

Influence of Cultural Adaptation on Performance of Small and Medium Enterprises in Turkana County, Kenya

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ABSTRACT

The purpose of the study was to investigate the influence of Cultural Adaptation on Performance of SMES In Turkana County, Kenya. The study was supported by Resource Based Theory. The population of the study comprised of 2660 SMEs licensed and operating in Turkana County as at December, 2022. The study targeted the SME owner/manager as the unit of observation. The study adopted a sample size formula to obtain a sample of 266 respondents. The study used stratified random sampling method to obtain the sample participants. A semi-structured questionnaire was applied to obtain primary data. A pilot study was conducted in Trans-Nzoia County before the main data collection process. Inferential statistics was performed using correlation and multiple regression analysis, with descriptive statistics employing mean scores, frequencies, standard deviations, and percentages. **Key findings established that** Cultural Adaptation (Beta = 0.812, Sig. = 0.000; Beta = 0.554, Sig. = 0.043). The results revealed that there was a strong positive relationship between cultural adaptation practices and SME performance. As shown in the regression table, the correlation coefficient (R) was 0.861, indicating a high level of association between the two variables. The coefficient of determination (R^2) was 0.741, which implied that 74.1% of the variation in SME performance could be explained by the various elements of cultural adaptation considered in the study. This suggested that cultural adaptation played a major role in shaping the success and sustainability of SMEs within the county. The regression coefficients showed that all the cultural adaptation indicators had positive and statistically significant effects on SME performance. Organizational learning had a regression coefficient (β) of 0.298 and a significance value (p) of 0.000, indicating that SMEs that prioritized learning and knowledge sharing performed better than those that did not. SMEs should actively promote cultural inclusivity and sensitivity in their operations. SMEs should actively promote cultural inclusivity and sensitivity in their operations. This involved tailoring products and services to meet the diverse preferences of their customers and fostering a participatory work environment. Practices such as cross-cultural training for employees and integrating local traditions into marketing strategies would strengthen customer loyalty.

Key Words: *Cultural Adaptation, Performance, Small and Medium Enterprises*

1.0 INTRODUCTION

The influence of cultural adaptation on the performance of small and medium-sized enterprises (SMEs) has become an important subject of study, especially in regions where cultural diversity strongly shapes economic activities. In Turkana County, Kenya, culture plays a central role in determining how businesses operate, interact, and thrive within the local environment. Turkana is predominantly inhabited by pastoralist communities whose traditions, beliefs, and social systems have remained deeply rooted over time. These cultural values influence consumer behavior, decision-making processes, and patterns of trade. Therefore, for SMEs operating in this region to succeed, they must understand and adapt to these cultural dynamics in order to remain relevant and competitive (Edeling, 2018).

Cultural adaptation refers to the process through which businesses modify their operations, products, communication strategies, and management practices to align with the cultural norms and values of the communities in which they operate. In Turkana County, this might involve understanding traditional leadership structures, gender roles, communication styles, and local customs that influence trade and customer relations. SMEs that integrate such cultural awareness into their operations are more likely to build trust, gain community acceptance, and achieve long-term sustainability. On the other hand, enterprises that fail to consider local culture often face resistance, poor market penetration, and limited growth opportunities. (Weismeier, 2012).

The performance of SMEs is often measured through profitability, market share, customer satisfaction, and business sustainability. However, in regions like Turkana, non-financial aspects such as community trust, social networks, and adaptability to environmental and cultural changes are equally important indicators of performance. Cultural adaptation enables SMEs to connect more effectively with their customers, attract loyal clients, and maintain stable relationships even in times of social or economic uncertainty. It also allows them to align their products and services

with the unique needs and preferences of the local population, thereby improving overall productivity and competitiveness (Abiad,2021).

1.1 Problem Statement

Small and Medium-Sized Enterprises (SMEs) play a vital role in promoting economic growth, creating employment opportunities, and reducing poverty across Kenya. However, in Turkana County, the performance and sustainability of many SMEs remain relatively low compared to other regions in the country. Despite various government and non-governmental efforts to promote entrepreneurship, a significant number of SMEs in Turkana struggle to grow or survive beyond their initial years of operation. One of the underlying factors contributing to this challenge is the limited understanding and integration of cultural adaptation in business practices.

