee performance. The coefficient of determination (R^2 = 0.407) reveals that cultural transformation explains 40.7% of the variation in employee performance, while the remaining 59.3% is attributed to other factors not included in the model. The adjusted R^2 (0.404) is very close to the R^2 value, indicating that the model is well-fitted and appropriately accounts for the impact of cultural transformation without overestimating its contribution. In addition, the standard error of the estimate (0.31821) suggests that the predictions made by the model have a reasonable level of precision, with only minor deviations from observed values.

Table 4: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.873	1	14.873	146.881	.000[b]
	Residual	21.670	214	.101		
	Total	36.543	215			

a. Dependent Variable: Y

b. Predictors: (Constant), Cultural Transformation

Table 4 provides the ANOVA results, which test the overall significance of the regression model. The F-statistic (146.881) is notably high, and the associated p-value (p = 0.000) is far below the significance threshold of 0.05. This confirms that the regression model is statistically significant, implying that cultural transformation (X_1) has a meaningful and measurable impact on employee performance (Y). The results strongly support rejecting the null hypothesis (H_0), which stated that there is no statistically significant relationship between cultural transformation and employee performance.

Table 5: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.653	.194		8.508	.000
	X1	.589	.049	.638	12.119	.000

a. Dependent Variable: Y

The coefficients Table 5 provides detailed insights into the contribution of cultural transformation to employee performance. The constant (B = 1.653, p = 0.000) represents the predicted baseline level of employee performance when no cultural transformation occurs (X_1 = 0). The unstandardized coefficient for X_1 (B = 0.589, p = 0.000) indicates that for every one-unit increase in cultural transformation, employee performance improves by 0.589 units on average. The standardized coefficient (Beta = 0.638) confirms that cultural transformation has a strong and positive effect on employee performance, reinforcing its significance as a predictor variable. Furthermore, the t-value (12.119) and corresponding p-value (p = 0.000) highlight the reliability and statistical significance of this relationship.

From these results, the regression equation is derived as follows:

$Y = 1.653 + 0.589X_1$

This equation implies that for every additional unit of cultural transformation (X_1), employee performance (Y) increases by 0.589 units. The baseline employee performance level, even in the absence of cultural transformation, is 1.653 units.

The analysis demonstrates a statistically significant and positive relationship between cultural transformation and employee performance in County Governments in Kenya. With cultural transformation explaining 40.7% of the variance in employee performance and the results showing strong significance (p = 0.000), the study provides robust evidence to reject the null hypothesis (H_0). This highlights the critical role of cultural transformation in enhancing employee performance and emphasizes its importance as a strategic focus for organizational development.

These findings reveal a statistically significant and positive relationship between cultural transformation and employee performance in County Governments in Kenya, with cultural transformation explaining 40.7% of the variance in employee performance. These results are consistent with empirical studies that highlight the pivotal role of organizational culture in driving transformation and improving performance. For instance, Foerster-Metz *et al.,* (2018) assert that organizational culture is key to effective transformation, allowing organizations to improve their efficiency and collaboration. The present study supports this notion by demonstrating how

cultural transformation, particularly in the public sector, is essential for enhancing employee performance.

Additionally, studies such as those by Trushkina *et al.,* (2020) and He *et al.,* (2021) highlight the importance of organizational culture in driving successful transformations. Trushkina *et al.,* found that in Ukraine, organizational culture focusing on adaptability and innovation contributed significantly to achieving a digital economy. Similarly, He *et al.,* emphasized the role of culture in building resilience during crises like COVID-19. These findings align with the current study's results, where the cultural transformation within County Governments appears to foster resilience and adaptability, leading to better employee performance, especially in challenging times.

Furthermore, the findings are reinforced by Alkaraeen and Al-Ashaab's (2021) work, which highlights the importance of learning and development as part of cultural transformation in public organizations. They argue that adopting organizational learning models can help enhance employee skills and improve service delivery. The current study builds on this perspective by recognizing that organizational learning is an integral part of cultural transformation. As County Governments embrace cultural changes, learning initiatives that support skill development are likely contributing to improved employee performance, as seen in the study's findings.

In contrast to some studies that focus on the challenges of implementing cultural transformation, such as Henriette, Feki, and Boughzala's (2016) research, which highlights the obstacles organizations face during transformation processes, the current study emphasizes the positive impact of cultural transformation on employee performance. While the challenges are undeniable, the results suggest that when managed effectively, cultural transformation in County Governments can significantly enhance employee performance. The study provides valuable insights for organizations looking to prioritize cultural transformation as a strategic approach to improving performance, aligning with the broader trend of incorporating culture as a cornerstone of organizational success.

CONCLUSIONS AND RECOMMENDATIONS

Summary

Cultural transformation has played a pivotal role in improving employee performance within County Governments, primarily through the alignment of digitalization with leadership structures and operational processes. The adoption of digital platforms across departments has fostered an environment of learning and innovation, leading to improved efficiency and adaptability. Benchmarking best practices from other counties and countries has further strengthened this transformation. Statistical evidence indicates a significant positive relationship between cultural transformation and employee performance, emphasizing the need to embed a digital-oriented and learning-focused culture to enhance operational efficiency and organizational success. The study rejected the null hypothesis and accepted alternative which implied that cultural transformation had a positive and significant relationship with employee performance in the County Government in Kenya ($B = 0.589$, $p = 0.000<0.05$)

Conclusion

Cultural transformation is identified as a crucial factor in improving employee performance within County Governments. The alignment of digital management systems with leadership structures, the promotion of learning and innovation, and the integration of digital platforms across departments have collectively enhanced adaptability and efficiency. The study confirms a strong positive relationship between cultural transformation and employee performance, emphasizing its role as a strategic driver of operational success. These findings underscore the need for County Governments to prioritize cultural transformation to create an adaptive and innovative work environment that supports sustained performance improvements.

Recommendations

The study recommends the County Governments should prioritize fostering a culture that embraces digitalization and innovation. Leadership should actively support digital transformation by aligning management structures with technological initiatives and promoting continuous learning. Investment in professional development programs and digital literacy training is necessary to prepare employees for technological advancements. Institutionalizing benchmarking with other counties and global best practices will help identify and adopt innovative approaches that enhance cultural transformation. Creating a supportive environment that values learning, collaboration, and adaptability will sustain cultural transformation and drive continuous improvements in employee performance.

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