

**Perceived Promoters and Deterrents in the Implementation  
of Public-Private Partnership as Governance Innovation  
among Local Government Units  
in the Province of Iloilo**

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**by**

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## **Approval Sheet**

This dissertation titled, "Perceived Promoters and Deterrents in the implementation Public-Private Partnership as Governance Innovation among Local Government Units in the Province of Iloilo", prepared and submitted by Renia F. De la Peña in partial fulfillment of the requirements for the degree, Doctor of Management, has been examined and recommended for acceptance and approval.

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## Table of Contents

	Page
Title Page .....	i
Approval Sheet .....	ii
Acknowledgment .....	iii
Table of Contents .....	v
List of Tables .....	xviii
List of Figures .....	xxix
List of Emerging Themes .....	xxx
Abstract .....	xxxi
 Chapter	
1 Introduction	
Background of the Study .....	1
Objectives of the Study .....	5
Paradigm Worldview of the Study .....	7
Theoretical Foundation .....	8
Conceptual Framework .....	10
Hypotheses of the Study .....	13
Definition of Terms .....	13
Significance of the Study .....	23
Scope and Limitations of the Study .....	25
2 Review of Related Literature	
Definition of Innovation .....	27

Concepts of Partnership between the Public and Private Sectors .....	29
Types of Innovation in Governance .....	31
Key Factors to Local Innovation .....	33
Sustainability and Success Factors of Innovation .....	35
Sample Cases of Governance Innovation .....	36
Related Study on Innovation .....	38
Related Public-Private Partnership Research .....	40
Synthesis .....	45
3 Research Methodology	
Research Design .....	49
The Study Population and Sampling Procedure .....	50
Research Instrument .....	53
Validity and Reliability of the instrument .....	58
Ethical Consideration .....	59
Data Collection .....	60
Data Analysis .....	62
4 Results and Discussions	
Profile of Local Government Units in terms of Income Classification, Existence of PPP Ordinance, Existence of PPP Projects .....	64
Profile of Local Government Units in terms of Income Classification and with Existing PPP Ordinance, Existing PPP Projects	

per District .....	66
Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive, Transparency, Leadership and involvement, Accountability) .....	69
Overall Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices among Local Government Units in Iloilo Province .....	72
Perceived Promoters in the Implementation of Public-Private Partnership in terms of Market Factors, Institutional Environment, and Government Support among Local Government Units in Iloilo Province .....	81
Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines, Lack of Financial Resources, Low Degree of Marketization, Lack of Transparency, and Lack of Political Skills among Local Government Units in Iloilo Province .....	91
Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, Health Services,	

People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	100
Overall Extent of Governance Innovation in the Implementation of a Public-Private Partnership among Local Government Units of Iloilo Province .....	108
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive) .....	123
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Transparency) .....	126
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Leadership and Participation) .....	129



Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Accountability) .....	132
Overall Relationship between the Profile of The Local Government Units in terms of Income Classification, Existence of PPP ordinance, and Existence of PPP projects and the Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices .....	134
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Market Factor .....	137
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Institutional Environment .....	139

Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnerships in terms of Government Support ..... 141

Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines ..... 143

Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Financial Resources ..... 146

Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Low Degree of Marketization ..... 149

Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on

Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Transparency .....	152
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and the Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Political Skills .....	154
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Local Resource Generation .....	156
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Projects and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Environmental Management .....	159
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on	

Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Social Welfare and Health Services .....	162
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of People’s Participation and Empowerment .....	165
Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Productivity Improvement and Management Innovation .....	168
Overall Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships .....	171

Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation and Empowerment, and Productivity Improvement and Management Innovations .....	181
---	-----

Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Transparency) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	186
--	-----

Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Leadership and Participation) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management,	
---	--

Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	190
Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Accountability) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	195
Overall Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province .....	200
Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Market Factor and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare and Health Services,	

People’s Participation and Empowerment, and Productivity  
Improvement and Management Innovations ..... 208

Relationship between Promoters in the Implementation of  
Public-Private Partnership in terms of Institutional Environment  
and Extent of Governance Innovation in the Implementation of a  
Public-Private Partnership among the Local Government Units of  
Iloilo Province in the Areas of Local Resource Generation,  
Environmental Management, Social Welfare, and Health Services,  
People’s Participation, Empowerment, and Productivity  
Improvement and Management Innovations ..... 212

