Human Resource Management, Organizational Culture, and Good Governance Practices: A Structural Equation Model on Service Orientation among Government-Owned and Controlled Corporation in Davao Region

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ABSTRACT

This study examined the determinants of service orientation among employees of Government-Owned and Controlled Corporations (GOCCs) in the Davao Region, Philippines, with a particular focus on the interplay between human resource practices, organizational culture, and good governance. Employing a quantitative, descriptive-correlational research design, the study utilized validated survey instruments distributed to 400 *plantilla* employees from the Pag-IBIG Fund, Social Security System (SSS), and Philippine Sweepstakes Office (PCSO). Data were analyzed using multiple regression and structural equation modeling (SEM) to identify the best-fit model explaining the drivers of service orientation. Findings indicated that while HR practices had a positive association with service orientation, they did not exert a statistically significant direct effect. In contrast, good governance and organizational culture demonstrated strong influences, with governance emerging as the most significant predictor. Model 3, identified through fit indices, highlighted the organizational culture significantly mediating the relationship between governance and service orientation. These findings emphasized the importance of promoting ethical governance, inclusive organizational culture, and strategic HR interventions to strengthen public service delivery. This research advocates responsive governance, participatory workplace environments, and competency-based training in the public sector, emphasizing the need for strong institutions, inclusive practices, and sustainable communities to enhance service delivery, employee commitment, and citizen trust in governance.

Keywords: Human Resource Management, Organizational Culture, Good Governance Practices, Service Orientation, Government-Owned and Controlled Corporation

INTRODUCTION

Government agencies often deliver both physical and intangible public services inefficiently, drawing repeated consumer complaints of slow processing, rudeness, and poor customer service (Norona, Louisse, and Evangelista, 2020). The Civil Service Commission (2022) confirms that slow service delivery is a widespread issue. Moreover, inefficient grievance procedures and procedural delays highlight pervasive systemic faults (Gabriel, 2022).

Government service orientation is about prioritizing citizens' needs and satisfaction. This citizen-centered mindset is crucial for earning trust and ensuring fair, adaptable policies in a rapidly changing world (Tian & Christensen, 2020). Emphasizing effective service and customer focus accelerates digital transformation, making services faster and more participatory (Idrus, Sumartono, Wartono, Suharto, and Syahriar, 2024). Key aspects—accessibility, reliability, and public input—strengthen accountability and transparency (Latupeirissa, Dewi, Prayana, Srikandi, Ramadiansyah, and Pramana, 2024). International organizations, such as the United Nations (2024), advocate for technology-enabled, citizen-focused governance. Ultimately, efficient, citizen-centered service delivery is vital to meet the evolving demands of modern democracies.

Human resources management is crucial to delivering service quality, ensuring customer satisfaction, and driving institutional success. Papademetriou, Anastasiadou, and Papalexandris (2023) claim sustainable HRM improves service orientation and personnel performance. Genari and Macke (2022) discovered that HRM improves organizational commitment, engagement, and performance. Engaged public service workers did efficient work. Radu (2023) observed that a strong corporate culture fosters the best service orientation, as everyone follows its ideals.

The habits and practices of an organization reveal its local nature. Integrating organizational culture improved service orientation (Schedler, Guenduez, and Frischknecht, 2019). Government agencies have several obligations, including those of civil servants; therefore, people are chosen to fulfill them as a service to society. Thus, Marawu, Utete, and Zhou (2023) found that government agencies are a social group with specific goals and set boundaries that work regularly to achieve a common undertaking or system of objectives, and an ordered social unit with specific goals and set boundaries that run continuously to achieve a set of goals. Sari (2023) states that excellent governance enables government personnel to enhance their skills by delivering better public services.

Most studies in human resource management, organizational culture, and good governance have explored these variables independently rather than in conjunction with one another. This fragmented approach hinders understanding of how these interconnected elements collectively impact organizational outcomes, particularly in the public sector. A comprehensive framework that includes HRM, organizational culture, and governance procedures is lacking in the literature. This research incorporated these factors into a single model. It employed Structural Equation Modeling (SEM) to assess the combined impact of these factors on service orientation within a Davao Region Government-Owned and Controlled Corporation (GOCC)—a broader perspective enhanced theoretical debate and provided public administration with practical insights.

This paper aimed to determine the structural model that best fits the service orientation of GOCC employees. Specifically, it sought to address several objectives. The first objective was to determine the level of HR practices among GOCCs, specifically in terms of Recruitment and Selection, Compensation and Rewards, and Training and Development. The second objective was to determine the level of organizational culture within the GOCCs, focusing on aspects such as Participation, Respect for Individuals, Attitude toward Risk, Action Orientation, Trust, Openness, and Power Distance. The third objective was to assess the level of good governance practices among GOCCs in terms of Perceived Transparency, Perceived Accountability, and Perceived Responsiveness. The fourth objective was to determine the level of service orientation of the GOCCs in terms of internal corporations' attitudes and Behaviors, Service Competence, Service Responsiveness, and Enhanced Service. The last objective of this study was to determine the significant relationship between HR practice and service orientation, organizational culture and service orientation, and good governance and service orientation, and to identify the best-fit structural model for service orientation.

On the other hand, this study employed a significance level of $p < .05$. The null hypothesis stated that there was no significant relationship between human resource management, organizational culture, and good governance practices with service orientation, nor was there a best-fit structural model for service orientation.
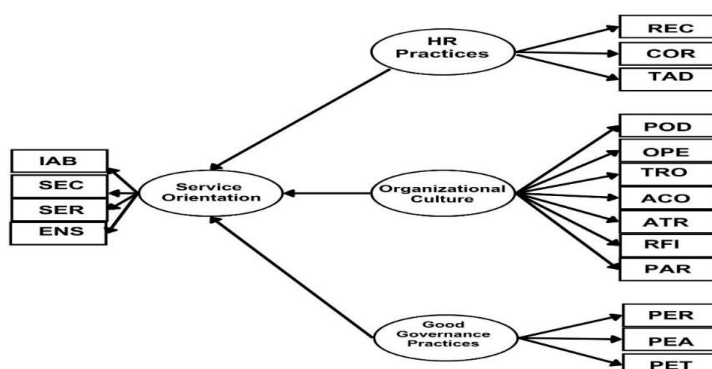

Figure 1. Hypothesized Model Showing the Direct Causal Relationship of

Human Resource Management, Organizational Culture, Good Governance Practices: A Structural Equation Model on Service Orientation

HR PRACTICES	REC- Recruitment and Selection COR- Compensation and Rewards TAD- Training and Development	**GOOD GOVERNANCE PRACTICES**	PET- Perceived Transparency PEA- Perceived Accountability PER- Perceived Responsiveness
ORGANIZATIO NAL CULTURE	PAR- Participation RFI- Respect for the Individual ATR- Attitude to Risk ACO- Action Orientation TRO- Trust OPE- Openness POD- Power Distance	**SERVICE ORIENTATION**	IAB- Internal Corporations' Attitudes and Behaviors SEC-Service Competence SER- Service Responsiveness ENS- Enhanced Service

Figure 1 depicted the study's conceptual framework, explicitly designating human resource management, organizational culture, and good governance practices as the exogenous variables, and clearly identifying service orientation as the endogenous variable.

