

Managerial Challenges and Digital Transformation Among Selected Private Sector Companies in The Philippines

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ABSTRACT: This study examined the relationship between managerial challenges and digital transformation among selected private sector companies in the National Capital Region (NCR), Philippines. Specifically, it assessed leadership and decision-making, resistance to change, and resources and skills, as well as the level of digital transformation in terms of technology adoption, process automation, and digital communication systems. It also determined whether significant differences existed when respondents were grouped according to demographic profile variables. A descriptive correlational research design was employed involving 100 managers and supervisory-level personnel selected through purposive sampling. Data were collected using a validated survey questionnaire administered through Google Forms. Frequency and percentage distribution, weighted mean, Mann-Whitney U test, Kruskal-Wallis test, and Spearman's rho correlation were utilized for data analysis. The findings revealed that leadership and decision-making, as well as resources and skills, were rated very high, while resistance to change was rated low. Digital transformation was likewise assessed as very high across the domains of technology adoption, process automation, and digital communication systems. No significant differences were found when respondents were grouped according to age, gender, position, and length of service. Furthermore, leadership and decision-making and resources, and skills showed significant positive relationships with digital transformation, while resistance to change demonstrated weak negative relationships with selected dimensions. The study concluded that effective leadership, strategic managerial practices, organizational support, and continuous digital skill development play significant roles in strengthening digital transformation initiatives among private sector companies.

KEYWORDS: Managerial Challenges, Digital Transformation, Technology Adoption, Private Company

I. INTRODUCTION

Digital transformation has become a major priority for organizations in response to rapid technological advancements and increasing demands for efficiency, innovation, and competitiveness. It refers to the integration of digital technologies into organizational processes, resulting in significant changes in how businesses operate, deliver services, and create value for stakeholders. Organizations across various industries continuously adopt digital systems and technologies to improve operational performance, strengthen communication, and maintain competitiveness in the evolving digital economy. According to Omol (2024), digital transformation enables organizations to become more adaptive, agile, and responsive to changing market demands and technological developments. Similarly, Schilirò (2024) emphasized that digital transformation contributes significantly to organizational efficiency, innovation, and long-term sustainability.

Despite its benefits, digital transformation remains a complex organizational process influenced by several internal factors. Among these are managerial challenges related to leadership and decision-making, resistance to change, and limited organizational resources and skills. These challenges may hinder the successful implementation of digital initiatives and affect organizational readiness for technological transformation. Recent studies revealed that resistance to change, inadequate digital competencies, and insufficient managerial support are among the most common barriers to successful digital transformation initiatives (Hendrawan et al., 2024; Rey et al., 2024). Moreover, Gao et al. (2022) noted that managers in the digital era frequently encounter difficulties in adapting organizational processes and leading employees through technological change.

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Managers play a significant role in ensuring the success of digital transformation initiatives. They are responsible for guiding employees, managing organizational resistance, and aligning digital initiatives with organizational goals and strategies. Effective leadership is essential in promoting innovation, facilitating collaboration, and supporting employees throughout organizational change. According to Mihi et al. (2023), leadership adaptability and strategic management practices significantly influence organizational readiness for digital transformation. Likewise, Abu-Matar (2025) emphasized that managerial competencies and decision-making capabilities are critical in improving organizational efficiency and digital integration.

Organizations also encounter challenges related to insufficient digital skills, inadequate technological resources, and limited training opportunities. These factors may affect employees' ability to utilize digital systems effectively and may reduce the success of digital transformation programs. Hendrawan et al. (2024) highlighted that continuous digital skill development and organizational learning are essential in strengthening digital transformation efforts. Similarly, Sukoco et al. (2024) stressed that effective organizational communication and managerial support contribute significantly to employee adaptability and organizational readiness during technological change.

Despite numerous studies on digital transformation and organizational management, limited research has examined the relationship between managerial challenges and digital transformation among private sector companies in the Philippines. This research gap prompted the conduct of the present study. Thus, this study aimed to determine the relationship between managerial challenges and digital transformation among selected private sector companies in the National Capital Region (NCR), Philippines. Specifically, it examined managerial challenges in leadership and decision-making, resistance to change, and resources and skills, as well as digital transformation in technology adoption, process automation, and digital communication systems. The findings of the study may help organizations improve managerial practices and strengthen digital transformation initiatives.

