The Impact of Training, Culture, and Leadership on Electronic Performance

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ABSTRACT

This study aims to examine the impact of training, organizational culture, and managerial capability on E-Performance, as well as the subsequent influence of E-Performance on employee performance within the City Government. The research is intended to offer valuable insights for academics and practitioners focused on promoting digital transformation and improving performance in the public sector. Additionally, it enriches the theoretical discussion by incorporating essential organizational behavior concepts into the context of digital governance. Performance and its implications for Employee Performance within the City Government. Using a quantitative approach, data were collected from 413 employees through structured questionnaires and analyzed using Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM). While Training directly improves E-Performance, it does not have a significant direct impact on Employee Performance. This research contributes to the understanding of digital transformation in the public sector, particularly in Indonesia, by highlighting the critical roles of organizational culture and managerial capabilities in facilitating this transformation. The study underscores the importance of fostering a supportive culture and enhancing managerial skills to maximize the benefits of digital technologies in improving employee productivity. The findings reveal that both Managerial Capability and Organizational Culture significantly enhance E-Performance, which in turn positively affects Employee Performance.

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Keywords*: E-Performance, Employee Performance, Managerial Capability, Organizational Culture, Training.*

ABSTRAK

Penelitian ini bertujuan untuk mengkaji dampak pelatihan, budaya organisasi, dan kemampuan manajerial terhadap E-Performance, serta pengaruh selanjutnya dari E-Performance terhadap kinerja karyawan di lingkungan Pemerintah Kota. Penelitian ini dimaksudkan untuk menawarkan wawasan berharga bagi akademisi dan praktisi yang berfokus pada mempromosikan transformasi digital dan meningkatkan kinerja di sektor publik. Selain itu, ini memperkaya diskusi teoretis dengan memasukkan konsep perilaku organisasi yang penting ke dalam konteks tata kelola digital. Kinerja dan implikasinya terhadap Kinerja Karyawan di lingkungan Pemerintah Kota. Dengan menggunakan pendekatan kuantitatif, data dikumpulkan dari 413 karyawan melalui kuesioner terstruktur dan dianalisis menggunakan Confirmatory Factor Analysis (CFA) dan Structural Equation Modeling (SEM). Meskipun Pelatihan secara langsung meningkatkan E-Performance, itu tidak berdampak langsung secara signifikan pada Kinerja Karyawan. Penelitian ini berkontribusi pada pemahaman transformasi digital di sektor publik, khususnya di Indonesia, dengan menyoroti peran penting budaya organisasi dan kemampuan manajerial dalam memfasilitasi transformasi ini. Studi ini menggarisbawahi pentingnya menumbuhkan budaya yang mendukung dan meningkatkan keterampilan manajerial untuk memaksimalkan manfaat teknologi digital dalam meningkatkan produktivitas karyawan. Temuan ini mengungkapkan bahwa Kemampuan Manajerial dan Budaya Organisasi secara signifikan meningkatkan E-Performance, yang pada gilirannya berdampak positif pada Kinerja Karyawan.

Kata kunci*: E-Performance, Kinerja Karyawan, Kemampuan Manajerial, Budaya Organisasi, Pelatihan*

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INTRODUCTION

In the rapidly evolving landscape of public administration, the integration of digital technologies has become crucial for enhancing organizational efficiency and effectiveness. The concept of E-Performance, which refers to the utilization of digital tools and platforms to improve workplace performance, has gained significant attention in recent years. Training is a pivotal component in ensuring that employees are equipped with the necessary skills and knowledge to adapt to new technologies. Previous studies have highlighted the positive correlation between effective training programs and improved employee performance, particularly in digitally enabled environments. Al Ali et al. (2019), Fachrunnisa et al. (2022), Cen (2023), and Gomathi et al. (2023) argue that training helps bridge the skill gap among employees, leading to better engagement and productivity.

Organizational culture also plays a critical role in the adoption and successful implementation of E-Performance systems. A supportive and innovative culture can foster employee engagement and facilitate the seamless integration of digital tools (Zaman et al., 2024). According to Kocak and Pawlowski (2022), an innovative organizational culture is crucial for achieving high levels of digital engagement and performance. Additionally, organizational culture affects employee motivation and alignment with company goals, which are critical for successful E-Performance implementation (Zacharias et al., 2021; Zhang et al., 2023).