The first exogenous variable was human resource management. Its indicators were recruitment and selection, compensation and rewards, and training and development. *Recruitment and selection involve* soliciting, assessing, and hiring suitable candidates. *Compensation and rewards* referred to providing employees with both financial and non-financial benefits. *Training and development* refer to the process of enhancing employees' skills and knowledge to improve job performance and foster growth (Bn Aoin, 2017).

The second exogenous variable was organizational culture, with its indicators. In a positive organizational environment, *participation* is vital. This culture of *respect for the individual* fosters a sense of egalitarianism, ensuring that every voice is valued equally. Furthermore, members' *attitudes to risk* significantly influenced the organization. A tendency to play it safe or hide mistakes can hinder innovation; in contrast, a proactive approach encouraged growth and adaptability. In addition, *action orientation* is crucial, since members must focus on attaining outcomes and jointly assume responsibility for organizational objectives. *Trust among team members* was the cornerstone of cooperation, and elevated implicit trust facilitates successful teamwork. Likewise, *openness* in communication is crucial. A culture that encourages sharing information and ensures the approachability of senior members enhances transparency and strengthens relationships. Lastly, *power distance* reflected the organization's hierarchy. When members avoid confrontation with superiors, it can create barriers to communication and inhibit the free exchange of ideas, potentially stifling innovation and growth (Ghosh & Srivastava, 2014).

The third exogenous variable was good governance practices, which included the following indicators: *Perceived Transparency* refers to the client's belief that the organization operates transparently by clearly disclosing plans, processes, progress, and performance-related information. *Perceived accountability* refers to the organization being considered accountable through regular reporting on achievements, recognition of responsibilities, adherence to treasury regulations, and proper budget usage. *Perceived responsiveness* refers to an organization's responsiveness and sensitivity to public opinions, promptness in addressing requests, and effectiveness in providing quality solutions to residents' needs.

The latent endogenous variable consisted of internal attitudes and cooperative behaviors, which were indicated by the following factors: *Internal Corporations' Attitudes and Behaviors* refer to employees willingly offering

assistance to colleagues, particularly during peak hours, and fostering teamwork. *Service competence* refers to employees having a strong knowledge of the services provided, communicating clearly with customers, and ensuring accuracy and security in transactions. *Service responsiveness* refers to an employee's ability to interact with customers in a respectful and timely manner while effectively managing their workload. *Service enhancement* refers to employees going beyond their duties, proactively meeting customer needs, and encouraging improvements in service speed and attention (Frimpong & Wilson, 2005).

The Resource-Based View (RBV) paradigm, as proposed by Barney (2007), underpins this research. This approach emphasizes that unique resources, culture, and governance methods enable a company to deliver superior services. The VRIN test requires a resource to be valuable, rare, inimitable, and non-substitutable to provide sustained competitive advantage, according to Barney. Schein's (1985) Organizational Culture thesis supports this thesis by explaining how workers' beliefs, ideas, and actions impact an organization's performance and service orientation. This theory explains why the internal environment is a valuable, non-tangible organizational resource that significantly impacts performance and service delivery.

Human Capital Theory, as proposed by Becker (1964), posits that training and education enhance productivity and service delivery, which aligns with your focus on human resource management methods at the GOCC. Human Capital Theory views workers as capital that needs training and growth. The Stakeholder theory of Freeman, Harrison, Wicks, Parmar, and Colle (2010) also suggests that stakeholder expectations may measure successful governance in government-owned enterprises. Transparency, accountability, and ethical management enable the organization to meet stakeholder expectations and enhance quality

This research tested the relationship between good governance, organizational culture, service orientation, and human resource practices in government-owned corporations (GOCCs) in the Davao Region through structural equation modeling. It conceptualized HRM as strategic management that offers competitiveness through recruitment, compensation, and training; organizational culture as values influencing work behavior and performance; and good governance as promoting transparency, accountability, and ethical service. Service orientation captures GOCCs' focus on fulfilling clients' needs and enhancing customer service.

The study supports SDG 11: Sustainable Cities and Communities and SDG 16: Peace, Justice, and Strong Institutions. Goals 11 and 16 need responsible, transparent, and inclusive institutions at all levels to foster public confidence and ensure efficient governance. The influence of HRM, culture, and effective governance on the service orientation of GOCCs in the Davao Region is significant. This study connected internal organizational practices to external service outcomes using structural equation modeling. It underscores a results-oriented organizational culture and strategically aligns human resource strategies with effective governance to enhance the public sector's responsiveness to citizens and its service orientation. This study aids HR professionals in comprehending organizational learning, fostering a culture that motivates public servants to adopt new information and technology, and executing successful governance efforts inside quickly evolving government organizations.

METHOD

The research included 400 regular workers from Pag-IBIG Fund, SSS, and PCSO in Region XI GOCCs, chosen by stratified random selection. This study used a causal-comparative and correlational approach using Structural Equation Modeling (SEM) to investigate the relationships among Human Resource Management (HRM), organizational culture, good governance, and service orientation. The study, conducted in the second semester of 2024–2025, included validated questionnaires and statistical analyses, according to ethical standards as per UMERC Protocol No. UMERC-2025-023. Participation was optional, secret, and governed by principles of integrity and data protection regulations.

Research Respondents

The survey included 530 regular employees, comprising 205 (38.7%) from the Pag-IBIG Fund, 289 (54.5%) from the SSS, and 36 (6.8%) from the Davao Region's PCSO. A sample of 400 regular government employees—172 or 43% from the Pag-IBIG Fund, 209 or 52.3% from the Social Security System, and 19 or

4.8% from the Philippine Charity Sweepstakes Office—was selected. The sample distribution closely matched the population distribution, which means that a proportionate stratified sampling approach (with a predetermined ratio) was employed instead of Slovin's formula. To ensure research representation and diversity, respondents were selected from Davao Region branches and offices. Yuan and Chan (2016) recommend a sample size of 300–400 responders for structural equation modeling, which this sample size follows.

Stratified random sampling ensured that all regular employees had an equal chance of selection. Salkind (2008) defines this as dividing the population into strata to ensure similarity. This approach accurately reflects the company's service orientation.

The researcher selected responders based on specific criteria. The survey included only *plantilla* employees who had worked for GOCCS agencies in Region XI for three years or more. To confirm contractual employment, the employment records of these individuals were reviewed. All participants were selected to ensure they had enough work experience to advise on service orientation, human resource management, and good governance. The study excluded temporary, job order, and contractual workers. Regional XI non-GOCCS personnel were also excluded from the study.

The research questionnaire was confidentially given to eligible respondents. Participants could leave the survey at any moment without consequence. This structure made data collection ethical and stress-free. Data was collected and analyzed from February 2025 to April 2025, ensuring thorough study results.