Furthermore, cultural factors such as traditional leadership systems, gender roles, and community decision-making processes significantly influence consumer preferences and business interactions in Turkana. Entrepreneurs who are unaware of these cultural dynamics often face difficulties in penetrating local markets, establishing partnerships, or maintaining a steady customer base. Consequently, many SMEs experience stagnation, reduced profitability, and eventual closure. On the other hand, businesses that embrace cultural adaptation tend to enjoy community support, customer loyalty, and resilience against socio-economic challenges.

Despite the evident role of culture in shaping business success in Turkana, limited empirical research has been conducted to examine how cultural adaptation specifically influences SME performance in this unique context. Most existing studies on SME performance in Kenya focus on factors such as access to finance, managerial skills, or technological innovation, with little attention given to cultural aspects. This gap in knowledge creates a challenge for entrepreneurs and policymakers seeking to design context-specific strategies that enhance SME growth in Turkana County. Therefore, this study seeks to investigate the influence of cultural adaptation on the performance of SMEs in Turkana County, Kenya, with the aim of identifying how culturally aligned business practices can promote sustainability, competitiveness, and long-term success among local enterprises.

1.3 Objective of the Study

To determine the influence of Cultural adaptation on Performance of SMES in Turkana County, Kenya

1.4 Research Question

What is the influence of Cultural adaptation on Performance of SMES in Turkana County, Kenya?

1.5 Value of the Research

The value of this research on the influence of cultural adaptation on the performance of SMEs in Turkana County, Kenya, lay in its potential to generate both theoretical and practical insights that significantly contributed to local and national economic development. At the academic level, the study enriched existing literature on entrepreneurship by exploring an area that had received limited attention in Kenyan and African contexts the role of cultural adaptation in business performance. While numerous studies had focused on financial, managerial, and technological determinants of SME success, few had examined how cultural factors shaped business sustainability, especially in regions characterized by strong traditional norms such as Turkana. This research, therefore, added a new dimension to understanding entrepreneurship by linking cultural awareness with business outcomes.

At the practical level, the findings of the study were valuable to entrepreneurs operating in Turkana County and other culturally diverse regions. They provided insights into how aligning business practices with local cultural norms improved customer relations, enhanced brand loyalty, and strengthened community acceptance. For instance, understanding local decision-making systems, gender roles, and social values helped entrepreneurs design products and services that met community needs more effectively. The study also guided business owners on how to build trust and long-term partnerships within the community, which were crucial for business growth and resilience in a socio-culturally dynamic environment like Turkana.

For academic institutions and future researchers, the study provided a foundation for further exploration into the intersection between culture and business performance. It opened avenues for comparative studies across other counties and regions in Kenya with distinct cultural identities, thereby contributing to a broader understanding of how culture influenced entrepreneurship in diverse settings.

2.LITERATURE REVIEW

2.1 Resource Based Theory

This theory proposed by Penrose (1959) argued that there was a finite number of resources to each organisation whereby some of these resources were tangible while others were intangible. According to the theory, mere possession of resources of different forms and elements is not a necessary condition for organisational competitiveness. What does make firms profitable was competent, efficient and effective application of firm's resources. On the same note, as firms enjoyed the benefits of resources, they should make well informed allocative decisions so as to improve their performance and to enhance competitive advantage. As already pointed out resources for most manufacturing firms were categorised into tangible and intangible. The former comprises of equipment, finance and land while technology, brand, culture form intangible resources of a firm. Besides these two, the human factor was another important resource and included skills and motivations to work. Penrose (1959) emphasized that the true value of resources lied in their effective utilization rather than mere ownership. Firms that succeed in leveraging their resources strategically often develop unique capabilities that are difficult for competitors to replicate. These capabilities, also known as core competencies, allowed organizations to achieve sustained competitive advantage in their respective industries.

2.2 Empirical Literature Review

Cultural adaptation was the level of effectiveness of organizational culture in dealing with existing challenges and responding to changes that would be made (Wulandari *et al.*, 2017). Cultural adaptation was considered as behavioural or institutional changes made by one institution in particular, group, or corporate level in order for cater to the unique requirements of another organization (Zheng, Yang & McLean, 2010). Organizational culture must be dynamic and adaptive to the organizational environment if the organization wants good performance for the long-term.