II. METHODS

This study employed a descriptive-correlational research design to examine the relationship between managerial challenges and digital transformation among selected private sector companies in the National Capital Region (NCR), Philippines. The descriptive component aimed to assess the level of managerial challenges and digital transformation among managers and supervisory-level personnel, while the correlational component examined the strength and direction of the relationship between the variables without manipulation. A structured survey questionnaire served as the primary data collection instrument. The questionnaire was self-administered online through Google Forms and consisted of three parts: (1) respondents' demographic profile, (2) managerial challenges, and (3) digital transformation.

The instrument was developed by the researchers, with items adapted from related literature and modified to suit the context of the study while preserving the original meaning of the constructs. A four-point Likert scale was used to measure the respondents' level of agreement. The instrument underwent pilot testing to ensure reliability. Cronbach's alpha yielded a coefficient of 0.769 for managerial challenges, interpreted as acceptable internal consistency, and 0.942 for digital transformation, interpreted as excellent internal consistency. These results indicated that the instrument was reliable for data collection. The study was conducted among selected private sector companies in the NCR, Philippines, in 2026. The respondents consisted of managers and supervisory-level personnel directly involved in organizational operations and digital transformation initiatives. Purposive sampling was utilized to ensure that only qualified individuals with relevant managerial experience were included. The respondents met the following criteria: (1) currently holding a managerial or supervisory position, (2) possessing at least one year of managerial experience, and (3) actively involved in organizational digital transformation initiatives. A total of 100 respondents participated in the study. Data collection was conducted through the online distribution of the survey questionnaire via Google Forms. Ethical considerations, including informed consent, confidentiality, anonymity, and voluntary participation, were strictly observed throughout the conduct of the study.

The following statistical tools were used in the study: frequency and percentage distribution to describe the respondents' demographic profile; weighted mean and standard deviation to determine the level of managerial challenges and digital transformation; Mann Whitney U test and Kruskal-Wallis test to determine significant differences when grouped according to profile variables; and Spearman's rho correlation to determine whether a significant relationship existed between managerial challenges and digital transformation.

III. RESULTS AND DISCUSSION

1. Demographic Profile of the Respondents

Table 1. Demographic Profile of the Respondents

Profile	Group	Frequency	Percentage (%)
Age	29 years old and below	24	24.0
	30-39 years old	40	40.0
	40-49 years old	28	28.0
	50 years old and above	8	8.0
Gender	Female	63	63.0
	Male	37	37.0
Position in the Company	First Line Manager	59.0	59.0
	Middle Manager	23.0	23.0
	Top Manager	18.0	18.0
Length of Service	3 years and below	49	49.0
	4-7 years	25	25.0
	8 years and above	26	26.0

N=100

Table 1 presents the demographic profile of the respondents by age, gender, position in the company, and length of service. The study involved a total of 100 respondents from the selected private sector company in the NCR, Philippines. In terms of age, the majority of the respondents were 30–39 years old, comprising 40% ($n = 40$) of the total respondents. This was followed by respondents aged 40–49 years old with 28% ($n = 28$), while those aged 29 years old and below accounted for 24% ($n = 24$). The least represented group consisted of respondents aged 50 years and above, with only 8% ($n = 8$). These findings show that most respondents are middle-aged and are in their productive career stage.

In terms of gender, the data reveal that the majority of respondents were female, accounting for 63% ($n = 63$), while male respondents comprised 37% ($n = 37$). This suggests that females were more represented in the study population compared to males. As to the respondents' position in the company, most were First Line Managers, representing 59% ($n = 59$) of the respondents. Meanwhile, Middle Managers accounted for 23% ($n = 23$), and Top Managers comprised 18% ($n = 18$). This implies that the study largely reflects the perspectives and experiences of employees occupying supervisory or frontline managerial roles. In terms of length of service, nearly half of the respondents had been employed for 3 years and below, with 49% ($n = 49$). Respondents who had served for 8 years or more accounted for 26% ($n = 26$), while those with 4–7 years of service accounted for 25% ($n = 25$).

The findings indicate that most respondents were female, aged 30–39 years old, occupying first-line managerial positions, and had shorter lengths of service in the company. This is supported by the study of O'Higgins (2023), which highlighted that employees in middle adulthood and those occupying frontline managerial positions are actively involved in digital transformation initiatives due to their leadership responsibilities and adaptability to technological changes, emphasizing the important role of managerial employees in facilitating organizational innovation and operational transition within digitally transforming organizations.