Managerial capability, including leadership skills and strategic vision, is another essential factor influencing E-Performance. Leaders who possess strong managerial capabilities are better positioned to navigate the complexities of digital transformation and motivate their teams to achieve higher performance levels (Eryeşil, 2021; Asghar et al., 2023; Bilginoğlu & Yozgat, 2023; Ongena et al., 2024). The Palembang City Government, like many other public sector organizations, faces challenges in leveraging these factors to enhance overall employee performance. This study seeks to identify the key elements that contribute to effective E-Performance and provide insights into how these can be optimized to improve public service delivery.

E-Performance encompasses the use of digital technologies to enhance organizational processes and employee productivity. It includes various digital tools, such as software applications and data analytics, which streamline workflows, improve communication, and support decision-making. Recent literature indicates that E-Performance is influenced by training, organizational culture, and managerial capability (Omar & Nik Mahmood, 2020; Al Jehani & Sherfudeen, 2021; Ongena et al., 2024). The adoption of E-Performance systems has the potential to significantly enhance organizational efficiency and employee performance by streamlining processes and providing critical data for decision-making (Ramadhan & Fajarwati, 2023; Heubeck, 2023; Gokhale et al., 2024; Nyathi & Kekwaletswe, 2024).

Employee performance refers to how well employees execute their job responsibilities and contribute to organizational goals (Latham, 2023). It is a critical metric that reflects the effectiveness of both individual and organizational practices, including training programs, cultural alignment, and managerial leadership. Improved employee performance is often a key objective of E-Performance systems, as these systems are designed to optimize work processes and enhance productivity. Studies have shown that when employees are well-trained, supported by a positive organizational culture, and led by capable managers, their performance significantly improves (Slavic & Berber, 2019; Manutilaa et al., 2024; Rahmawati et al., 2024).

The Palembang City Government, like many public institutions in Indonesia, is striving to enhance its service delivery and internal productivity through digital transformation. However, the interplay between training, culture, leadership, and digital performance remains underexplored in this context. Existing literature has often treated these factors in isolation, with limited empirical investigation of their combined effect—particularly in developing country settings where institutional dynamics and resources differ significantly from those in advanced economies.

This research seeks to investigate how training, organizational culture, and managerial capability influence E-Performance and how E-Performance, in turn, affects employee performance in the Palembang City Government. By doing so, the research seeks to provide insights for both scholars and practitioners interested in advancing digital transformation and performance enhancement in the public sector. Furthermore, the study contributes to theoretical discourse by integrating key organizational behavior concepts within the framework of digital government. This study aims to explore the impact of training, organizational culture, and managerial capability on E-Performance and its subsequent implications on employee performance within the context of the Palembang City Government.

LITERATURE REVIEW & HYPOTHESIS DEVELOPMENT

Theoretical Framework

This study is grounded in several key organizational theories. Human Capital Theory, Becker (1975) posits that investment in employee training increases individual productivity and organizational performance. In the context of digital transformation, training enhances employees' ability to engage with new technologies and work systems. The Resource-Based View (RBV), Barney (1991) emphasizes the strategic value of intangible organizational assets, such as managerial capabilities. Competent leadership is seen as a critical resource that helps organizations navigate change, including technological shifts. Additionally, the Technology Acceptance Model (TAM) Davis et al. (2024) explains how perceived usefulness and ease of use influence individuals' willingness to adopt technology, making it relevant in understanding the adoption and success of E-Performance systems. Organizational Culture Theory, particularly the Competing Values Framework (CVF), provides a lens for understanding how cultural orientations affect innovation, adaptability, and performance outcomes (Quinn & Rohrbaugh, 1983).