Relationship between Promoters in the Implementation of  
Public-Private Partnership in terms of Government Support and  
Extent of Governance Innovation in the Implementation of a  
Public-Private Partnership among the Local Government Units of  
Iloilo Province in the Areas of Local Resource Generation,  
Environmental Management, Social Welfare, and Health Services,  
People’s Participation and Empowerment, and Productivity  
Improvement and Management Innovation ..... 216

Relationship between Perceived Deterrents in the Implementation  
of Public-Private Partnerships in terms of Lack of Policies and  
Guidelines and Extent of Governance Innovation in the  
Implementation of a Public-Private Partnership among the Local  
Government Units of Iloilo Province in the Areas of Local

Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovation .....	220
Relationship between Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Financial Resources and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation and Empowerment, and Productivity Improvement and Management Innovations .....	224
Relationship between Deterrents in the Implementation of Public-Private Partnerships in terms of Low Degree of Marketization and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation and Empowerment, and Productivity Improvement and Management Innovations .....	228
Relationship between Perceived Deterrents in the Implementation	



of Public-Private Partnerships in terms of Lack of Transparency and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	232
Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of a Lack of Political Skills and the Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	236
<b>5 Summary, Conclusions, Recommendations</b>	
Major Findings .....	241
Conclusion.....	245
Recommendations .....	251
References .....	258
Appendices.....	266

## List of Tables

Table No.		Page
1	Distribution of the Respondents .....	51
2	Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project .....	65
3	Profile of Local Government Units in terms of Income Classification and with Existing PPP Ordinance, Existing PPP Projects per District .....	68
4	Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive, Transparency, Leadership and involvement, Accountability .....	71
5	Overall Perceived Promoters in the Implementation of Public- Private Partnership in terms of Good Governance Practices among Local Government Units in Iloilo Province .....	73
6	Promoters in the Implementation of Public-Private Partnership in terms of Market Factors, Institutional Environment, and	

	Government Support among Local Government Units in Iloilo Province.....	83
<b>7</b>	Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines, Lack of Financial Resources, Low Degree of Marketization, Lack of Transparency, and Lack of Political Skills among Local Government Units in Iloilo Province .....	99
<b>8</b>	Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	107
<b>9</b>	Overall Extent of Governance Innovation in the Implementation of a Public- Private Partnership among Local Government Units of Iloilo Province .....	109
<b>10</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public- Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive) .....	125

<b>11</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in Terms of Good Governance Practices (Transparency) .....	128
<b>12</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public- Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Leadership and Involvement .....	131
<b>13</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public- Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Accountability) .....	133
<b>14</b>	Relationship between the Profile of The Local Government Units in terms of Income Classification, Existence of PPP ordinance, and Existence of PPP projects and the Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices .....	136
<b>15</b>	Relationship between Profile of The Local Government Units	

	in terms of Income Classification, Existence of Ordinance on Public- Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Market Factor .....	138
<b>16</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public- Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Institutional Environment .....	140
<b>17</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnerships in terms of Government Support .....	142
<b>18</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines .....	145
<b>19</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and	

	Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Financial Resources .....	148
<b>20</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Deterrents in the Implementation of Public-Private Partnerships in terms of Low Degree of Marketization .....	151
<b>21</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public- Private Partnership, and Existence of PPP Project and Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Transparency .....	153
<b>22</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Political Skills .....	155
<b>23</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Local Resource	

	Generation .....	158
<b>24</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Projects and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Environmental Management .....	161
<b>25</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Social Welfare and Health Services .....	164
<b>26</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of People's Participation and Empowerment .....	167
<b>27</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project	

	and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Productivity Improvement and Management Innovation .....	170
<b>28</b>	Relationship between Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships .....	180
<b>29</b>	Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	184
<b>30</b>	Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Transparency) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management,	



	Social Welfare, Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	188
<b>31</b>	Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Leadership and Participation) and Extent of Governance Innovation in the Implementation of a Public- Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	193
<b>32</b>	Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Accountability) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	198
<b>33</b>	Relationship between Promoters in the Implementation of Public- Private Partnership in terms of Good Governance Practices	