2. Level of Managerial Challenges

Table 2. Level of Managerial Challenges in terms of Leadership and Decision-Making

Indicators	WM	SD	Interpretation
1. The manager supports digital transformation initiatives	3.76	.452	Very High
2. The manager encourages the use of digital technologies in the workplace	3.73	.468	Very High
3. The manager makes timely decisions during organizational changes.	3.69	.506	Very High
4. The manager ensures accountability in digital initiatives.	3.71	.498	Very High
5. The manager aligns decisions with organizational goals.	3.74	.484	Very High
6. The manager communicates goals clearly during digital transformation.	3.80	.426	Very High
7. The manager demonstrates consistency in decision-making.	3.67	.532	Very High
8. The manager promotes innovation in decision-making.	3.70	.482	Very High

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9. The manager effectively addresses digital-related challenges.	3.67	.493	Very High
10. The manager supports strategic use of digital resources.	3.71	.498	Very High
Average Weighted Mean	3.72	.382	Very High

Note. Scoring Range: 3.25 – 4.00 (Very High); 2.50 – 3.24 (High); 1.75 – 2.49 (Low); 1.00 – 1.74 (Very Low)

Table 2 presents the level of managerial challenges in terms of leadership and decision-making. Overall, the average weighted mean (WM = 3.72) and standard deviation (SD = 0.382) were interpreted as Very High. Among the indicators, Indicator 6, “The manager communicates goals clearly during digital transformation,” obtained a weighted mean of 3.80 (Very High), followed by Indicator 1, “The manager supports digital transformation initiatives,” which obtained a weighted mean of 3.76 (Very High). Indicator 5, “The manager aligns decisions with organizational goals,” obtained a weighted mean of 3.74 (Very High), while Indicator 2, “The manager encourages the use of digital technologies in the workplace,” obtained a weighted mean of 3.73 (Very High). Indicators 4, “The manager ensures accountability in digital initiatives,” and 10, “The manager supports strategic use of digital resources,” both obtained a weighted mean of 3.71 (Very High). Moreover, Indicator 8, “The manager promotes innovation in decision-making,” obtained a weighted mean of 3.70 (Very High), while Indicator 3, “The manager makes timely decisions during organizational changes,” obtained a weighted mean of 3.69 (Very High). Lastly, Indicators 7, “The manager demonstrates consistency in decision-making,” and 9, “The manager effectively addresses digital-related challenges,” both obtained a weighted mean of 3.67 (Very High). Overall, findings suggested that managers experienced considerable challenges in leadership and decision-making, highlighting the need for enhanced leadership and organizational support strategies.

This finding was supported by the study of Verhoef et al. (2023), which emphasized that leadership and decision-making remained critical managerial challenges during digital transformation, particularly in communicating organizational goals, supporting digital innovation, ensuring accountability, and aligning strategic decisions with organizational objectives to achieve effective operational transition and organizational performance.

Table 3. Level of Managerial Challenges in terms of Resistance to Change

Indicators	WM	SD	Interpretation
1. The manager prefers traditional methods over digital methods.	2.37	.906	Low
2. The manager is hesitant to adopt new technologies.	1.80	1.024	Low
3. The manager avoids learning new digital tools	1.58	.955	Very Low
4. The manager resists changes in work processes involving technology.	1.94	1.071	Low
5. The manager is uncomfortable using digital systems.	1.80	.953	Low
6. The manager is reluctant to participate in digital transformation programs.	1.87	1.038	Low
7. The manager lacks confidence in using unfamiliar technologies.	1.90	1.000	Low
8. The manager prefers manual processes over automated systems.	1.89	.930	Low
9. The manager resists participation in digital training programs.	1.94	1.080	Low
10. The manager finds it difficult to adapt to technological changes	1.79	.977	Low
Average Weighted Mean	1.89	.851	Low

Note. Scoring Range: 3.25 – 4.00 (Very High); 2.50 – 3.24 (High); 1.75 – 2.49 (Low); 1.00 – 1.74 (Very Low)