Training and E-Performance

Training is a fundamental aspect of human resource development, playing a critical role in enhancing employees' adaptability, particularly during digital transformation. Based on Human Capital Theory, training is considered an investment that boosts employees' knowledge, skills, and competencies, leading to improved performance at both individual and organizational levels (Becker, 1975). In digital contexts, training becomes even more essential as organizations adopt new technologies, systems, and workflows requiring technical proficiency and adaptability. Without adequate training, employees may face anxiety or inefficiencies that hinder the success of digital initiatives.

Empirical studies support the positive link between training and electronic performance (E-Performance). Al Ali et al. (2019) showed that structured digital tool training improved productivity and task accuracy in public organizations. Similarly, Fachrunnisa et al. (2022) found that talent-based training enhanced cognitive engagement and digital competency, contributing to better performance. Strategically, training also fosters organizational learning and agility. Cen (2023) reported that financial institutions in Indonesia that adopted e-learning platforms for employee training saw improvements in digital adaptability, user confidence, and system usage. Likewise, Gabelaia and Bucovetchi (2020) emphasized that corporate e-learning not only supports task performance but also promotes a culture of innovation and responsiveness in dynamic digital environments.

In the public sector, where digital literacy varies widely, training helps standardize competencies across staff. Gokhale et al. (2024) highlighted that interactive and gamified training methods are especially effective in increasing motivation and long-term skill retention in bureaucratic environments resistant to change. However, training must be ongoing and relevant. One-time or generic programs often fall short. Effective training should be aligned with specific tools, contextualized to real tasks, and include feedback

mechanisms and post-assessment evaluations to monitor progress and impact on E-Performance metrics.

H1: Training has a positive effect on E-Performance.
H2: Training has a positive effect on Employee Performance.

Organizational Culture and E-Performance

Organizational culture is a key determinant in the successful adoption and integration of digital technologies within institutions. It reflects shared values, norms, and behaviors that influence how employees respond to change, including digital innovation. In digital transformation, a supportive and adaptive culture underpins the effective implementation of systems like E-Performance. The Competing Values Framework (CVF) provides a theoretical foundation, suggesting that cultures emphasizing flexibility, innovation, and employee development are more effective in dynamic settings (Quinn & Rohrbaugh, 1983). Applied to digital contexts, this implies that cultures fostering experimentation, learning, and collaboration enhance digital tool adoption and E-Performance outcomes. Empirical studies reinforce this link. Kocak and Pawlowski (2022) found that innovative cultures are strongly correlated with successful digital system implementation. Cultures open to change improve employee engagement with technology, ensuring smoother adoption. Zaman et al. (2024) also argue that cultural alignment with digital goals boosts motivation and readiness to use E-Performance systems effectively.

In the public sector, the influence of culture is even more significant due to rigid bureaucracies and longstanding routines. Without cultural adaptation, digital innovation may face resistance. Zacharias et al. (2021) observed that public organizations fostering trust, accountability, and openness saw greater employee engagement with E-Performance tools. Culture also affects how performance measurement is perceived; when transparency, meritocracy, and improvement are valued, employees view E-Performance systems positively. Zhang et al. (2023) highlighted that supportive cultures amplify the benefits of high-performance work systems and digital innovation. Importantly, culture is not fixed, it can be shaped through leadership. Leaders influence culture by modeling digital-friendly behaviors, promoting knowledge sharing, and recognizing digital engagement. These efforts build a digital mindset essential for sustaining E-Performance advancements.

H3: Organizational Culture has a positive effect on E-Performance.
H4: Organizational Culture has a positive effect on Employee Performance.

Managerial Capability and E-Performance

Managerial capability is a strategic asset crucial for successful digital transformation, including the implementation of E-Performance systems. It includes leadership, strategic thinking, decision-making, communication, and changing management skills. In dynamic environments, these capabilities help organizations align resources and overcome resistance to change. According to the Resource-Based View (RBV), managerial capability is a valuable, rare, and inimitable resource that can create sustained competitive advantage (Barney, 1991). In public sector settings, where rigid structures often hinder innovation, capable managers can champion digital initiatives and foster a culture of performance.