The sampling approach was optimal for this study, which aimed to identify the best structural equation model for examining the relationship between human resource management, organizational culture, good governance, and service orientation. Given the researcher's extensive experience in government service and research, this study offers valuable insights into enhancing service orientation in government-owned and controlled enterprises.

Materials and Instruments

Four instruments were used in this study: Maqsood (2017)'s The impact of human resource management on organizational performance in Saudi Arabian enterprises, as well as scales described by Ghosh and Srivastava (2014), Beshi and Kaur (2019), and Frimpong and Wilson (2005), which offer guidance on building reliable and valid measures for organizational culture, public trust in local government, and service orientation. After developing the questionnaire, experts validated it and tested its consistency and reliability. For ethical reasons, the study was reviewed and approved by the University's Ethics Review Committee. In addition, a Turnitin Checker verified the originality of the work to ensure academic integrity. Items were presented on a five-point Likert scale: 5 (strongly agree), 4 (agree), 3 (moderately agree), 2 (disagree), and 1 (strongly disagree).

To interpret questionnaire scores, the study classified the independent variables—Human Resource Management, Organizational Culture, Good Governance Practices, and Service Orientation—according to distinct ranges. Very high scores (4.20–5.00) indicated these attributes were always present, while high levels (3.40–4.19) suggested frequent use. Moderate (2.60–3.39), low (1.80–2.59), and very low (1.00–1.79) ranges denote decreasing degrees of implementation, from occasional to rare or never. Building on these assessment criteria, the structural model's goodness of fit was evaluated using standard indices, which are detailed below.

Starting with the adviser's evaluation and recommendations, the research paper improved. Quality was assured by including expert validators' and external assessors' errors, comments, and suggestions. Five internal validators with research skills and one external field expert reviewed the questionnaire to determine its validity. They scored items 1–5, confirming face and content authenticity. A pilot study of 50 GOCC respondents from other locations was conducted to examine reliability. Cronbach's Alpha values above 0.9 indicate strong instrument dependability.

Design and Procedure

A quantitative design employed causal-comparative and descriptive-correlational methods to investigate the impact of organizational citizenship behavior, emotional intelligence, and public service orientation on employee performance in government-owned and controlled corporations. Following Christensen, Johnson, and Turner (2011), the descriptive-correlational technique investigated variable associations, while SEM was used to construct the optimum job performance assessment system. SEM, or covariance structure analysis, was chosen for its ability to investigate complicated interactions and estimate covariances among observable variables despite strict assumptions (Byrne, 2013).

To assure accuracy, the study procedure included model design, estimation, assessment, and revision. Alternative specs were used when models did not fit. According to Henseler (2020), SEM can handle distal constructs, rectify measurement errors, and test complete theories simultaneously, a capability supported by Iacobucci (2010) and Chen, Curran, Bollen, Kirby, and Paxton (2008). The research aims to determine a statistical analysis of the data. The following statistical methods were used for each study goal. Means assessed management, organizational culture, good governance, and service orientation, and this met 1-4 study goals. The Pearson Product-Moment Correlation was used to determine exogenous-endogenous interactions. It met research goal 5. SEM examined the best-fit model to ensure all parameters fit within a reasonable model. It met research goal 6. SEM may explore complex interactions between several factors, making it suitable for our investigation.

This research employs multiple statistical tests to assess the model's fit to the data. The value of the Chi-square statistic should remain low to indicate model effectiveness, while the p-value needs to stay above 0.05 to validate good data fit. The model demonstrates a good fit with the sample data if the CMIN/DF ratio remains below 0.05. The Normative Fit Index (NFI), Comparative Fit Index (CFI), Goodness-of-Fit Index (GFI), and Tucker-Lewis Index (TLI) should all yield values higher than 0.95 to confirm that our model fits the data well and performs effectively. To accurately depict the population covariance matrix, the Root Mean Square Error of Approximation (RMSEA) should remain at 0.05 or lower. Supporting evidence is provided when the p-value is above 0.05. The set of testing standards ensures the model effectively displays the linkages between research factors.

The research allows Davao Region GOCC workers to engage ethically without compulsion. Participants can leave the study without penalty. The study adheres to Republic Act 10173 (Data Privacy Act of 2012), which safeguards participants' privacy and ensures the secure disposal of their data. Additionally, all participants are aware of the study's purpose and are free to choose whether to participate in it. The researcher selected participants based on the study criteria and took care to prevent any potential injuries. GOCC executives and staff have enhanced their HR practices and gained insights into corporate culture and leadership, leveraging this knowledge to improve public services. Participants were informed about the risks and potential discomfort associated with the data collection process. Researchers developed a risk management method and monitored study participants.

Grammarly and Turnitin identify plagiarism and adhere to the University of Mindanao's ethical rules. The University of Mindanao Graduate School listed the researcher and adviser as co-authors of this paper. This research is the property of the university and cannot be used elsewhere. The researcher had no prior contact with respondents and did not manufacture data. Pre-data collection clearances included UMERC protocol number UMERC-2025-023 dated February 13, 2025. With authorization from the Pag-IBIG Fund, the Social Security System, the Philippine Charity Sweepstakes offices/branches, and the appropriate authorities, accurate and genuine information was provided. Only the researcher and adviser have publishing rights and proper credit for data obtained via a questionnaire with explicit instructions.

The data were collected methodically by the researcher. A letter of authorization, authorized by the Dean of the Professional Schools, was sent to the heads of Region XI (Davao Region) GOCCs to seek access to responders. After obtaining permission, the researcher visited the Pag-IBIG Fund and Social Security System (SSS) offices and collaborated with their human resource managers to identify qualified volunteers. Face-to-

face surveys conducted from February to April 2025 ensured a direct connection with respondents and improved data reliability.

To verify instrument reliability, the researcher pilot-tested the instrument on 50 employees from various GOCCs, such as Pag-IBIG Fund in Region XII, during the pre-actual survey using Cronbach's Alpha. HR Practices (0.842), Organizational Culture (0.920), Good Governance Practices (0.905), and Service Orientation (0.947) have good to outstanding Cronbach's Alpha reliability. These findings demonstrate the instrument's data collection dependability. The researcher created a validated survey questionnaire with clear instructions and simple language to aid the survey. After participants give their assent, the researcher explains the study's aim and protocols and collects consent forms for the UMPS' DPA Dean. After validating questionnaire completion, results were meticulously encoded into an Excel template. The encoded data were examined to achieve the study's goals, yielding findings and recommendations. The data analysis provided valuable insights and direction that supported the study's aims.

RESULTS AND DISCUSSION

This section presents and discusses the collected and evaluated data on HR practices, organizational culture, good governance practices, and employee service orientation in government-owned and controlled corporations.