Table 3 presents the level of managerial challenges in terms of resistance to change. Overall, the average weighted mean (WM = 1.89) and standard deviation (SD = 0.85) were interpreted as Low. Among the indicators, Indicator 1, “The manager prefers traditional methods over digital methods,” obtained the highest weighted mean of 2.37 (Low). This was followed by Indicators 4, “The manager resists changes in work processes involving technology,” and 9, “The manager resists participation in digital training programs,” both of which obtained a weighted mean of 1.94 (Low). Indicator 7, “The manager lacks confidence in using unfamiliar technologies,” obtained a weighted mean of 1.90 (Low). Indicator 8, “The manager prefers manual processes over automated systems,” recorded a weighted mean of 1.89 (Low). Furthermore, Indicator 6, “The manager is reluctant to participate in digital transformation programs,” obtained a weighted mean of 1.87 (Low). Indicators 2, “The manager is hesitant to adopt new technologies,” and 5, “The manager is uncomfortable using digital systems,” both obtained a weighted mean of 1.80 (Low). Indicator 10, “The manager finds it difficult to

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adapt to technological changes,” recorded a weighted mean of 1.79 (Low). Lastly, Indicator 3, “The manager avoids learning new digital tools,” obtained the lowest weighted mean of 1.58 (Very Low).

The findings indicate that resistance to change among managers is generally low, suggesting minimal opposition to digital transformation and a high level of openness to technological adaptation. This supports the study of Bagrationi and Thurner (2023), which found that managers who are more open to innovation and technological adaptation exhibit lower resistance to digital transformation.

Table 4. Level of Managerial Challenges in terms of Resources and Skills

Indicators	WM	SD	Interpretation
1. The organization provides sufficient resources for digital transformation.	3.33	.697	Very High
2. The organization allocates an adequate budget for digital initiatives.	3.30	.758	Very High
3. The organization provides regular training for digital skills.	3.40	.752	Very High
4. The organization supports managers in developing digital competencies.	3.49	.674	Very High
5. The organization provides appropriate digital tools for operations.	3.40	.696	Very High
6. Managers are skilled in using digital technologies.	3.37	.661	Very High
7. Managers can solve problems related to digital systems.	3.23	.679	High
8. Managers integrate digital tools into daily operations effectively.	3.39	.649	Very High
9. The organization promotes continuous digital skill development.	3.52	.577	Very High
10. The organization supports technological advancement in operations.	3.58	.606	Very High
Average Weighted Mean	3.40	.554	Very High

Note. Scoring Range: 3.25 – 4.00 (Very High); 2.50 – 3.24 (High); 1.75 – 2.49 (Low); 1.00 – 1.74 (Very Low)

Table 4 presents the level of managerial challenges in terms of resources and skills. Overall, the average weighted mean (WM = 3.40) and standard deviation (SD = 0.554) were interpreted as Very High. Among all indicators, Indicator 10, “The organization supports technological advancement in operations,” obtained a weighted mean of 3.58 (Very High). This was followed by Indicator 9, “The organization promotes continuous digital skill development,” which obtained a weighted mean of 3.52 (Very High), and Indicator 4, “The organization supports managers in developing digital competencies,” which obtained a weighted mean of 3.49 (Very High). Indicators 3, “The organization provides regular training for digital skills,” and 5, “The organization provides appropriate digital tools for operations,” both obtained a weighted mean of 3.40 (Very High). Indicator 8, “Managers integrate digital tools into daily operations effectively,” obtained a weighted mean of 3.39 (Very High), while Indicator 6, “Managers are skilled in using digital technologies,” obtained a weighted mean of 3.37 (Very High). Furthermore, Indicator 1, “The organization provides sufficient resources for digital transformation,” obtained a weighted mean of 3.33 (Very High), followed by Indicator 2, “The organization allocates an adequate budget for digital initiatives,” which obtained a weighted mean of 3.30 (Very High). Lastly, Indicator 7, “Managers can solve problems related to digital systems,” obtained the lowest weighted mean of 3.23 (High).

These findings indicate that resources and skills are strongly present and well-supported among the respondents, as reflected in the consistently high weighted mean scores. This suggests that organizations demonstrate adequate provision of resources, training, and digital capability development to support digital transformation initiatives. This finding is consistent with Li (2023), who emphasized that successful digital transformation requires sufficient organizational resources, continuous training, and the development of employees’ digital competencies to ensure effective implementation of technological initiatives.

Table 5. Overall Level of Managerial Challenges

Scale	Domains	WM	SD	Interpretation
Managerial Challenges	Leadership and decision-making	3.72	.382	Very High
	Resistance to change	1.89	.851	Low
	Resources and skills	3.40	.554	Very High
OVERALL		3.00	.377	High

Note. Scoring Range: 3.25 – 4.00 (Very High); 2.50 – 3.24 (High); 1.75 – 2.49 (Low); 1.00 – 1.74 (Very Low)

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Table 5 presents the overall level of managerial dimensions. The overall weighted mean of 3.00 (SD = 0.377) was interpreted as High. Among the domains, leadership and decision-making obtained the highest weighted mean (WM = 3.72, Very High), followed by resources and skills (WM = 3.40, Very High). In contrast, resistance to change obtained the lowest weighted mean (WM = 1.89, Low).