	And Extent of Governance Innovation in the Implementation of a Public- Private Partnership among the Local Government units of Iloilo Province .....	207
<b>34</b>	Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Market Factor and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	210
<b>35</b>	Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Institutional Environment and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	214
<b>36</b>	Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Government Support and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	

	of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	218
<b>37</b>	Relationship between Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	222
<b>38</b>	Relationship between Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Financial Resources and Extent of Governance Innovation in the Implementation of a Public- Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	226
<b>39</b>	Relationship between Deterrents in the Implementation of	

	Public-Private Partnerships in terms of Low Degree of Marketization and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	230
<b>40</b>	Relationship between Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Transparency and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	234
<b>41</b>	Relationship between Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Political Skills and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People’s Participation, Empowerment, and Productivity Improvement and Management Innovations .....	238

List of Figures

Figure		Page
1	Schematic diagram of the hypothesized relationship among variables .....	12

## List of Emerging Themes

	<b>Page</b>
Emerging theme #1 - Politically Skilled Leaders .....	74
Emerging theme #2 - Coordination that Spurs Partnership .....	78
Emerging theme #3 - Sustainable Market and Institutional Environment .....	84
Emerging theme #4 Strong Government Support .....	88
Emerging theme #5 - Lack of PPP Ordinance .....	92
Emerging Theme #6 Conflicting Interests .....	95
Emerging theme #7 – Governance in this Digital Age .....	102
Emerging Theme #8 Poor Knowledge of Public-Private Partnership .....	110
Emerging theme #9- Politically Driven Governance .....	114
Emerging theme #10 Conservative Politics .....	118
Emerging theme #11 Changing Mindset for Expanded Public-Private Sphere .....	173
Emerging Theme # 12 Unfavorable Market Factor .....	202

## **Abstract**

This study was conducted to determine and explore the promoters and deterrents, and the extent of governance innovation in the implementation of a public-private partnership (PPP) among local government units (LGUs) in Iloilo Province. This study is a mixed-method - explanatory sequential design with pragmatism as the paradigm worldview. The target population consisted of the 42 LGUs and one component city of Iloilo Province, but the respondent population was the local chief executives and the planning coordinators respectively. A three-part questionnaire was used to collect the data. A key informant interview (KII) was utilized to probe deeper into the quantitative findings. The study found that only 2 out of 43 local government units in the Province of Iloilo had both a PPP ordinance and project as mandated by MC No. 2016-120 "DILG Guidelines for the PPP Implementation." Low compliance to this effect was observed. However, there were some LGUs that despite the lack of a PPP ordinance had engagement with the private sector, thus, a changing mindset toward more open and trusting governance was revealed in this study. Further, results indicated that the income classification of the LGUs and the lack of financial resources as a deterrent to PPP implementation were generally related. Also, the existence of PPP projects had a bearing on the extent of governance innovation. Overall, the extent of governance innovation in PPP implementation among LGUs was only innovatively- active. Findings revealed that it is likely due to local politics, unfavorable market factors, poor knowledge of PPP, a lack of PPP ordinance, and a lack of political skills, while good governance practices, strong market efficiency, and a stable institutional environment remain as promoters of PPP as governance innovation.

## Chapter 1

### Introduction

#### Background of the Study

Organizational innovation has received a lot of attention in industrialized countries, particularly in the United States and Europe (Lundvall & Nielsen, 2007). For developing nations like the Philippines, innovation research is still in its infancy (Ismail, 2005). In the study conducted by Zanello et. al. (2016), innovation in developing countries is about the creation or adoption of new ideas and technologies; but the capacity for innovation is embedded in and constituted by dynamics between geographical, socioeconomic, political and legal, subsystems.

The term "innovation" has been defined by Akhmetshin et al. (2018, as cited in Kovalenko, 2019) as frequently connected with the creation of new information, solutions, products, substantial changes, and modernization, new phenomena and methods, inventions, new order, and new regulations, as the name "innovation" comes from the Latin "innovatio" which means "update" or "improvement".

In a study published by the Institute of Public Management of Canada (IPAC), Gow ("IPAC's work" n.d., as cited in Brillantes, 2003) also posed the subject of how innovative or new ideas are discovered in government administration. For Gow ("Gow's work", n.d.) most innovations in the public sector either reflect a desire of political leaders for greater control of spending, administration, or bureaucrats, or some outside demand for change, an idea, a technique, or a technology that was novel to the adopting body, whether it was wholly new to the world or borrowed in whole or in part.