Research underscores the link between managerial capability and digital success. Badrinarayanan et al. (2019) identified managers as resource orchestrators who drive digital adoption and performance in dynamic markets. Bilginoğlu and Yozgat (2023) further assert that modern managerial competence must include digital literacy, agility, and strategic alignment. Similarly, Ongena et al. (2024) describe digital leadership as a multidimensional construct encompassing empowerment, digital adoption guidance, and strategic alignment.

Empirical findings strengthen this view. Asghar et al. (2023) demonstrated that managerial capability promotes innovation and boosts organizational performance. In the public sector, adaptive and innovative managers can effectively engage employees in using digital tools. Beyond technical skills, interpersonal and motivational abilities are also essential. Capable managers communicate the value of E-Performance systems, address concerns, and build trust during transitions. The role of "digital leaders" who are visionary, tech-savvy, and people-oriented, bridging strategic goals with operational execution. These leaders are instrumental in embedding E-Performance systems into daily practice, ensuring long-term success and institutional transformation.

H5: Managerial Capability has a positive effect on E-Performance.
H6: Managerial Capability has a positive effect on Employee Performance.

E-Performance and Employee Performance

E-Performance refers to the use of digital tools to monitor and enhance employee performance through systems that track task completion, attendance, and alignment with organizational goals. In public administration, these systems aim to boost efficiency, transparency, and accountability—pillars of good governance. The Technology Acceptance Model (TAM) explains that employees' willingness to use such systems depends on perceived usefulness and ease of use (Davis et al., 2024). When seen as beneficial, E-Performance systems improve employee performance outcomes. Musa et al. (2024) found that systems with clear indicators and user-friendly interfaces enhance engagement and productivity. Weerasinghe and Hindagolla (2017) also noted that perceived ease of use and system reliability predict better work outcomes. E-Performance contributes to performance in multiple ways: clarifying tasks, aligning goals, enabling real-time feedback, and providing data for better decision-making.

In the public sector, often criticized for vague performance measures-Performance brings structure and objectivity. Putri and Sulhani (2024) showed that these platforms increased accountability in local government. Nyathi and Kekwaletswe (2023), and Nyathi and Kekwaletswe (2024) found digital performance tracking improved output and reduced absenteeism. Beyond technical aspects, E-Performance affects behavior and mindset. Systems perceived as fair and supportive boost motivation, but if poorly implemented or seen as surveillance, they can cause resistance or manipulation. Thus, the relationship between E-Performance and employee performance is both technical and cultural. Effective implementation requires alignment between system design, managerial practices, and organizational culture. When well-integrated, E-Performance systems foster a results-oriented work culture, improve efficiency, and support employee development.

H7: E-Performance positively influences Employee Performance.

Although numerous studies have examined the influence of training, culture, and leadership on organizational performance, few have explored their combined effect on E-Performance as a mediating construct, particularly within the public sector of developing countries. Most existing research is either limited to private sector settings or conducted in Western contexts, leaving a gap in understanding how these variables interact in government institutions in emerging economies like Indonesia. The hypotheses testing in this study are based on the conceptual framework outlined in Figure 1, which illustrates the proposed relationships between the variables.