These results indicate that leadership and resource-related dimensions are strongly present, while resistance to change is relatively low among the respondents. This suggests that managers demonstrate strong leadership practices and organizational support in terms of resources and skills, with minimal resistance to digital transformation. This finding is consistent with Cai et al. (2023), who emphasized that effective leadership, organizational resources, and employee competencies are essential in successfully implementing organizational change and digital transformation initiatives.

3. Level of Digital Transformation

Table 6. Level of Digital Transformation in terms of Technology Adoption

Indicators	WM	SD	Interpretation
1. The organization is open to technological change.	3.61	.601	Very High
2. The organization adopts new technologies quickly.	3.29	.686	Very High
3. The organization keeps up with digital trends.	3.35	.657	Very High
4. The organization evaluates technologies before implementation.	3.56	.624	Very High
5. The organization integrates digital tools into operations effectively.	3.38	.632	Very High
6. The organization invests in modern technologies.	3.45	.592	Very High
7. The organization supports innovation in digital systems.	3.50	.594	Very High
8. The organization ensures smooth adoption of new technologies.	3.47	.626	Very High
9. The organization continuously improves its digital systems.	3.51	.658	Very High
10. The organization applies technology to improve work processes.	3.56	.591	Very High
Average Weighted Mean	3.46	.504	Very High

Note. Scoring Range: 3.25 – 4.00 (Very High); 2.50 – 3.24 (High); 1.75 – 2.49 (Low); 1.00 – 1.74 (Very Low)

Table 6 presents the level of digital transformation in terms of technology adoption. Overall, the average weighted mean (WM = 3.46) and standard deviation (SD = 0.504) were interpreted as Very High. Among the indicators, Indicator 1, “The organization is open to technological change,” obtained the highest weighted mean of 3.61 (Very High). This was followed by Indicators 4, “The organization evaluates technologies before implementation,” and 10, “The organization applies technology to improve work processes,” both of which obtained a weighted mean of 3.56 (Very High). Indicator 9, “The organization continuously improves its digital systems,” obtained a weighted mean of 3.51 (Very High), while Indicator 7, “The organization supports innovation in digital systems,” recorded a weighted mean of 3.50 (Very High). Furthermore, Indicator 8, “The organization ensures smooth adoption of new technologies,” obtained a weighted mean of 3.47 (Very High), while Indicator 6, “The organization invests in modern technologies,” recorded a weighted mean of 3.45 (Very High). Indicator 5, “The organization integrates digital tools into operations effectively,” obtained a weighted mean of 3.38 (Very High), while Indicator 3, “The organization keeps up with digital trends,” recorded a weighted mean of 3.35 (Very High). Lastly, Indicator 2, “The organization adopts new technologies quickly,” obtained the lowest weighted mean of 3.29 (Very High).

These findings indicate that the respondents manifested a very high level of digital transformation in terms of technology adoption. This suggests that organizations are highly open to technological change and effectively integrate digital technologies into organizational processes. This finding is consistent with Zhou and Li (2024), who emphasized that supportive organizational environments contribute to improved readiness, effective technology adoption, and successful integration of digital systems within organizations.

Table 7. Level of Digital Transformation in terms of Process Automation

Indicators	WM	SD	Interpretation
1. Automation improves operational efficiency in the organization.	3.64	.577	Very High
2. Automation reduces errors in work processes.	3.40	.619	Very High
3. Automation improves service delivery.	3.59	.514	Very High
4. Automation enhances consistency of outputs.	3.53	.576	Very High
5. The organization implements automation in daily operations.	3.43	.623	Very High

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6. The organization relies on automation for workflow processes.	3.33	.697	Very High
7. The organization monitors automated systems regularly.	3.41	.683	Very High
8. The organization maintains automation systems effectively.	3.42	.622	Very High
9. Automation reduces manual workload in the organization.	3.54	.642	Very High
10. Automation supports faster completion of tasks.	3.57	.590	Very High
Average Weighted Mean	3.48	.482	Very High