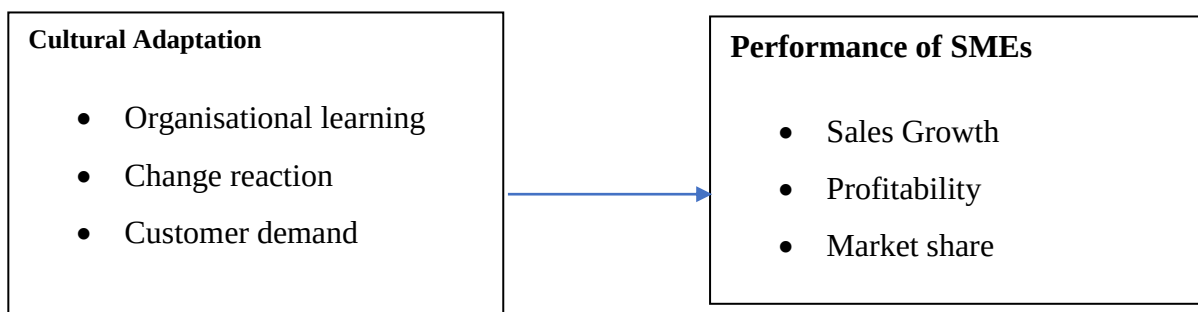
Naranjo-Valencia *et al.*, (2016) in a study of factors affecting business agility in USA SME's argued that the adaptability of organizational culture and innovation influences business performance. There were various benefits SMEs adapting to organizational cultures, such as having the ability to compete. Furthermore, an effective adaptability of organizational culture could face different challenges by responding to various changes. According to Jogaratnam (2017), organizational culture with development and innovation orientation had a direct influence on the company's innovation performance. Indeed, the adaptability of organizational culture and motivation influences organizational commitment.

People as well as SMEs contact with individuals from different cultures more frequently, which necessitates adjusting their attitude and method of operation (Charoensukmongkol, 2015). It was particularly clear in the corporate world, where it was quite difficult to avoid dealing with people from different cultures on a general level. Two different types of issues might cause communication difficulties across two cultures. The first issue was related to the social norms of conduct that were accepted in various nations, while the second issue was a result of the divergent belief systems and perceptions of individuals from other cultures, claim Hall et al. (2017). Recognizing the partner's company culture prevents shock to the system, misconceptions, and incorrect behaviour analysis. Cultural adaptation plays a pivotal role in shaping the strategic direction of SMEs, allowing them to navigate and thrive in diverse business landscapes. As Wulandari et al. (2017) suggest, organizational culture must remain responsive and flexible to tackle both anticipated and unforeseen challenges. This was particularly critical for SMEs operating in rapidly changing markets where the ability to adapt culturally ensures better alignment with customer expectations, industry norms, and global trends. By fostering a culture of adaptability, SMEs could build resilience and improve their ability to sustain long-term performance.

2.3 Conceptual Framework

Independent Variable

Dependent Variable



3.METHODOLOGY

3.1 Research Design

This study was conducted using a mixed-methods approach that combined descriptive study designs because it enabled evaluation of the relationships between variables under research using a linear regression model, a descriptive study design was chosen. Using a descriptive study design, a researcher could decide to describe how something exists (Guest, Namey, & Chen, 2020).

3.2 Target Population

Target population was the total number of items within a particular area of investigation and was often termed as the universe (Mugenda *et al.*, 2012). The study was primarily focused on determining the influence of Business agility on performance of SMEs in Turkana County, Kenya. The study target population was licensed SMEs in Turkana County. According to Turkana Chamber of Commerce data (2023) and Ministry of Industry, Trade and Cooperatives (Turkana County KNBS Report (2023), there were 2660 SMEs licensed to operate in the county as at December.

3.3 Sampling Procedure and Techniques

According to (Kombo & Tromp, 2012), sampling methods and sample size were crucial in determining if the sample was representative enough to be used for generalization. Studies were typically conducted on samples because it was usually impossible to study the entire population. The research selected SMEs with highest market share which as shown in Table 1 are general Wholesale & Retail trade 24.30%, Food & beverages 19.86%, Clothes & Fashion 15.62% with a total of 1589 SME owners and managers.