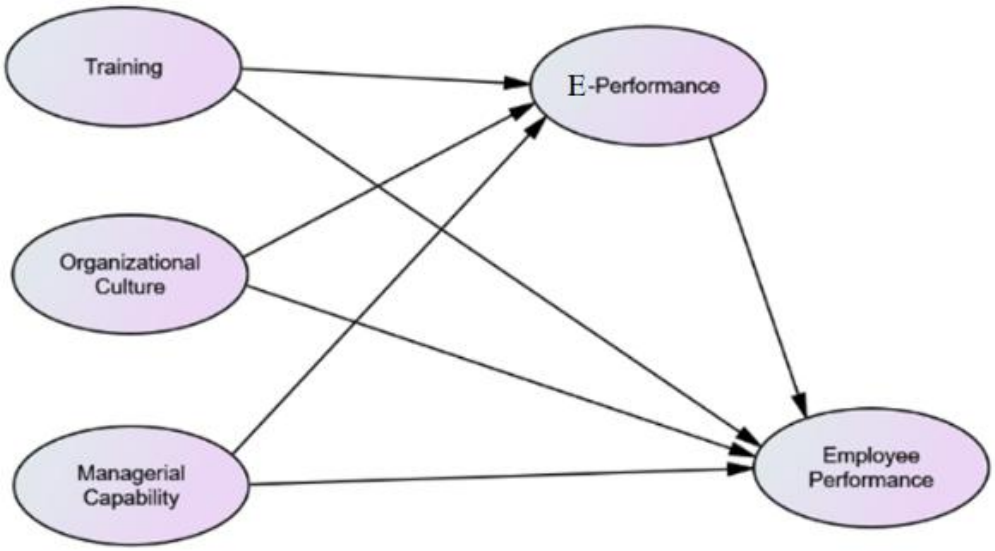

Figure 1. Conceptual Framework

The development of the hypotheses in this study is grounded in the conceptual framework depicted in Figure 1. This framework delineates the anticipated relationships among the variables of training, organizational culture, managerial capability, E-Performance, and employee performance. By mapping these interconnections, the framework guides the formulation of hypotheses, proposing that training, organizational culture, and managerial capability significantly influence E-Performance, which in turn impacts employee performance. This structured approach ensures that the hypotheses are logically derived from the conceptual model, facilitating a comprehensive analysis of the factors affecting performance outcomes within the Palembang City Government.

RESEARCH METHOD

This study utilizes a quantitative research design to explore the effects of training, organizational culture, and managerial capability on E-Performance and their implications for employee performance within the Palembang City Government. A cross-sectional survey approach was adopted, collecting data from 413 employees at a single point in time. This approach enables the analysis of relationships between variables and the testing of proposed hypotheses. A stratified random sampling method was employed to ensure a diverse representation across various departments and job levels. Data was collected through structured questionnaires, which focused on training, organizational culture, managerial capability, motivation, and employee performance, distributed both online and in paper format.

Data analysis was performed using Structural Equation Modelling (SEM) with Smart PLS software, encompassing several key steps. Descriptive statistics were used to summarize the demographic characteristics of the respondents and key data features. The measurement model assessment evaluated the reliability and validity of the instruments used. The structural model assessment tested the hypothesized relationships by analyzing path coefficients, significance levels, and R-squared values. Mediation analysis was conducted to examine the role of motivation in the relationships between training, organizational culture, managerial capability, and employee performance. This comprehensive approach provides empirical evidence on the impact of training, organizational culture, and managerial capability on motivation and employee performance, offering valuable insights for enhancing public sector performance in the Palembang City Government.

RESULTS

The participants' demographic characteristics 413 respondents in this study showcases a diverse workforce within the Palembang City Government, spanning various age groups, lengths of service, genders, and educational backgrounds. The largest age group is 25-40 years old, comprising nearly half of the respondents, followed by those over 40 and under 25. This age diversity, along with a significant representation of both newer employees (under 5 years of service) and long-serving members (over 10 years), provides a comprehensive view of the workforce's experiences and perspectives.Gender representation is predominantly female, with women making up nearly two-thirds of the respondents. In terms of education, a substantial portion of the workforce holds undergraduate degrees, indicating a relatively high level of educational attainment. This diverse demographic spread across various categories ensures a well-rounded analysis of how factors like training, organizational culture, and managerial capability influence E-Performance and employee performance in the organization.

Table 1. Characteristics of the Sample Population

Characteristics	Criteria	Frequency	Percent
Age	< 25	54	13.1
	25-40	205	49.6
	> 40	154	37.3
Length of Service	< 5 years	133	32.2
	6-10 years	104	25.2
	> 10 years	176	42.6
Gender	Male	138	33.4
	Female	275	65.9
Education	High School	34	8.2
	Diploma	107	25.9
	Undergraduate	214	51.8
	Master	56	13.6
	Other	2	0.5

To ensure data accuracy and reliability, this study evaluates the validity and reliability of the measurement instruments used. Validity assesses how well an instrument measures its intended concept, while reliability examines the consistency of the measurements. Table 2 presents the validity and reliability test results for questionnaires on training, organizational culture, managerial capability, motivation, and employee performance, showing loading factors, Cronbach's alpha, and composite reliability for each item.