Human Resources Practices

Table 1 shows that government-owned and controlled enterprises (GOCCs) have good HR practices, indicating effective HR strategy implementation throughout the institutions reviewed. In particular, recruiting has the greatest mean rating and the highest descriptive level. Furthermore, selected Government-Owned and Controlled Corporations (GOCCs) have high to extremely high mean scores on the HR variables. For instance, the mean of 4.24 with a standard deviation of 0.54 indicates that respondents believe their institutions' HR operations are well-developed and successful.

Table 1 Level of HR Practices in Government-Owned and Controlled Corporations

Indicators	SD	Mean	Descriptive Level
Recruitment	0.48	4.46	Very High
Compensation and Rewards	0.66	4.12	High
Training and Development	0.72	4.14	High
Overall	**0.54**	**4.24**	**Very High**

Recruitment had a mean of 4.46 and a standard deviation of 0.48, making it the most descriptive indicator of the three dimensions. Merit-based hiring, openness, and solid workforce planning may explain strong institutional performance in attracting and selecting skilled workers. Well-structured recruitment strategies enhance organizational performance by aligning employee abilities with job demands. Strategic and merit-based recruitment strategies enhance employee capability and organizational commitment, while also adhering to civil service and government laws (Vanka, Rao, Singh, and Pulaparthi, 2021). While compensation and incentives received the lowest mean score of 4.12 and a standard deviation of 0.66, this was still a highly descriptive result. In this lower grade, compensation systems are sound, yet monetary and non-monetary awards may be insufficient, competitive, or unjust. Employee motivation, retention, and happiness depend on fair pay. Compensation and incentives are crucial for attracting and retaining talent, particularly in government organizations that face significant competition from the private sector. Fair, performance-based compensation boosts morale and motivation (Olson, 2025). The Compensation and Position Classification System (CPCS) ensure market-competitive pay structures in Philippine GOCCs. Organized training boosts staff creativity, adaptability, and efficiency. Training and development had a high mean of 4.14 and a standard deviation of

0.72, indicating that professional growth opportunities were available. In contrast, capacity-building programs may be more relevant, accessible, and frequent. Public sector organizations are increasingly recognizing the need for professional development (Abbas, Ekowati, Suhariadi, and Anwar, 2022).

These findings underscore the need to strengthen recruitment and to enhance compensation and incentive systems deliberately. Training and growth can help GOCCs promote learning and development. High HR practices demonstrate that these institutions are well-positioned to establish a service-oriented staff, which is crucial to public sector performance and effective governance. Addressing the lowest-rated areas may improve HRM and promote company goals and public service excellence.

Organizational Culture

Table 2 shows that government-owned and controlled enterprises have a highly descriptive organizational culture. This table suggests that GOCCs maintain a positive corporate culture of shared values, trust, and teamwork. Government-owned and controlled corporations (GOCC) have a mean organizational culture of 4.35 and a standard deviation of 0.49, with extraordinarily high values across all factors. Workers view their workplace as helpful, inclusive, and governance and performance-friendly. High scores across several categories show that these firms foster workplace collaboration, dignity, trust, and responsiveness.

Table 2 Level of Organizational Culture in Government-Owned and Controlled Corporations

Indicators	SD	Mean	Descriptive Level
Participation	0.62	4.26	Very High
Respect for the Individual	0.56	4.50	Very High
Attitude to Risk	0.49	4.32	Very High
Action Orientation	0.62	4.22	Very High
Trust	0.57	4.36	Very High
Openness	0.66	4.26	Very High
Power Distance	0.61	4.50	Very High
Overall	**0.49**	**4.35**	**Very High**

Organizational culture impacts employee behavior, motivation, and production (Belias, Rossidis, and Papademetriou, 2024). Ciepley (2023) stated that hierarchical structures are fair and civilized in the workplace. "Respect for the Individual" and "Power Distance" received the highest mean scores of 4.50, with standard deviations of 0.56 and 0.61, respectively. These values demonstrate that workers are valued and treated equally, regardless of their status. With a high score, a low power distance may indicate flattened organizational structures that promote inclusiveness, shared leadership, and mutual respect between management and staff: participatory decision-making and open discussion foster organizational cohesion and engagement. Although "Action Orientation" received the lowest mean score of 4.22 with a standard deviation of 0.62, it was still quite descriptive. GOCCs are proactive and responsive, yet a strategic aim may take longer to implement. High engagement increases employee commitment and organizational effectiveness (Boselie, 2024). These traits are essential for innovation, employee engagement, and flexible leadership in complex and evolving government institutions (Demir, 2021). Administrative hurdles, coordination issues, and risk aversion may hinder implementation. Though powerful, this dimension can help public institutions be more agile and effective. Participation and action orientation were also highly rated, indicating a culture that involves workers in decision-making and prioritizes timely, results-oriented operations (Chelangat, 2022).

Results reveal that regional GOCCs possess a strong organizational culture that empowers, diversifies, and fosters trust among employees, which is vital to effective governance and public service. High ratings in "Respect for the Individual" and "Power Distance" suggest ethical and fair organizational dynamics. The lower "Action Orientation" score reflects improved execution and lower procedural lethargy. This proactive and participatory approach enhances organizational agility and responsiveness (Tennin, 2023). Public sector organizations have emphasized the importance of a values-based culture for achieving institutional objectives and enhancing public service performance (Taylor, 2021). In complicated, fast-paced governance, an agile culture with democratic and trust-based principles may increase institutional responsiveness. Action orientation through capacity training, decision-making autonomy, and adaptive leadership may enable GOCCs to meet the changing needs of citizens and implement public sector innovations and service-oriented improvements.

Good Governance Practices

Table 3 presents the governance procedures of government-owned and controlled enterprises, demonstrating high descriptive power across all parameters. The findings revealed that a strong institutional framework supported openness, accountability, and responsiveness across agencies. Government-Owned and Controlled Corporations (GOCCs) have excellent governance across all criteria, with a mean score of 4.41 and a standard deviation of 0.49. The institution's dedication to transparency, accountability, and responsiveness supports ethical public sector governance. Of the three factors, responsiveness received the highest mean score of 4.49, with a standard deviation of 0.51, indicating that GOCCs are responsive to stakeholder needs. These institutions stress speedy and appropriate service, open communication, and meeting public expectations, earning a high score. Good governance requires responsiveness to create trust and a legitimate government.

Table 3 Level of Good Governance Practices in Government-Owned and Controlled Corporations

Indicators	SD	Mean	Descriptive Level
Perceived Transparency	0.59	4.34	Very High
Perceived Accountability	0.55	4.41	Very High
Perceived Responsiveness	0.51	4.49	Very High
Overall	**0.49**	**4.41**	**Very High**

Despite its low mean score of 4.34 and a standard deviation of 0.59, perceived transparency was described as descriptive. This lower score may reflect difficulties in decision-making, financial transparency, and policy implementation, including issues related to clarity, accessibility, and dissemination of information. Transparency is a strength, but it is also the lowest-rated trait; therefore, it requires improvement in open data, public communication, and stakeholder engagement.