3.4 Research Instruments

The study obtained primary data from the sampled respondents using a semi-structured questionnaire as shown in Appendix II. A questionnaire was a form that had a number of questions typed or printed on it in a specific order (Einola & Alvesson, 2021). There were many benefits to using questionnaires, including their lack of interviewer bias, low cost but broad geographic coverage and ample time for accurate responses from respondents, suitability for hard-to-reach respondents, and ability to use sizable samples to produce reliable and trustworthy results (Abgaz et al., 2018).

3.4.1 Validity Test

Validity was characterized as the precision, veracity, and significance of impacts based on data accumulated via the use of a tool or scale for each study variable (Singh, 2017), it was the extent to which findings from data analysis accurately reflect the subject being studied. Therefore, it related to how precisely the study's data collection process captured the study's variables. A conclusion derived from such information was correct and relevant if they accurately represent the parameters (Singh, 2017). The measures for the variables in this study was adjusted using both construct validity and content validity. The relevant validity in this study was content validity.

3.4.2 Reliability Test

Reliability, according to Ursachi, Horodnic, and Zait (2015), was a measure of how consistently an instrument produces outcomes or data after repeated testing. In this study, the dependability of data obtained using the same instrument would be evaluated using the test-retest approach. The relevance of a study tool was measured by the tool's reliability. Reliability of a research instrument was very important if at all the data collected would produce good results. Harper (2002) argued that, questionnaires produce intended results when they had validity and reliability.

4. DATA ANALYSIS AND INTERPRETATION

4.1 Descriptive Analysis of Cultural Adaptation and performance of SMEs

This section pertained to statements formulated to assess the relationship between Cultural Adaptation and performance of SMEs in Turkana County, Kenya. The table below gave a list of statements on influence of technological adaptation and performance of SMEs in Turkana County, Kenya. The data was analysed using 5-1 Likert Scale. Where 1 - Strongly Disagreed 2 - Disagreed 3 – Neutral 4 – Agreed 5 - Strongly Agreed. Perception was measured using an ordinal scale with 5 levels of agreement to capture the varying degrees of respondents' attitudes and opinions regarding influence of Cultural Adaptation on performance of SMEs. The findings were presented in Tables 1.

Table 1 Cultural Adaptation and Performance of SMEs

Cultural Adaptation (N=250)	5-SA (81%-100%)		4-A (61%-80%)		3-N (41%-60%)		3-SD (41%-20%)		D (Less than 20)	
	F	%	F	%	F	%	F	%	F	%
The SME prioritizes organizational learning	138	55.30%	94	37.60%	0	0.0	0	0.0	0.0	0
								0.0		
The SME focuses on change creation and innovation	179	71.70%	56	22.50%	15	6.0	0		0.0	0
								0.0		
There is relentless focus on seeking new customers	124	49.40%	118	47.00%	9	3.6	0		0.0	0
								0.0		
The SME promotes participatory culture	138	55.30%	94	37.60%	0	0	0		0.0	0
								0.0		
The SME seeks compromise	6	2.30%	41	16.40%	88	35.2	0		0.0	0

Source: Researcher, (2024)

The relationship between cultural adaptation and the performance of Small and Medium Enterprises (SMEs) in Turkana County, Kenya, was a critical area of study. This analysis aimed to explore how cultural adaptation influenced the operational success and growth of these enterprises. The data presented was based on a series of statements evaluated using a 5-point Likert scale, ranging from “Strongly Disagreed” to “Strongly Agreed. The study found that a significant majority of SMEs (71.7%) focused on change creation and innovation. This indicates a strong inclination towards adopting new methods and technologies to stay competitive. The emphasis on innovation suggested that these enterprises were not only aware of the need for continuous improvement but were actively pursuing it. Nearly half of the SMEs (49.4%) had a relentless focus on seeking new customers, with an additional 47% agreeing to this statement. This highlighted the proactive approach of SMEs in expanding their customer base, which was crucial for growth and sustainability.