Table 2 presents the results of the instrument validity and reliability analysis for five key research variables: Training, Organizational Culture, Managerial Capability, E-Performance, and Employee Performance. Each variable is measured using six indicators, and the table shows the loading factors, Cronbach's Alpha, and Composite Reliability (CR) for each construct. The loading factor values indicate the strength of the relationship between each indicator and its corresponding latent construction. In general, a loading factor above 0.70 is considered acceptable, and the data in this table shows that almost all indicators meet this threshold. Notably, all Training indicators have loading factors ranging from 0.739 to 0.839, demonstrating good validity. The Organizational Culture indicators also perform well, with loading values between 0.752 and 0.797. Similarly, the E-Performance construct shows consistent results, with all indicators exceeding the 0.70 threshold, ranging from 0.711 to 0.828. For Employee Performance, the indicator loadings are all high, ranging from 0.703 to 0.819, further supporting the construct validity.

The only indicator slightly below the ideal threshold is CAP1 for the Managerial Capability variable, which has a loading factor of 0.668. While slightly lower than 0.70, this value is still acceptable in social science research, particularly when the overall construct reliability is strong. Indeed, the reliability of the Managerial Capability construct remains high, with Cronbach's Alpha of 0.849 and Composite Reliability of 0.887. All constructions have Cronbach's Alpha values above 0.84, indicating strong internal

consistency. The highest Cronbach's Alpha value is 0.886 for the Training construct, while the lowest is 0.849 for Managerial Capability—both well above the commonly accepted minimum threshold of 0.70. In terms of Composite Reliability, all constructions exceed 0.88, confirming that the instrument reliably measures the intended constructions. These CR values reinforce the robustness of the indicators and suggest that they work well together to explain their respective variables.

Based on these findings, it can be concluded that the measurement instruments used in this study exhibit both strong convergent validity and high internal consistency reliability. This ensures that the constructions are well-represented by the selected indicators, and that the data are suitable for use in further hypothesis testing through structural equation modeling or other advanced statistical techniques. Therefore, the instrument is deemed fit for analyzing the relationship between training, culture, managerial capability, E-Performance, and employee performance within the study's research framework.

Table 2. Instruments Validity and Reliability

Variable	Indicator	Loading Factor	Cronbach Alpha	Composite Reliability
Training	TRA1	0.739	0.886	0.905
	TRA2	0.811		
	TRA3	0.839		
	TRA4	0.769		
	TRA5	0.781		
	TRA6	0.761		
Organizational Culture	ORG1	0.782	0.868	0.899
	ORG2	0.768		
	ORG3	0.772		
	ORG4	0.752		
	ORG5	0.797		
	ORG6	0.767		
Managerial Capability	CAP1	0.668	0.849	0.887
	CAP2	0.782		
	CAP3	0.739		
	CAP4	0.801		
	CAP5	0.761		
	CAP6	0.759		
E-Performance	EPER1	0.711	0.873	0.903
	EPER2	0.828		
	EPER3	0.757		
	EPER4	0.817		
	EPER5	0.789		
	EPER6	0.801		
Employee Performance	PER1	0.782	0.873	0.903
	PER2	0.703		
	PER3	0.781		
	PER4	0.800		
	PER5	0.788		
	PER6	0.819		

Figure 2 presents the structural model of the variable relationships in the Employee Performance Model, highlighting the direct and indirect effects of Managerial Capability, Organizational Culture, and Training on E-Performance and Employee Performance. This model serves as the basis for the hypotheses testing, which aims to empirically verify the proposed relationships and their impact on the overall performance outcomes within the Palembang City Government.