Stakeholders assessed GOCCs as proactive and successful in meeting their needs, as perceived responsiveness exceeded all other categories, characterizing a public service culture that prioritizes swift and appropriate actions, thereby boosting government credibility (Neo, Grimmelikhuijsen, and Tummers, 2022). Also highly scored was perceived responsibility, indicating well-established accountability and performance monitoring procedures. Consistent performance audits, public reporting, and staff ethical standards supported responsible governance (Amalia, 2023). Perceived transparency was lower than the other two variables, but still descriptive. Public disclosure policies promote integrity, decrease corruption, and increase knowledge and communication (Jannah, Sipahutar, and Hariyati, 2020). They follow past research showing that institutionalizing transparency, accountability, and responsiveness improves public trust, operational efficiency, and the quality of government services (Xanthopoulou & Plimakis, 2021). Governance rules enable GOCCs to foster a culture of institutional integrity and citizen-centered service delivery.

As seen by their high results across all dimensions, local GOCCs have institutionalized good governance and become trustworthy and responsive public sector authorities. The high perceived responsiveness score indicates that institutional behaviors match public expectations, which is essential for service-oriented governance. Poor perceived transparency needs improving. Through increased information availability, citizen engagement platforms, and institutional openness, transparency may increase trust and accountability. Democracy is promoted while inefficiency, corruption, and public disengagement are reduced. These findings underscore the need to sustain a responsive, responsible, and transparent governmental ethos. Governance excellence and long-term public sector institutional credibility and effectiveness depend on improving the weakest linkages, even when performance is strong.

Service Orientation

Table 4 shows that staff at government-owned and controlled enterprises (GOCCs) are always service-oriented. All indicators showed great devotion to outstanding public service and consistent views among staff, with mean scores closely centered around a very high range and relatively low standard deviations. With a mean of 4.41 and a standard deviation of 0.49, Government-Owned and Controlled Corporations (GOCCs) have a very high service orientation across all parameters. The personnel of these organizations value timely, quality, and citizen-centered service. Service orientation reflects public sector performance and the capacity of staff and institutions to meet stakeholder expectations. At 4.45 with a standard deviation of 0.51, Service Competence was the highest-rated of the four categories. GOCC's technical and professional talents allow effective service delivery. Staff with high service competence, knowledge, abilities, and attitude can meet organizational and public demands, which in turn improves these institutions' training, recruitment, and performance management. Service competence was the most significant factor, indicating that GOCC workers are confident in their abilities and possess the necessary knowledge, skills, and professionalism to perform their jobs effectively. A workforce ready to meet public service demands was found (Cybellium, 2024)

Level of Service Orientation in Government-Owned and Controlled Corporations

Indicators	SD	Mean	Descriptive Level
Internal Attitudes and Corporations, Behaviors	0.55	4.39	Very High
Service Competence	0.51	4.45	Very High
Service Responsiveness	0.52	4.38	Very High
Enhances Services	0.62	4.44	Very High
Overall	**0.49**	**4.41**	**Very High**

Service Responsiveness had the lowest mean score of 4.38 and a standard deviation of 0.52, yet it was descriptive. GOCCs typically meet stakeholder demands; however, service delivery may be faster, more flexible, or more personalized. Budget constraints, procedural rigidity, and bureaucratic delays may slow public sector action. However, the high ranking indicates a strong commitment to public feedback and consumer interaction. These findings supported public sector performance, showing how employee service-oriented principles affect citizen satisfaction, organizational effectiveness, and governance outcomes (Ashikali, Groeneveld, and Ritz, 2021). Thus, it validated the premise that informed, responsive, and motivated public servants improve public administration (Farazmand, 2023).

The results show that GOCCs excel at creating a service-oriented culture with service competency and improved services as institutional advantages. High service orientation boosts government credibility, trust, and satisfaction. The somewhat lower service responsiveness score highlights the need for organizational agility, reducing bureaucratic red tape, and delivering citizen-responsive services. GOCCs should invest in people development, feedback systems, and service procedures to ensure timely public services and a service-oriented approach. Internal attitudes, collaboration, actions, and service responsiveness were all relatively

high, indicating that staff members are very positive about their jobs, get along well with coworkers, and genuinely care about public concerns. These traits boost service users' confidence and happiness (Shanka & Buvik, 2019). Very high service ratings showed that personnel are diligent in improving service quality. Corporate culture values originality, efficiency, and agility to fulfill needs (Vaughan & Arsneault, 2021). Since this approach is established in organizational culture, institutional policies and leadership may support it (Guah, 2021). Public sector service excellence emphasizes not only the services provided but also how they are delivered. GOCCs may offer a contemporary, responsive, and citizen-centric governance model that aligns with global best practices and fosters public sector growth, as demonstrated by their strong performance across all criteria.

Significance of the Relationship between HR Practices and Service Orientation

Table 5.1 illustrates a strong correlation between HR processes and the service orientation of GOCC workers. Recruitment, salary and incentives, and training and development have a significant impact on internal attitudes, corporate behavior, service competence, responsiveness, and overall service quality. HR practices and service orientation among Government-Owned and Controlled Corporation employees were positively correlated across all variables, with a probability value smaller than 01. HR practices were highly correlated with service orientation, with a correlation coefficient of 0.601 and a likelihood ratio value of.000 Training and development showed the most significant correlation.571 overall and.630 with service competence, demonstrating its relevance in service outcomes and personnel growth. While still significant, recruiting showed the lowest correlation with service.434, suggesting that onboarding and integration are more essential.

Table 5.1 Significance of the Relationship between HR Practices and Service Orientation among Employees of GOCCs

HR Practices	Service Orientation				
	Internal Attitudes and Corporate Behaviors	Service Competence	Service Responsiveness	Enhanced Service	**Overall**
Recruitment	.549** .000	.569** .000	.523** .000	.434** .000	**.508** .000**
Compensation and Rewards	.523** .000	.530** .000	.485** .000	.444** .000	**.479** .000**
Training and Development	.601** .000	.630** .000	.594** .000	.510** .000	**.571** .000**
Overall	**.644** .000**	**.666** .000**	**.618** .000**	**.538** .000**	**.601** .000**

Governance-wise, these findings support the strategic role of HR in public sector development. Strategic HR practices that emphasize capacity development, incentives, and performance systems promote a service-oriented approach (Jo, Chadwick, and Han, 2023). We found that recruitment alone cannot maintain service excellence without infrastructure. All connections were statistically significant with a probability value of .000, rejecting the null hypothesis that HR processes do not affect service orientation. HR strategies, including training, incentives, and development, impact the service-oriented behavior of GOCC. These practices may improve staff responsiveness and public confidence in institutions (Virani, A., and Van Der Wal, Z., 2023).

Significance of the Relationship between Organizational Culture and Service Orientation

Table 5.2 indicates that the GOCC's organizational culture is closely tied to its service orientation. Organizational culture—encompassing participation, respect for individuals, risk attitude, action orientation, trust, openness, and power distance—correlates strongly with service orientation indicators, such as internal attitudes and corporate behaviors, service competence, responsiveness, and improved service delivery. GOCC staff service orientation and organizational culture were positively linked, with a probability value of less than 0.01. Service competence was strongest (.782), and organizational culture was closely related to service orientation (.715).