In general, governance innovation is a new idea that is successfully implemented to remedy a long-standing public problem. It is the act of perceiving and executing a new way of accomplishing a result and/or performing work. Public sector administration innovation may also be demarcated as the improvement of new policy projects and new standard operating procedures by public organizations to address public policy complications. It involves changing how government functions to create better outcomes, such as better use of public resources, a more open and trusting community, improved justice and care for citizens from all walks of life and improving the economy by generating economic benefits. Any abrupt economic growth in a country can be attributed primarily to innovations (AbuJarad, 2010).

There are factors that trigger the government of every nation to innovate, which may include, demands of rigorous environmental legislation, challenges of increasing global competitiveness, rising customer expectations, insufficient infrastructure, and scarcity of financial resources (Brillantes, 2003).

The inadequacy of financial resources has led the government to explore alternative ways of generating revenues apart from conventional means, such as taxes and allotments to finance its infrastructure development and address the people's basic needs.

As a result, governments all around the world have had to come up with new ways to deal with its shortcomings. A new paradigm of governance innovation was developed. It is known as Public-Private Partnership. Through Public-Private Partnerships, governments are increasingly looking to the private sector partner to augment the public sector revenues and spending as well as the provision of public services (Sharma & Bindal, 2014). The government no longer has sole authority over public services and infrastructure provision.

In the Philippine government, the Public-Private Partnership initiative is guided by the provision of the 1987 Constitution specifically in Article 2, Section 20, which states that “the government recognizes the importance of the private sector as the primary driver of national progress”. The Build–Operate–Transfer (BOT) Law, as amended by Republic Act 7718, also establishes the legal framework and procedures for the private sector to carry out capital investment and infrastructure projects previously undertaken by government agencies, corporations, or local government entities (LGUs).

Furthermore, the Local Government Code (RA 7160) of 1991 not only formalized the decentralization process from the top level of government to the local level but also promotes private sector participation in local governance, notably in the delivery of essential services, to "maintain the viability of local autonomy as a sustainable development strategy (Section 3[[]], RA 7160).

For Kull (“Kull’s work”, n.d., as cited in Hechanova, 2017) the Code (RA 7160), however, was not without its difficulties and problems, ranging from policy to implementation, as well as the central government’s unwillingness to lose its control. These challenges limit the LGU’s financial capability to boost its development agenda and pursue innovation.

Consequently, due to the limited fiscal space for so long, there is now a crisis in governance that includes the inability to establish prudent priorities, and the growing disparity between promised performance and unsatisfactory results of public expenditures (Rico, 2005). Because of these facts, many people believe that the government causes rather than fixes public problems, and that government initiatives and policies reduce rather than improve people's quality of life, (Provido, 2002; Rico 2005).

In response to the growing public demands for basic services among the people, and the need to create more jobs and stimulate economic activity to achieve more equal growth not only in cities but all around the country, the present administration in June of 2016 through President-elect Duterte highlighted the need for a Public-Private partnership to accelerate annual infrastructure spending to account for 5% of Gross Domestic Product.

To this effect, Memorandum Circular (MC) No. 2016-120, "Guidelines for the Implementation of the Public-Private Partnership for the People Initiative for Local Governments", was issued by the Department of the Interior and Local Government (DILG), which was supplemented by the Joint Memorandum Circular of 2019 issued by the DILG and the Public-Private Partnership Center (PPPC) MC No. 2019-01 dated December 10, 2019.

The goal of the Local Government Unit Public-Private Partnership for the People (LGU-P4) is to encourage and boost local economic development, which will eventually contribute to national growth and the creation of more jobs. The LGU P4 is characterized on two levels: first, as a policy, it is a developmental, innovative change, and partnership strategy aiming at improving people's overall well-being, and quality of life. Second, it means a project, which is a government-private-sector agreement to build public infrastructure and/or provide public services, each partner accepts specific functions, bears specific risks, contributes, fulfills specific obligations, and gets advantages and profits.

Aligned with the localization of LGU P4, the Western Visayas Regional Development Investment Plan (RDIP 2017-2022), encouraged Public-Private Partnership (PPP) as a primordial source of funds that would bring economic development amidst crises. The economy of Western Visayas experienced

sluggishness in 2018, not to mention the effect of Covid 19 on the economy's volatility.