The minimal percentage of neutrality or disagreement underscored the universal recognition of customer acquisition as a key performance driver. More than half of the SMEs (55.3%) promoted a participatory culture, with 37.6% agreeing. This participatory approach fostered a sense of ownership and collaboration among employees, which could lead to enhanced productivity and innovation. The absence of strong disagreement suggests a general consensus on the benefits of inclusive practices. Open communication was prevalent in 48.2% of SMEs, with 35.2% agreeing. Effective communication channels within an organization were vital for ensuring that all members were aligned with the company’s goals and strategies. The presence of open communication could also facilitate quicker decision-making and problem-solving. The data showed a mixed response regarding the SMEs’ willingness to compromise with customers from different cultural backgrounds. While 37.6% strongly disagreed with the need for compromise, 35.3% remained neutral. This indicated a potential area for improvement, as cultural sensitivity and

adaptability could enhance customer satisfaction and loyalty. A significant portion of SMEs (49.4%) adapted to the performance requirements of cross-cultural enterprises, with 47% agreeing.

This adaptability was crucial in a diverse market like Turkana County, where businesses must cater to a variety of cultural preferences and practices. The findings suggested that cultural adaptation played a pivotal role in the performance of SMEs in Turkana County. The strong focus on innovation and customer acquisition indicated that these enterprises were forward-thinking and growth-oriented. However, the mixed responses regarding cultural compromise highlighted an area where SMEs could benefit from further development. Promoting a participatory culture and open communication were identified as strengths that contribute to the overall performance of SMEs. These practices not only enhanced internal operations but also improved employee satisfaction and retention. The ability to adapt to cross-cultural performance requirements was another critical factor that supports the success of SMEs in a diverse market. This adaptability ensured that businesses could meet the needs of a broad customer base, thereby enhancing their competitiveness and market reach. In conclusion, cultural adaptation significantly influenced the performance of SMEs in Turkana County. By fostering innovation, focusing on customer acquisition, promoting participatory culture, and ensuring open communication, these enterprises could achieve sustainable growth and success. Addressing the challenges related to cultural compromise could further enhance their performance and customer satisfaction.

The role of cultural adaptation extended beyond internal practices to external engagements, where SMEs must cater to diverse customer expectations and preferences. This adaptability allowed businesses in Turkana County to build strong relationships with culturally diverse communities, thereby enhancing trust and loyalty. SMEs that understood and integrate cultural nuances into their marketing and service strategies were better positioned to attract and retain customers. For example, tailoring products to align with local traditions or languages could significantly improve market penetration and customer satisfaction.

Moreover, promoting a participatory culture within SMEs fostered an environment of inclusivity and collaboration. As highlighted in the findings, open communication and employee involvement contributed to better decision-making processes, improved problem-solving capabilities, and greater innovation. These practices enabled SMEs to harness the collective intelligence of their teams, driving organizational growth and performance. Furthermore, employee satisfaction and retention were strengthened when individuals feel valued and empowered, reducing turnover rates and boosting productivity.

Studies such as those by Badawi, Thamrin, and Susilo (2019) emphasized the importance of aligning organizational culture with business demands to navigate challenges effectively. SMEs that adopted adaptable cultural practices were more likely to translate market demands into actionable strategies, enabling them to respond proactively to shifting conditions. Elements such as risk-taking and learning from mistakes become crucial attributes for SMEs aiming to remain competitive. By embracing these adaptability variables, businesses could cultivate resilience and agility, which were essential for thriving in dynamic markets.

Lastly, the intersection of cultural adaptability and organizational change, as examined by Nesbit and Lam (2014), underscores the transformative potential of cultural adaptation in driving SME success. Their study demonstrated how cultural shifts within organizations could lead to improved strategic responsiveness and alignment with external demands. For SMEs in Turkana County, fostering cultural adaptability not only supported internal cohesion but also enhances their ability to respond to external opportunities and challenges. By investing in cultural adaptability, SMEs could achieve a sustainable competitive advantage while enriching the communities they serve.

Naranjo-Valencia *et al.*, (2016) in a study of factors affecting business agility in USA SME's argued that the adaptability of organizational culture and innovation influences business performance. There were various benefits SMEs adapting to organizational cultures, such as having the ability to compete. Furthermore, an effective adaptability of organizational culture could face different challenges by responding to various changes. According to Jogaratnam (2017), organizational culture with development and innovation orientation had a direct influence on the company's innovation performance. Indeed, the adaptability of organizational culture and motivation influenced

organizational commitment. Badawi, Thamrin and Susilo (2019) in their study measured adaptability variables to three indexes, namely creating change, customer focus, and learning organization.