Participation had a significant influence on internal attitudes (.703) and service competence (.682), demonstrating how inclusive and engaged workplaces promote service-oriented behavior. Denison and Mishra (1995) claim participatory cultures improve employee loyalty and service. Personal regard had the lowest correlation coefficient with enhanced service.443, indicating that interpersonal respect is essential but may require empowerment, feedback, and performance-based methods to improve service. These findings demonstrate that organizational culture—particularly trust, engagement, openness, and action orientation—significantly impacts workers' service-related behaviors. Coordination, initiative, and shared responsibility appear to be the most critical cultural variables (Morales-Huamán, Medina-Valderrama, Valencia-Arias, Vasquez-Coronado, Valencia, and Delgado, 2023).

Table 5.2 Significance of the Relationship between Organizational Culture and Service Orientation in Government-Owned and Controlled Corporations

Organizational Culture	Service Orientation				
	Internal Attitudes and Corporate Behaviors	Service Competence	Service Responsiveness	Enhanced Service	**Overall**
Participation	.703** .000	.682** .000	.632** .000	.595** .000	**.646**** **.000**
Respect for the Individual	.576** .000	.589** .000	.506** .000	.443** .000	**.527**** **.000**
Attitude to Risk	.626** .000	.631** .000	.596** .000	.503** .000	**.574**** **.000**
Action Orientation	.651** .000	.661** .000	.612** .000	.491** .000	**.582**** **.000**
Trust	.698** .000	.683** .000	.628** .000	.546** .000	**.648**** **.000**
Openness	.641** .000	.633** .000	.540** .000	.528** .000	**.570**** **.000**
Power Distance	.597** .000	.627** .000	.569** .000	.464** .000	**.564**** **.000**
Overall	**.781**** **.000**	**.782**** **.000**	**.710**** **.000**	**.623**** **.000**	**.715**** **.000**

Hypothesis testing revealed statistically significant correlations between organizational culture and service orientation, with correlation coefficients ranging from 0.443 to 0.782 and a p-value of 0.000. Therefore, the alternative hypothesis was supported, rejecting the null hypothesis. A strong and participatory organizational culture enhances the service orientation of GOCC. Integrating cultural aspects into institutional frameworks enables public employees to be more informed, responsive, and citizen-centered, ultimately improving service performance and fostering public trust. Hypothesis testing revealed statistically significant correlations between organizational culture and service orientation, with correlation coefficients ranging from 0.443 to 0.782 and probability values of 0.000. Thus, the alternative hypothesis defeated the null hypothesis. A strong and participatory organizational culture enhances the service orientation of GOCC. Integrating cultural aspects into institutional frameworks fosters a more competent, responsive, and citizen-centered public workforce, thereby improving service delivery and public trust.

Significance of the Relationship between Good Governance Practices and Service Orientation

Table 5.3 showed a strong and statistically significant positive link between good governance and service orientation in GOCCs. Positive governance—characterized by perceived transparency, accountability, and responsiveness—correlates strongly with service orientation dimensions, including internal attitudes and corporate behaviors, service competence, responsiveness, and improved service delivery. All correlations in public organizations are significant (p < .000), rejecting the null hypothesis and indicating that good governance has a positive impact on service orientation.

Table 5.3 Significance of the Relationship between Good Governance Practices and Service Orientation in Government-Owned and Controlled Corporations

Good Governance Practices	Service Orientation				
	Internal Attitudes and Corporate Behaviors	Service Competence	Service Responsiveness	Enhanced Service	**Overall**
Perceived Transparency	.728** .000	.742** .000	.647** .000	.568** .000	**.663**** **.000**
Perceived Accountability	.678** .000	.707** .000	.621** .000	.542** .000	**.630**** **.000**
Perceived Responsiveness	.705** .000	.713** .000	.667** .000	.549** .000	**.660**** **.000**
Overall	**.789**** **.000**	**.808**** **.000**	**.722**** **.000**	**.620**** **.000**	**.730**** **.000**

The research found statistically significant and positive correlations between excellent governance practices and all characteristics of service orientation among GOC personnel, with a probability value of less than 0.01. The strongest correlation between good governance and service competence was 0.808, indicating that transparent, accountable, and responsive governance enhances employees' ability to deliver competent and effective service. Perceived transparency promoted clarity, trust, and professional conduct in the workplace, with the highest individual correlations observed with service competence (r = 0.742) and internal attitudes (r = 0.728). However, the lowest correlation between perceived accountability and enhanced service was.542, suggesting that while accountability is essential, it may need reinforcement through incentives, recognition, or feedback systems to encourage proactive service innovation, as supported by Ghimpau (2020).

These results support the evidence showing that effective governance boosts public trust and institutional performance (Poniatowicz, Dziemianowicz, and Kargol-Wasiluk, 2020). The alternative hypothesis overruled the null hypothesis that excellent governance and service orientation have no meaningful association, given consistently significant correlations with correlation coefficients ranging from 0.542 to 0.808 and a probability value of 0.000. The service orientation of GOCC personnel is shaped by strong governance, particularly openness and responsiveness, which enhances institutional integrity and fosters a competent, motivated, and citizen-centered public workforce.

Significance of the Influence of HR Practices, Organizational Culture, and Good Governance Practices on Service Orientation in Government-Owned and Controlled Corporations

Table 6 illustrates the impact of human resource practices, organizational culture, and good governance on service orientation in government-owned and controlled firms. Organizational culture and good governance practices had a significant impact on service orientation, with probability values of 0.000, while human resource practices had no statistically significant effect.

Table 6 Significance of the Influence of HR Practices, Organizational Culture, and Good Governance Practices on Service Orientation in Government-Owned and Controlled Corporations

Service Orientation					
(Variables)		*B*	β	*t*	*Sig.*
Constant		.663		3.931	.000
HR Practices		.045	.045	.829	.407
Organizational Culture		.333	.299	3.975	.000
Good Governance		.476	.435	6.154	.000
R	.747				
R^2	.558				
ΔR	.555				
F	166.747				
ρ	.000				

Human Resource (HR) procedures may not directly affect employee responsibility or organizational performance. HR systems prioritize compliance, conformity, and administrative control above strategic alignment with institutional objectives. Public sector HR is generally seen as procedural rather than developmental by workers due to bureaucratic structures (Reina and Scarozza, 2020). HR practices may indirectly impact leadership, corporate culture, and engagement. Thus, public sector HR must move from compliance to strategy, combining human capital development with institutional goals to promote accountability, productivity, and innovation (Boxall, and Purcell, 2022).