Note. Scoring Range: 3.25 – 4.00 (Very High); 2.50 – 3.24 (High); 1.75 – 2.49 (Low); 1.00 – 1.74 (Very Low)

Table 7 presents the level of digital transformation in terms of process automation. Overall, the average weighted mean (WM = 3.48) and standard deviation (SD = 0.482) were interpreted as Very High. Among the indicators, Indicator 1, “automation improves operational efficiency in the organization,” obtained the highest weighted mean of 3.64 (Very High). This was followed by Indicator 3, “automation improves service delivery,” with a weighted mean of 3.59 (Very High), and Indicator 10, “automation supports faster completion of tasks,” with a weighted mean of 3.57 (Very High). Indicator 9, “automation reduces manual workload in the organization,” obtained a weighted mean of 3.54 (Very High), while Indicator 4, “automation enhances consistency of outputs,” recorded a weighted mean of 3.53 (Very High). Furthermore, Indicator 5, “the organization implements automation in daily operations,” obtained a weighted mean of 3.43 (Very High), followed by Indicator 8, “the organization maintains automation systems effectively,” with a weighted mean of 3.42 (Very High). Indicator 7, “the organization monitors automated systems regularly,” obtained a weighted mean of 3.41 (Very High), while Indicator 2, “automation reduces errors in work processes,” recorded a weighted mean of 3.40 (Very High). Lastly, Indicator 6, “the organization relies on automation for workflow processes,” obtained the lowest weighted mean of 3.33 (Very High).

These findings suggested that the respondents demonstrated a very high level of digital transformation in terms of process automation. This indicates that process automation is strongly perceived as being effectively implemented within the organization. Digital transformation and process automation significantly improve operational efficiency by streamlining workflows, enhancing resource allocation, and reducing operational costs and errors. Furthermore, automation increases productivity and service performance by improving process speed, accuracy, and consistency in organizational operations (Lei & Wang, 2023).

Table 8. Level of Digital Transformation in terms of Digital Communication and Systems

Indicators	WM	SD	Interpretation
1. Digital tools improve communication within the organization.	3.65	.519	Very High
2. Digital communication enhances work efficiency.	3.69	.544	Very High
3. Digital systems improve coordination among employees.	3.66	.554	Very High
4. Digital communication supports decision-making.	3.62	.615	Very High
5. Digital platforms improve information sharing.	3.64	.559	Very High
6. Digital systems enhance productivity.	3.64	.522	Very High
7. Digital systems ensure secure information handling.	3.66	.541	Very High
8. Communication systems are accessible when needed.	3.66	.496	Very High
9. Communication records are properly stored in digital systems.	3.66	.535	Very High
10. The organization ensures minimal downtime of communication systems.	3.54	.593	Very High
Average Weighted Mean	3.64	.465	Very High

Note. Scoring Range: 3.25 – 4.00 (Very High); 2.50 – 3.24 (High); 1.75 – 2.49 (Low); 1.00 – 1.74 (Very Low)

Table 8 presents the level of digital transformation in terms of digital communication and systems. Overall, the average weighted mean (WM = 3.64) and standard deviation (SD = 0.465) were interpreted as Very High. Among the indicators, Indicator 2, “Digital communication enhances work efficiency,” obtained the highest weighted mean of 3.69 (Very High). This was followed by Indicators 3, “Digital systems improve coordination among employees,” 7, “Digital systems ensure secure information handling,” 8, “Communication systems are accessible when needed,” and 9, “Communication records are properly stored in digital systems,” which all obtained the same weighted mean of 3.66 (Very High). Indicator 1, “Digital tools improve communication within the organization,” recorded a weighted mean of 3.65 (Very High), while Indicators 5, “digital platforms improve information sharing,” and 6, “digital

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systems enhance productivity,” both obtained a weighted mean of 3.64 (Very High). Furthermore, Indicator 4, “Digital communication supports decision-making,” obtained 3.62 (Very High). Lastly, Indicator 10, “The organization ensures minimal downtime of communication systems,” recorded the lowest weighted mean of 3.54 (Very High).

These findings suggested that the respondents demonstrated a very high level of digital transformation in terms of digital communication and systems. Digital communication systems significantly enhance organizational efficiency by accelerating information flow, improving coordination among employees, supporting faster decision-making processes, and increasing productivity through seamless communication, better collaboration, and more reliable information sharing within organizations (Afridi et al., 2023).