Despite the importance of PPP as a new mechanism to better local economies, few local government units are implementing the mandate of memorandum circulars issued by the DILG.

Based on the pre-survey conducted among the 42 municipalities and one component city in the Province of Iloilo, with only 26 LGUs that responded the survey, the results showed that only three have fully implemented Public-Private Partnerships.

This reality prompted the researcher to determine and explore the promoters and deterrents in the implementation of Public-Private Partnership as governance innovation at the local level. The LGU Public-Private Partnership portal as also created by DILG MC 2016-120, contains very limited success stories and compiled documents about it. Considering the importance of the effectiveness of governance innovation, no study has been conducted on this local government unit public-private partnership as a new approach in improving local governance. The absence of an explanatory sequential study on promoters and deterrents of public-private partnership and the extent of governance innovation in PPP implementation has also encouraged the researcher in conducting this study.

### **Objectives of the Study**

This study was conducted to determine and explore the promoters and deterrents, and the extent of governance innovation in the implementation of a public-private partnership among local government units in Iloilo Province.

Specifically, this study aimed to:

1. describe the profile of the local government units such as name, income classification, the existence of ordinance on Public-Private Partnership, and the existence of PPP Project;
2. describe the perceived promoters in the implementation of public-private partnership such as good governance practices, market factors, institutional environment, and government support among local government units in Iloilo province; and the perceived deterrents such as lack of PPP policies and guidelines, lack of financial resources, low degree of marketization, lack of transparency, and the lack of political skills;
3. describe the extent of governance innovation in the implementation of a public-private partnership among the local government units of Iloilo Province in the areas of local resource generation, environmental management, social welfare and health services, people's participation, empowerment, and productivity improvement and management innovations, and its overall extent of governance innovation in PPP implementation;
4. determine if there is a significant correlation between the local government units' profile and the perceived promoters and deterrents of public-private partnerships;
5. determine if there is a significant correlation between the local government units' profile and the extent of governance innovation in the implementation of public-private partnerships;
6. determine if there is a significant correlation between the perceived promoters and deterrents of public-private partnership and the extent of governance innovation in the implementation of PPP among local government units in the Province of Iloilo;
7. understand the experiences of participants in the implementation of PPP; and

8. Describe the participant's description of their participation in the implementation of PPP to help explain the quantitative findings.

### **Paradigm Worldview of the Study**

This study adhered to Pragmatism as a worldview. Pragmatism arises out of actions, situations, and consequences rather than antecedent conditions (as in post-positivism). There is a concern with applications—what works—and solutions to problems (Patton, 1990, Creswell, 2014). Instead of focusing on methods, researchers emphasize the research problem and use all approaches available to understand the problem, (Creswell, 2014).

As a philosophical underpinning for mixed methods studies, Pragmatism is not committed to any one system of philosophy and reality. This applies to mixed methods research in that inquirers draw liberally from both quantitative and qualitative assumptions when they engage in their research. Thus, the philosophical underpinning of pragmatism allows and guides mixed methods researchers to use a variety of approaches to answer research questions that cannot be addressed using a singular method. Pragmatists do not see the world as an absolute unity. In a similar way, mixed methods researchers look to many approaches for collecting and analyzing data rather than subscribing to only one way (e.g., quantitative or qualitative). Truth is what works at the time. It is not based on a duality between reality independent of the mind or within the mind. Thus, in mixed methods research, investigators use both quantitative and qualitative data because they work to provide the best understanding of a research problem.

## **Theoretical Framework of the Study**

This study is anchored on “Public Choice Theory” which was underpinned by the two known theories in public administration, New Public Management and Re-Engineering Organizations (Osborne & Gaebler, 2005). It adheres to the idea that governance entails the coordination of both public and private sector agencies to manage complex societies (Reyes, 2015). That government is inherently inefficient, that private business management is better, and that government should emulate or defer to the private sector. Thus, the government should be rolled back and reduced to a few “sovereign’ functions (like lawmaking and adjudication) through privatization, liberalization, and deregulation; its structure and operations should be decentralized, and its processes internally and externally marketized through competitive bidding, contracting, and outsourcing.