A beta value of 0.299 indicated that a strong company culture fosters service-oriented behavior among workers. This result showed that the values, norms, and work environment of GOCCs have a substantial impact on service quality. Prior studies have shown that a unified organizational culture improves staff engagement and service quality (Nzuva & Purity, 2022). Effective governance processes had the most significant beneficial influence on service orientation, with a beta of 0.435. This finding demonstrated how a transparent, responsible, and responsive government fosters service-oriented behavior. This finding also confirms the growing body of research indicating that effective governance practices—such as transparency and accountability—build trust and motivate personnel to work together toward public service objectives (Masenya & Mthombeni, 2023).

Organizational culture and effective governance explained 55.8% of the variance in service orientation, as indicated by the model's R-squared value of 0.558. A highly significant model, with an F-value of 166.747 and a p-value of 0.000, demonstrated that these variables have a substantial impact on enhancing service orientation in GOCCs. HR rules may not directly affect service orientation, but corporate culture and governance structures may.

The indirect relationship between HR practices and service orientation is strengthened by business culture. According to Barney (2007)'s Resource-Based View (RBV), HR systems and organizational culture are VRIN resources that maintain competitive advantage. HR approaches that promote employee competence, motivation, and value alignment create a strong culture that encourages service-oriented behavior, resulting in excellent service delivery. This supports RBV's belief that culture and governance mechanisms drive organizational performance, with HR practices improving culture and mediating their impact on service orientation. This mediation process supports Schein's Organizational Culture theory, which emphasizes shared ideas and norms as collective behavior drivers. Culture makes HR activities ethical and service-driven, tying human capital to performance. Following Human Capital Theory, staff training develops this cultural base, while Stakeholder Theory governance for transparency and confidence in GOCCs. These concepts describe how HR practices, organizational culture, and governance principles improve public sector service orientation and effectiveness.

Best Fit Model of Service Orientation

Table 7 shows that models 2 and 3 showed a substantial impact modification. Both models demonstrated that human resource practices and organizational culture were either irrelevant or even detrimental, suggesting that these elements may become less effective or even harmful in specific organizational contexts. However, good governance remained consistently significant and favorably impactful, with coefficients of 1.315 in Model 2 and 0.669 in Model 3. This trend underscores the enduring importance of governance in achieving performance results, even when other organizational supports are compromised. Excellent governance was the most accurate predictor, demonstrating that strong governance frameworks may balance human resources and cultural shortcomings, assuring service orientation and organizational integrity.

This portion evaluates service orientation in government-owned and controlled firms using three models. Models were assessed using CMIN/DF, GFI, CFI, NFI, TLI, RMSEA, and P-close fit indices. CMIN/DF must be less than 2, P-close must be above 0.05, GFI, CFI, NFI, and TLI must exceed 0.95, and RMSEA must be below 0.05. Comparing model fit values to these criteria helped us choose the best model to represent the data. Model 1 failed most checks due to its 11.807 CMIN/DF ratio, indicating a poor match. The goodness-of-fit index, comparative fit index, normed fit index, and Tucker–Lewis index were all below 0.95, indicating poor model fit. The 0.165 root mean square error of approximation value indicated significant misspecification, which was supported by a probability of a tight match of 0.000. Because of these poor fit criteria, Model 1 was discarded.

Despite failing all standards, Model 2 improved. The chi-square divided by degrees of freedom ratio of 3.540 exceeded the acceptable 2. The likelihood of a close fit value of 0.000 proved an insufficient fit, while the goodness of fit index of 0.895 and root mean square error of approximation of 0.080 suggested deficiencies. However, Model 2 performed better than Model 1, with comparative fit indexes of 0.950, 0.932, and 0.940, all of which were closer to or above 0.95.

Table 7 Summary of Goodness of Fit Measures of the Three Generated Models

Model	P-value (>0.05)	CMIN / DF (0<value<2)	GFI (>0.95)	CFI (>0.95)	NFI (>0.95)	TLI (>0.95)	RMSEA (<0.05)	P-close (>0.05)
1	.000	11.807	.755	.783	.768	.745	.165	.000
2	.000	3.540	.895	.950	.932	.940	.080	.000
3	.107	1.268	.979	.997	.987	.995	.026	.987

Legend: CMIN/DF – Chi Square/Degrees of Freedom   NFI –Normed Fit Index

GFI   – Goodness of Fit Index   TLI -Tucker-Lewis Index

RMSEA –   Root Mean Square of Error Approximation   CFI – Comparative Fit Index

Model 3 met all the main goodness-of-fit standards, making it the most fitting model. A robust model-data fit was shown by its 1.268 CMIN/DF ratio, which was within the acceptable range of 0 to 2. The goodness-of-fit index (GFI = 0.979), comparative fit index (CFI = 0.997), normed fit index (NFI = 0.987), and Tucker–Lewis index (TLI = 0.995) all surpassed the 0.95 benchmark, meeting the primary criterion for an excellent fit. The model's root mean square error of approximation (RMSEA = 0.026) was far below the 0.05 criterion, and its P-value (.987) indicated a high likelihood of a close fit, validating its robustness and parsimony. When compared to Models 1 and 2, Model 3 excels. Both prior models had significant chi-square values (p = .000), CMIN/DF ratios exceeding the permissible limit (11.807 and 3.540), and inconsistent fit indices, suggesting poor data alignment. Model 3, however, overcame these restrictions and produced the most accurate and theoretically relevant portrayal of excellent governance, corporate culture, and service orientation. These findings make Model 3 the most suitable model for understanding service orientation in government-owned and controlled enterprises, providing a consistent and reliable foundation for practical applications and future studies.

Regression Weights of the 3 Generated Models

In Table 8, the regression weights showed how human resource practices, organizational culture, and good governance affected an unnamed endogenous variable, presumably service orientation or a similar performance component. Three factors were statistically significant and positively linked with the result in Model 1. Good governance was the most influential factor, with a standardized coefficient of 0.527 at the highest level of significance, followed by organizational culture, with a coefficient of 0.389, and human resource practices, with a coefficient of 0.110. This theory suggests that adequate human resources, culture, and governance mechanisms enhance organizational performance and service outcomes.

Table 8 Regression Weights of the 3 Generated Models

Model	Exogenous Variables to Endogenous Variables		
	HR Practices	**Organizational Culture**	**Good Governance**
1	.110**	.389***	.527***
2	-.060^{NS}	-.414^{NS}	1.315*
3	-.026^{NS}	-.235^{NS}	.669***

P*<0.05

P**<0.01

P***=0.000

Table 8 showed that Model 1 best suited the Service Orientation framework because it stressed a comprehensive and balanced influence of all three external factors. Good governance had a significant impact on all models. Still, Model 1's substantial coefficients for HR Practices and Organizational Culture indicated that a well-rounded organizational approach—based on strategic HR management, a strong cultural foundation, and effective governance practices—was most effective in driving service-oriented behaviors in government-owned and controlled corporations.