Table 9. Overall Level of Digital Transformation

Scale	Domains	WM	SD	Interpretation
Digital Transformation	Technology adoption	3.46	.504	Very High
	Process automation	3.48	.482	Very High
	Digital communication and systems	3.64	.465	Very High
OVERALL		3.53	.421	Very High

Note. Scoring Range: 3.25 – 4.00 (Very High); 2.50 – 3.24 (High); 1.75 – 2.49 (Low); 1.00 – 1.74 (Very Low)

Table 9 presents the overall level of digital transformation across the domains of technology adoption, process automation, and digital communication and systems. The overall weighted mean of 3.53 (SD=0.421) was interpreted as Very High. Among the domains, digital communication and systems obtained the highest weighted mean (WM = 3.64, Very High), followed by process automation (WM = 3.48, Very High). In contrast, technology adoption obtained the lowest weighted mean (WM = 3.46, Very High).

These findings suggested that the respondents demonstrated a very high level of digital transformation across all domains. These findings, supported by Wang et al. (2023), state that digital transformation occurs through the integration of technology adoption, organizational readiness, and environmental factors, where these elements are interconnected and collectively contribute to effective transformation outcomes.

4. Difference in the Respondents' Level of Managerial Challenges When Grouped According to Their Profile Variables

Table 10. Difference in the Level of Managerial Challenges When Grouped According to the Profile Variables of the Respondents

Profile	Groups	Mean Rank	Inferential	p-value	Interpretation
Age	29 years old and below	54.42	$\chi^2 = 0.900$	0.826	Not Significant
	30–39 years old	48.28			
	40–49 years old	49.14			
	50 years old and above	54.63			
Gender	Female	49.57	U = 1107.000 Z = -0.419	0.676	Not Significant
	Male	52.08			
Position	First Line Manager	47.81	$\chi^2 = 4.591$	0.101	Not Significant
	Middle Manager	47.07			
	Top Manager	63.72			
Length of Service	3 years and below	45.27	$\chi^2 = 3.904$	0.142	Not Significant
	4–7 years	51.92			
	8 years and above	59			

Note. Dependent: Managerial Challenge

Table 10 shows the difference in the level of managerial challenges when respondents were grouped according to their profile variables. The Kruskal–Wallis test was used for age, position, and length of service, while the Mann–Whitney U test was used for gender. The results revealed that age ($\chi^2 = 0.900$, $p = .826$), gender (U = 1107.000, Z = -.419, $p = .676$), position ($\chi^2 = 4.591$, $p = .101$), and length of service ($\chi^2 = 3.904$, $p = .142$) were all not significant since their p-values were greater than the 0.05 level of significance.

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This means that there was no significant difference in the level of managerial challenges when respondents were grouped according to age, gender, position, and length of service. Therefore, the respondents' demographic profile did not significantly influence their perceived level of managerial challenges.

The findings are consistent with the study of Wastesson et al. (2025), which emphasized that managerial experiences are largely shaped by organizational conditions and workplace demands rather than personal demographic characteristics. Likewise, Medina-Garrido et al. (2023) found minimal differences in workplace experiences across gender groups, suggesting that demographic variables may not significantly influence managerial perceptions and challenges. These studies support the present findings that managerial challenges are similarly experienced regardless of age, gender, position, and length of service.

5. Difference in the Respondents' Level of Digital Transformation When Grouped According to Their Profile Variables

Table 11. Difference in the Level of Digital Transformation When Grouped According to the Profile Variables of the Respondents

Profile	Groups	Mean Rank	Inferential	p-value	Interpretation
Age	29 years old and below	57.71	$\chi^2 = 5.140$	0.162	Not Significant
	30–39 years old	51.25			
	40–49 years old	41.02			
	50 years old and above	58.31			
Gender	Female	52.16	U = 1061.000 Z = -0.751	0.453	Not Significant
	Male	47.68			
Position	First Line Manager	52.22	$\chi^2 = 0.667$	0.716	Not Significant
	Middle Manager	46.46			
	Top Manager	50.03			
Length of Service	3 years and below	46.77	$\chi^2 = 1.756$	0.416	Not Significant
	4–7 years	52.52			
	8 years and above	55.6			

Note. Dependent: Digital Transformation

Table 11 shows the difference in the level of digital transformation when respondents were grouped according to their profile variables. The Kruskal–Wallis test was used for age, position, and length of service, while the Mann–Whitney U test was used for gender. The results revealed that age ($X^2 = 5.140$, $p = .162$), gender (U = 1061.000, Z = -0.751, $p = .453$), position ($X^2 = 0.667$, $p = .716$), and length of service ($X^2 = 1.756$, $p = .416$) were all interpreted as not significant since the computed p-values were greater than the 0.05 level of significance. This indicates that there was no significant difference in the level of digital transformation when respondents were grouped according to age, gender, position, and length of service.