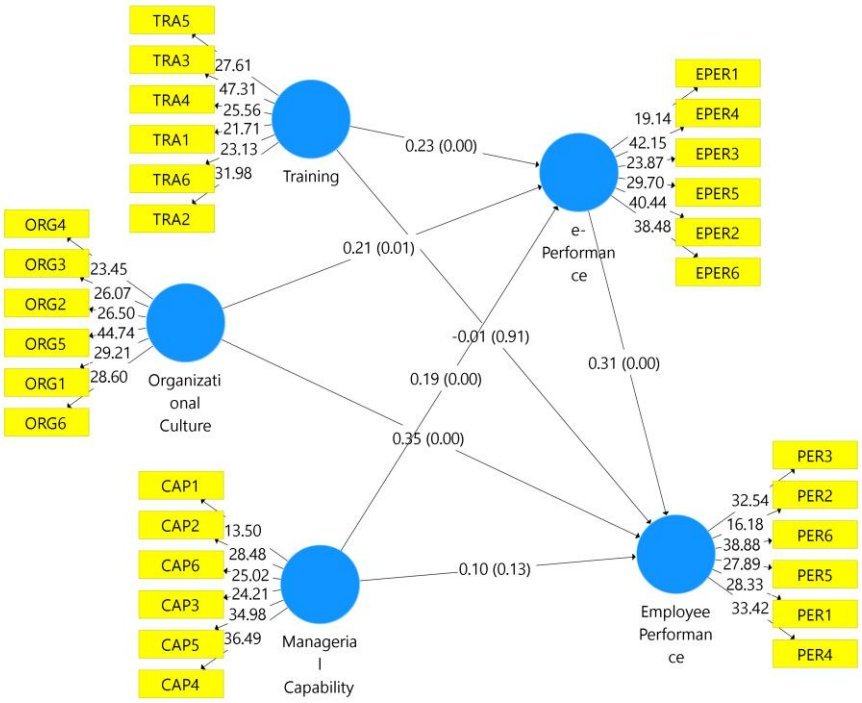

Figure 2. Variable Relationships in Employee Performance Model

The hypotheses test results on Table 3 provide a comprehensive analysis of the relationships between Managerial Capability, Organizational Culture, Training, E-Performance, and Employee Performance. The results indicate that Managerial Capability positively affects E-Performance, as evidenced by a path coefficient of 0.194, a T value of 3.200, and a significant P value of 0.001. This suggests that strong managerial skills and capabilities enhance the implementation and effectiveness of E-Performance systems. Similarly, Organizational Culture was found to have a significant positive impact on both Employee Performance (path coefficient 0.350, T value 3.889, P value 0.000) and E-Performance (path coefficient 0.213, T value 2.462, P value 0.014). These findings underscore the importance of a supportive and innovative organizational culture in driving both individual and system-wide performance improvements.

Table 3. Path Coefficients and Significance Levels

Hypothesis	Coefficent	T Value	P Values	Decision
Training -> Employee Performance	-0.007	0.115	0.909	Rejected
Training -> E-Performance	0.233	4.188	0.000	Accepted
Organizational Culture -> Employee Performance	0.350	3.889	0.000	Accepted
Organizational Culture -> E-Performance	0.213	2.462	0.014	Accepted
Managerial Capability -> Employee Performance	0.095	1.503	0.133	Rejected
Managerial Capability -> E-Performance	0.194	3.200	0.001	Accepted
E-Performance -> Employee Performance	0.313	3.697	0.000	Accepted

Based on Table 3, the role of Training in enhancing E-Performance, with a path coefficient of 0.233, a T value of 4.188, and a P value of 0.000, indicating a significant positive effect. However, Training did not show a significant direct impact on Employee Performance, as the hypothesis was rejected with a path coefficient of -0.007, a T value of 0.115, and a P value of 0.909. Similarly, the hypothesis that Managerial Capability directly influences Employee Performance was also rejected, indicated by a path coefficient of 0.095, a T value of 1.503, and a P value of 0.133. Finally, E-Performance was confirmed to significantly improve Employee Performance, with a path coefficient of 0.313, a T value of 3.697, and a P value of 0.000. These findings emphasize the

importance of E-Performance as a mediator between organizational inputs and employee outcomes, highlighting the need for comprehensive strategies that integrate training, culture, and managerial practices to maximize employee performance.