However, Models 2 and 3 showed a considerable impact modification. In all models, human resource practices and organizational culture were found to be irrelevant or even detrimental, suggesting that these characteristics

may become ineffective or even destructive in specific organizational contexts. Good governance, however, remained highly significant and favorably impactful, with standardized coefficients of 1.315 in Model 2 and 0.669 in Model 3. This trend highlighted the government's persistent role in performance outcomes, especially when other organizational supports were lacking or dysfunctional. Good governance was the most reliable predictor; thus, strong governance frameworks may counterbalance HR and cultural weaknesses, ensuring service orientation and organizational integrity.
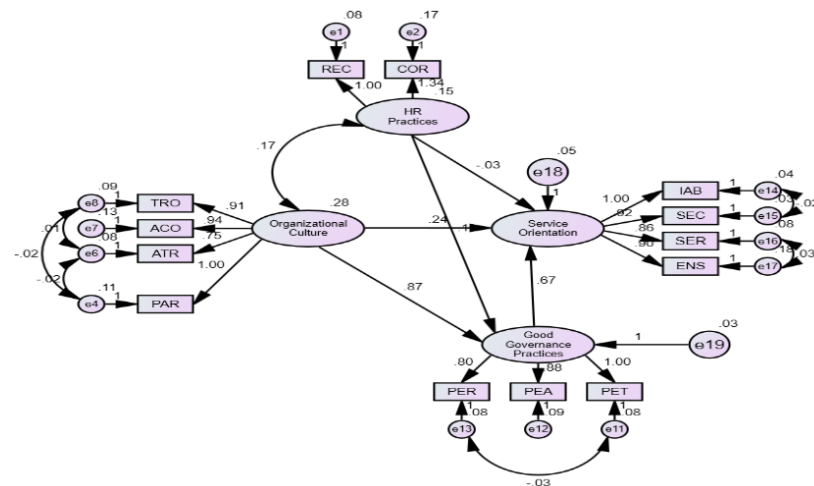
Legend:			
HR PRACTICES	REC- Recruitment and Selection COM-Compensation and Rewards	**GOOD GOVERNANCE PRACTICES**	PET- Perceived Transparency PEA- Perceived Accountability PER- Perceived Responsiveness
ORGANIZATIONAL CULTURE	PAR- Participation ATR- Attitude to Risk ACO- Action Orientation TRO- Trust and Openness PD- Power Distance	**SERVICE ORIENTATION**	IAB- Internal Corporations' Attitudes and Behaviors SEC-Service Competence SER- Service Responsiveness ENS- Enhanced Service

Figure 2: Best Fit Model in Standard Solution

Figure 2 illustrates the interaction among HR practices, company culture, good governance, and service orientation using a structural equation model. Recruitment and selection [REC] and compensation and incentives [COR] shaped organizational culture, as shown in the model. This result affects HR practices by influencing good governance and service orientation. In particular, organizational culture—formed by participation (PAR), attitude to risk (ATR), action orientation (ACO), trust and openness (TRO), and power distance (PD)—mediated the transfer of influence from HR systems to desirable organizational results.

The model demonstrated the direct and significant impact of good governance practices—perceived responsiveness (PER), perceived transparency (PET), and perceived accountability (PEA)—on service orientation, which encompasses service competency (SEC), responsiveness (SER), enhanced service (ENS), and internal attitudes and behaviors. With normalized coefficients of 0.87 and 0.67, the relationships between organizational culture and good governance, as well as between good governance and service orientation, were the model's strongest links. Culture and governance influence public service delivery, according to these findings. They also indicate that improving governance values enables the recruitment of talent, the

implementation of effective incentive systems, and the development of participatory work cultures, all of which can indirectly enhance service orientation.

An agency fostered an open and participatory culture by enhancing its recruitment process and performance recognition (Garrick, Johnson, and Arendt, 2024). This culture fosters transparency and accountability, enabling personnel to provide excellent customer service (Wiswadas, Sobri, Alfatih, and Alamsyah, 2023). Table 8 shows that effective governance is the key predictor of service orientation in all models, supporting this structural framework. Internal accountability and transparency policies boost public trust and service excellence. This approach has shown the necessity of a strong governance backbone in strengthening government agency service orientation with effective organizational culture and HR practices.

CONCLUSION AND RECOMMENDATION

The study revealed that HR practices, organizational culture, and governance collectively accounted for a substantial portion of the variance in service orientation among GOCC employees in the Davao Region, with organizational culture and governance emerging as the most influential predictors. However, the indirect yet meaningful role of HR policies highlights the need to align recruitment, training, and rewards with cultural and governance values to sustain long-term service excellence. From procedural to strategic, HR must improve accountability and creativity. Despite the model's strong explanatory power, some variance remains unexplained, underscoring the importance of exploring additional factors, such as digital transformation, leadership styles, and employee well-being, in future research.

The causal model of service orientation highlights the crucial role of organizational culture and governance in shaping responsive, transparent, and citizen-centered services. By embedding participatory values and accountability into institutional frameworks, GOCCs not only strengthen employee motivation and competence but also enhance public trust and legitimacy. This research demonstrates that organizational culture significantly mediates the relationship between good governance and service orientation. Effective public service delivery requires competent governance, but organizational culture develops, supports, and maintains service excellence. This mediating function helps explain how governance improvements can enhance service results through institutional cultural alignment. It suggests that government entities establish governance frameworks and encourage service-oriented principles, attitudes, and behaviors. Organizational performance and public trust improve when innovations become structural and behavioral. This research contributes to ongoing public administration reforms by offering a model that integrates people, culture, and governance as interdependent drivers of institutional effectiveness.

The findings further resonate with the United Nations Sustainable Development Goals (SDG), particularly SDG 16: Peace, Justice, and Strong Institutions, and SDG 11: Sustainable Cities and Communities. By prioritizing transparency, accountability, and inclusiveness, GOCCs can foster resilience against bureaucratic inefficiencies, enhance institutional responsiveness, and promote citizen-centered governance that directly supports sustainable and livable communities. Strengthening public institutions in this way contributes not only to good governance but also to urban and regional development that values accessibility, equity, and social cohesion.

GOCCS must formalize Model 3—the best-fit model identified in this study—as a structural guide for embedding service orientation across policies and practices. This research shows that organizational culture mediates significantly the good governance and service orientation. Governance reforms should prioritize transparency and responsiveness, while organizational culture initiatives should emphasize inclusivity, trust, and collaboration. At the same time, HR strategies must address the relatively lower mean scores observed in compensation and rewards, with a total mean of 4.12, and training and development, with a total mean of 4.14, by adopting more competitive, merit-based pay systems and providing comprehensive learning programs aligned with service delivery goals. Likewise, attention should be directed toward organizational culture dimensions with comparatively lower ratings, such as action orientation (with a total mean of 4.22) and openness (with a total mean of 4.26), by fostering agile decision-making and strengthening transparent communication channels. Finally, improvements in service responsiveness with a total mean of 4.38 are essential to ensure that client concerns are addressed promptly and effectively. Establishing continuous

monitoring mechanisms through employee feedback systems and citizen satisfaction surveys will make these reforms adaptive, evidence-based, and aligned with the evolving demands of public service.

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