Adaptable organizational culture could translate the demands of the SME business environment and into action, risk-taking, and learning from mistakes and having the capability and experience of creating change. Nesbit and Lam (2014) looked at the idea of organizational change and cultural adaptability. An organization that provides social services in Hong Kong was employed as a study case. The study investigated the impact of culture on the organizational change in addition to the effect of the shift on cultures by using qualitative and quantitative evaluations of the responsiveness of the organisation's strategy before to and directly after the modification in the programme.

4.2 Regression Analysis

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t-value	Sig. (p-value)
(Constant)	1.215	0.182	—	6.68	0.000
Organizational Learning	0.312	0.071	0.298	4.39	0.000
Change Creation and Innovation	0.284	0.067	0.312	4.24	0.000
Seeking New Customers	0.227	0.072	0.211	3.15	0.002
Participatory Culture	0.196	0.061	0.185	3.21	0.001
Seeking Compromise	0.089	0.045	0.077	1.98	0.049

The regression analysis sought to determine the influence of cultural adaptation on the performance of small and medium-sized enterprises (SMEs) in Turkana County, Kenya. The results revealed that there was a strong positive relationship between cultural adaptation practices and SME performance. As shown in the regression table, the correlation coefficient (R) was 0.861, indicating a high level of association between the two variables. The coefficient of determination (R^2) was 0.741, which implied that 74.1% of the variation in SME performance could be explained by the various elements of cultural adaptation considered in the study. This suggested that cultural adaptation played a major role in shaping the success and sustainability of SMEs within the county.

The regression coefficients showed that all the cultural adaptation indicators had positive and statistically significant effects on SME performance. Organizational learning had a regression coefficient (β) of 0.298 and a significance value (p) of 0.000, indicating that SMEs that prioritized learning and knowledge sharing performed better than those that did not. Change creation and innovation recorded the highest standardized coefficient ($\beta = 0.312$, $p = 0.000$), showing that enterprises that embraced innovation and continuously adjusted their operations to local cultural and market demands achieved higher performance levels.

Seeking new customers also contributed positively to performance ($\beta = 0.211$, $p = 0.002$), demonstrating that businesses that actively expanded their customer base while maintaining cultural sensitivity tended to perform better. The promotion of a participatory culture had a coefficient of ($\beta = 0.185$, $p = 0.001$), implying that SMEs that involved employees and local community members in decision-making and operational processes were more likely to experience improved productivity and acceptance. The variable representing seeking compromise had a lower yet significant influence ($\beta = 0.077$, $p = 0.049$), suggesting that negotiation and flexibility in business dealings were beneficial but less impactful compared to other factors.

4.4 ANOVA

Source	Sum of Squares	df	Mean Square	F	Sig. (p-value)
Regression	42.718	5	8.544	108.56	0.000
Residual	14.918	244	0.061	—	—
Total	57.636	249	—	—	—

The Analysis of Variance (ANOVA) was conducted to determine whether the overall regression model explaining the influence of cultural adaptation on the performance of SMEs in Turkana County was statistically significant. The ANOVA results showed that the regression model was highly significant, as indicated by an F-statistic value of 108.56 and a significance level (p-value) of 0.000, which was well below the conventional threshold of 0.05. This finding implied that the combined effect of the independent variables organizational learning, change creation and innovation, seeking new customers, participatory culture, and seeking compromise had a statistically significant influence on SME performance.

The ANOVA table showed that the regression sum of squares was 42.718, while the residual sum of squares was 14.918, out of a total sum of squares of 57.636. This indicated that a large proportion of the variation in SME performance was explained by the regression model, while a relatively small portion remained unexplained. The high regression means square value compared to the residual mean square demonstrated that the independent variables contributed meaningfully to explaining differences in performance across SMEs.

The degrees of freedom (df) for regression were 5, corresponding to the number of independent variables, while the residual degrees of freedom were 244, representing the number of remaining observations after accounting for the predictors. The mean square for the regression was calculated as 8.544, which was considerably higher than the residual mean square of 0.061, further confirming that the model provided a strong explanatory power.