Therefore, the respondents' demographic profile did not significantly influence their perceived level of digital transformation. Syamsuri et al. (2023) found that employees' demographic factors, such as age and work experience, did not significantly influence their digital efficacy and adaptation in digital transformation initiatives. This implies that perceptions of digital transformation are generally consistent across different demographic profiles.

6. Relationship Between the Level of Managerial Challenges and the Level of Digital Transformation

Table 12. Difference in the Level of Digital Transformation When Grouped According to the Profile Variables of the Respondents

Variables	Technology Adoption	Process Automation	Digital Communication and Systems
Leadership & Decision Making	$\rho = .510$, $p < .001^*$	$\rho = .513$, $p < .001^*$	$\rho = .519$, $p < .001^*$
Resistance to Change	$\rho = -.152$, $p = .130$	$\rho = -.216$, $p = .031^*$	$\rho = -.246$, $p = .013^*$
Resources and Skills	$\rho = .736$, $p < .001^*$	$\rho = .448$, $p < .001^*$	$\rho = .361$, $p < .001^*$

Note. Correlation strength: 0.00–0.19 = Very weak; 0.20–0.39 = Weak; 0.40–0.59 = Moderate; 0.60–0.79 = Strong; 0.80–1.00 = Very strong (Evans, 1996). Significant at $p < .05$.

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Table 12 presents the relationship between managerial challenges and digital transformation using Spearman's rho correlation. Leadership and decision-making showed a moderate, positive, significant relationship with technology adoption ($\rho = .510$, $p < .001$), process automation ($\rho = .513$, $p < .001$), and digital communication and systems ($\rho = .519$, $p < .001$). Resistance to change had no significant relationship with technology adoption ($\rho = -.152$, $p = .130$) but showed weak negative significant relationships with process automation ($\rho = -.216$, $p = .031$) and digital communication and systems ($\rho = -.246$, $p = .013$). Meanwhile, resources and skills exhibited a strong positive significant relationship with technology adoption ($\rho = .736$, $p < .001$) a moderate positive significant relationship with process automation ($\rho = .448$, $p < .001$), and a weak positive significant relationship with digital communication and systems ($\rho = .361$, $p < .001$).

Overall, the findings indicate that managerial challenges were significantly related to the level of digital transformation. The findings are supported by recent empirical literature on digital transformation. Wu et al. (2024) found that leadership and managerial decision-making significantly influence digital transformation outcomes, particularly in technology adoption, process automation, and digital system integration, which aligns with the positive relationships identified in the present study. Cieslak and Valor (2024) reported that resistance to change is driven by low readiness and fear of technology, which negatively affects digital transformation implementation, consistent with the weak negative and non-significant relationships found in the present results. Furthermore, González-Varona et al. (2024) emphasized that organizational resources and digital skills are key enablers of successful digital transformation, supporting the strong positive relationship between resources & skills and digital transformation indicators in the present study.

IV. CONCLUSION

This study concluded that managerial factors significantly influence the level of digital transformation among selected private sector companies in the National Capital Region (NCR), Philippines. The findings revealed that leadership and decision-making, as well as resources and skills, were highly evident among the respondents and served as important factors supporting digital transformation initiatives, while resistance to change was assessed at a low level. These results suggest that organizations demonstrate strong leadership practices, adequate organizational support, and readiness to embrace technological change.

The study further established that the level of digital transformation in terms of technology adoption, process automation, and digital communication systems was very high among the selected private sector companies. This indicates that organizations have actively integrated digital technologies into their operations to enhance efficiency, communication, and overall organizational performance. Moreover, no significant differences were found in the respondents' perceptions of managerial challenges and digital transformation when grouped according to age, gender, position, and length of service, suggesting that these factors are similarly experienced across demographic groups.

Furthermore, leadership and decision-making, as well as resources and skills, were found to have significant positive relationships with digital transformation dimensions, while resistance to change demonstrated weak negative relationships with selected dimensions. Therefore, effective leadership, sound managerial decision-making, adequate organizational resources, and continuous digital skills development are essential in strengthening digital transformation initiatives and sustaining organizational competitiveness in the digital era.

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