DISCUSSION

Based on the hypotheses testing and findings, several important managerial implications emerge for improving organizational performance within the Palembang City Government. The significant positive impact of Managerial Capability on E-Performance emphasizes the need for targeted investment in leadership development. This includes equipping managers with essential skills in strategic thinking, decision-making, and leadership to ensure they can effectively implement and optimize E-Performance systems. This finding aligns with the Resource-Based View (RBV) theory by Barney (1991), which identifies managerial capabilities as strategic resources that are valuable, rare, and inimitable. Leaders with strong strategic vision are better positioned to lead organizations through digital transformation, indicating that leadership development is critical for maximizing the benefits of digital tools and enhancing performance outcomes.

The study also highlights the critical role of Organizational Culture in influencing both E-Performance and Employee Performance. The Competing Values Framework (CVF) developed by Quinn and Rohrbaugh (1983) provides a useful theoretical foundation, suggesting that cultures that value innovation, flexibility, and collaboration contribute significantly to organizational effectiveness. This is supported by Yazici (2023), who notes that a supportive organizational culture enables greater employee engagement with digital systems, leading to improved outcomes. Managers should therefore actively foster a culture that encourages adaptability, teamwork, and continuous learning. This can be achieved through initiatives such as collaborative activities, transparent communication, and programs that recognize and reward innovation and cooperation. Such cultural reinforcement is essential in creating a work environment where employees are motivated to embrace technological advancements.

Although Training did not directly impact Employee Performance, it showed a significant positive influence on E-Performance, reinforcing the idea that training is essential for preparing employees to utilize digital systems effectively. This finding is consistent with human capital theory, which posits that investments in training enhance individuals' productivity by increasing their knowledge and skills (Becker, 1975). Gabelaia and Bucovetchi (2020) further support this by demonstrating that training aligned with organizational needs leads to more effective use of digital systems. Therefore, training programs should be strategically designed to reflect current technological developments and organizational goals. By focusing on system-specific competencies and integrating feedback mechanisms, organizations can ensure that training delivers practical value and supports broader performance objectives.

Taken together, the findings point to a holistic strategy for enhancing organizational performance through the combined efforts of managerial capability, organizational culture, and training. Strong leadership is required to guide and sustain digital transformation, while a positive and adaptive culture fosters employee engagement and innovation. Targeted training ensures that employees are competent in using digital systems, particularly E-Performance tools, which contribute to transparency, accountability, and efficiency. These insights offer a robust framework grounded in theory and empirical research, helping the Palembang City Government leverage both human and technological resources to build a more effective, responsive, and high-performing public administration.

CONCLUSION

This study examined the effects of Training, Organizational Culture, and Managerial Capability on E-Performance and its impact on Employee Performance within the Palembang City Government. The findings reveal that both Organizational Culture and

Managerial Capability significantly influence E-Performance, which in turn enhances Employee Performance. E-Performance plays a mediating role, emphasizing the importance of digital transformation in improving public sector outcomes. While Training positively affects E-Performance, it does not directly impact Employee Performance. This suggests that training is most effective when it enhances the use of digital systems, which subsequently improves employee productivity. Therefore, training programs must align with digital strategies and organizational goals to be effective.

Supportive Organizational Culture fosters technology adoption, innovation, and employee engagement, while strong managerial capabilities are essential to lead and sustain digital transformation. For public institutions like the Palembang City Government, this underscores the need for leadership development, cultural reinforcement, and strategic training. Leadership initiatives should focus on strategic thinking, while culture-building can be supported through open communication, team-building, and recognition programs. Training should be updated regularly to reflect evolving technologies and improve digital competencies.

The study contributes to several theoretical frameworks. It supports Resource-Based View (RBV) by showing that managerial capability is an asset for digital performance. It extends the Competing Values Framework (CVF) by highlighting how culture facilitates digital adoption, and it aligns with Human Capital Theory by demonstrating how training indirectly enhances performance via E-Performance. This research is distinctive in exploring the combined influence of Training, Culture, and Managerial Capability on digital and employee performance in a public sector context. However, the study's cross-sectional design limits causal interpretations, and its focus on a single organization restricts generalizability. Future research should adopt longitudinal approaches and broader samples to deepen insights.

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