The ANOVA results confirmed that the relationship between cultural adaptation and SME performance was not due to random chance. Instead, it demonstrated that cultural adaptation variables collectively had a significant and measurable impact on how SMEs performed in Turkana County. The results emphasized that incorporating cultural factors into business strategies was an important determinant of success, supporting the conclusion that culturally adaptive enterprises were more likely to achieve better performance outcomes in this unique socio-cultural environment.

Table 4.2: Correlation Matrix

Variables	SME Performance	Organizational Learning	Change Creation & Innovation	Seeking New Customers	Participatory Culture	Seeking Compromise
SME Performance	1					
Organizational Learning	0.712**	1				
Change	0.698**	0.645**	1			

Variables	SME Performance	Organizational Learning	Change Creation & Innovation	Seeking New Customers	Participatory Culture	Seeking Compromise
Creation & Innovation						
Seeking New Customers	0.654**	0.602**	0.587**	1		
Participatory Culture	0.629**	0.574**	0.563**	0.551**	1	
Seeking Compromise	0.478*	0.459*	0.435*	0.408*	0.422*	1

The correlation results indicated that all independent variables were positively associated with SME performance. Organizational Learning showed the strongest relationship with performance ($r = 0.712$, $p < 0.01$), followed closely by Change Creation and Innovation ($r = 0.698$, $p < 0.01$). Seeking New Customers and Participatory Culture also displayed moderate positive correlations with SME performance ($r = 0.654$ and $r = 0.629$, respectively), suggesting that SMEs that actively sought new clients and fostered inclusive participation achieved better performance outcomes. Seeking Compromise had the weakest, though still significant, positive correlation with performance ($r = 0.478$, $p < 0.05$).

Overall, the results implied that organizational learning and innovation were key drivers of SME performance, while participatory and adaptive cultural behaviors also contributed meaningfully to sustained business success

5. CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

The researcher concluded that enhancing profitability, driving sales growth, increasing market share, reducing operating expenses, improving customer satisfaction, lowering employee turnover, and enabling better staff remunerations, technology had proven to be a critical factor in the success and sustainability of these businesses. SMEs that continued to embrace technological advancements were likely to experience ongoing improvements in their performance and competitive positioning. The findings highlighted the interconnected nature of technological adaptation, cultural adaptation, CSR, and entrepreneurial innovation in driving SME performance in Turkana County. These predictors not only shaped individual aspects of business operations but also collectively created an ecosystem of growth and sustainability. By leveraging the joint effect model, SMEs could identify strategic areas for investment and improvement, ensuring that all dimensions work synergistically to achieve long-term success and resilience in a competitive marketplace.

5.2 Recommendations

SMEs should actively promote cultural inclusivity and sensitivity in their operations. This involved tailoring products and services to meet the diverse preferences of their customers and fostering a participatory work environment. Practices such as cross-cultural training for employees and integrating local traditions into marketing strategies would strengthen customer loyalty.

5.3 Areas for Further Study

Based on the findings and conclusions of the study on the influence of cultural adaptation on the performance of SMEs in Turkana County, several areas for further study can be identified to deepen understanding and broaden the scope of future research.

First, future studies could examine the mediating and moderating factors that affect the relationship between cultural adaptation and SME performance. For instance, elements such as leadership style, access to finance, market dynamics, and government support may strengthen or weaken the impact of cultural adaptation on business outcomes. Understanding these interactions would provide a more comprehensive explanation of how culture interacts with other business determinants to influence performance.

Secondly, comparative studies could be conducted across different counties or regions in Kenya with distinct cultural environments. This would help determine whether the influence of cultural adaptation on SME performance observed in Turkana is consistent across other communities, such as the Maasai, Samburu, or coastal regions. Such comparative research would contribute to a broader understanding of how regional and ethnic cultural variations shape entrepreneurship in Kenya.

Thirdly, future research could focus on the role of gender and youth participation in culturally adaptive business practices. In many traditional societies, including Turkana, gender roles and generational dynamics significantly influence business ownership and management. Exploring how men, women, and young entrepreneurs differently apply cultural adaptation strategies could reveal valuable insights into inclusive entrepreneurship and social change.

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