Further, For Pierre and Peters (“Pierre and Peters’ work”, n.d., as cited in Hague & Harrop, 2004) state that “Public Choice theory” proposed that the government's function in governance is not solely that of the government; the role of the market and civil society are equally important and should be recognized. Decentralization, participation, responsiveness, and responsibility are among the values it encourages. Hence, the public choice theory is related to the present study as it shifts our focus away from government institutions and powers and toward the role of public regulation provision of basic social services, and financing public infrastructure projects that would promote economic development both in the national and local affairs of the state.

Public- Private Partnership as a new governance innovation transforms modern governments into a more participatory, accountable, inclusive, and innovative governance. Zalesnick (Zalesnick’s work, n.d., as cited in Bartolome,1990) remarked that human beings as being differentiated from apes

are creative and innovative. Public Private Partnership, therefore, is a function of ability (A), motivation(M) and opportunity (O) which is reflected in the AMO theory of Tan and Nasiruddin's (2010, as cited in Opiña, 2018).

AMO theory argues that the government's collaboration with the private sector is a recognition of the private sector's ability to perform functions and deliver basic services that the government is severally constrained to provide due to limited fiscal space and based on the underlying principle that whatever the private sector can provide better or best, then it should be outsourced. Also, it adheres to the ability of the leader to engage in partnership with the private sector. Moreover, innovation does not occur by itself, so the local government unit must provide the private sector and its constituents the motivation and opportunities to innovate through sound policies and programs that would be beneficial and motivating to both parties. Through citizen engagement and participation of other stakeholders in the observation of good governance, the opportunity to innovate and be involved in an organization's innovative effort is of greater chance.



## **Conceptual Framework**

The research paradigm in Figure 1 serves as the working framework of this study. It illustrates the relationship among the variables indicated, specifically, the profile of the local government units, the perceived promoters, and deterrents in the implementation of Public-Private Partnership (PPP), and the extent of governance innovation in the implementation of PPP.

In the context of this study, it is assumed that the extent of governance innovation in the implementation of Public-Private Partnership might be influenced by the certain profiles of the local government units (LGUs) and some perceived factors that may promote or deter PPP implementation.

The decision to innovate through engagement with the private sector may be affected by the income classification of the LGUs. Thus, LGUs that are categorically wealthier or belonging to higher income status may have adopted innovative practices already in the private sector. Those LGUs that are classified as poor LGUs may also have a predilection to innovate through Public Private Partnership, the fact that PPPs are a low-cost way to provide much-needed infrastructure, public services, and urban regeneration without increasing government debt at the local level.

The frequency of innovation through PPP projects may be influenced by sound policies implemented by the local government units, the presence of a PPP ordinance is presumed to be a positive attribute in a more democratic and accountable partnership. However, its absence may curtail possible engagement with the private sector.

Governance innovation in the implementation of Public-Private Partnership may also be dependent on perceived factors such as good governance practices primarily on the observance of effective, efficient, responsive governance, transparency, accountability along with participatory leadership. These characteristics are also

recommended by World Bank as needed principles to secure the investments of the private sector in the developing countries. Private sector investment decisions may depend on public knowledge of the government's policies and reputations on its institutions, as well as confidence in its intentions through the information provided by the government on its economic and market conditions.

Thus, governance innovation in PPP implementation may also be differentiated based on the resources inherent to LGUs which are referred to as market factors, such as capital, land, labor, profitability, and sustainability of the projects. LGUs with so many resources to offer the private sector may tend to have greater opportunities to innovate through PPP compared to those LGUs with meager or limited resources. Government support and an ideal institutional environment through the provisions of tax incentives, well-crafted development plans, and policies to propel development are essential in the partnership.

However, the degree of innovative practices through PPP in the areas of local resource generation, environmental management, social welfare, health services, people's participation and empowerment, and productivity improvement and management innovations may be impeded due to a lack of PPP policies and guidelines or the absence of PPP ordinance, sound plans, and unclear roles and responsibilities for Public-Private Partnership to take off. The lack of financial resources manifests through a limited budget and other financial constraints experienced by the local government units and private sector partners may also hinder innovation to take place. A low degree of marketization may be caused by poor locational factors, low demands, and government restrictions or control in the economy may also deter public-private partnerships to flourish. Lastly, the lack of transparency and lack of political skills among the leaders at the local government units may discourage the proliferation of governance innovation with private sector engagement.

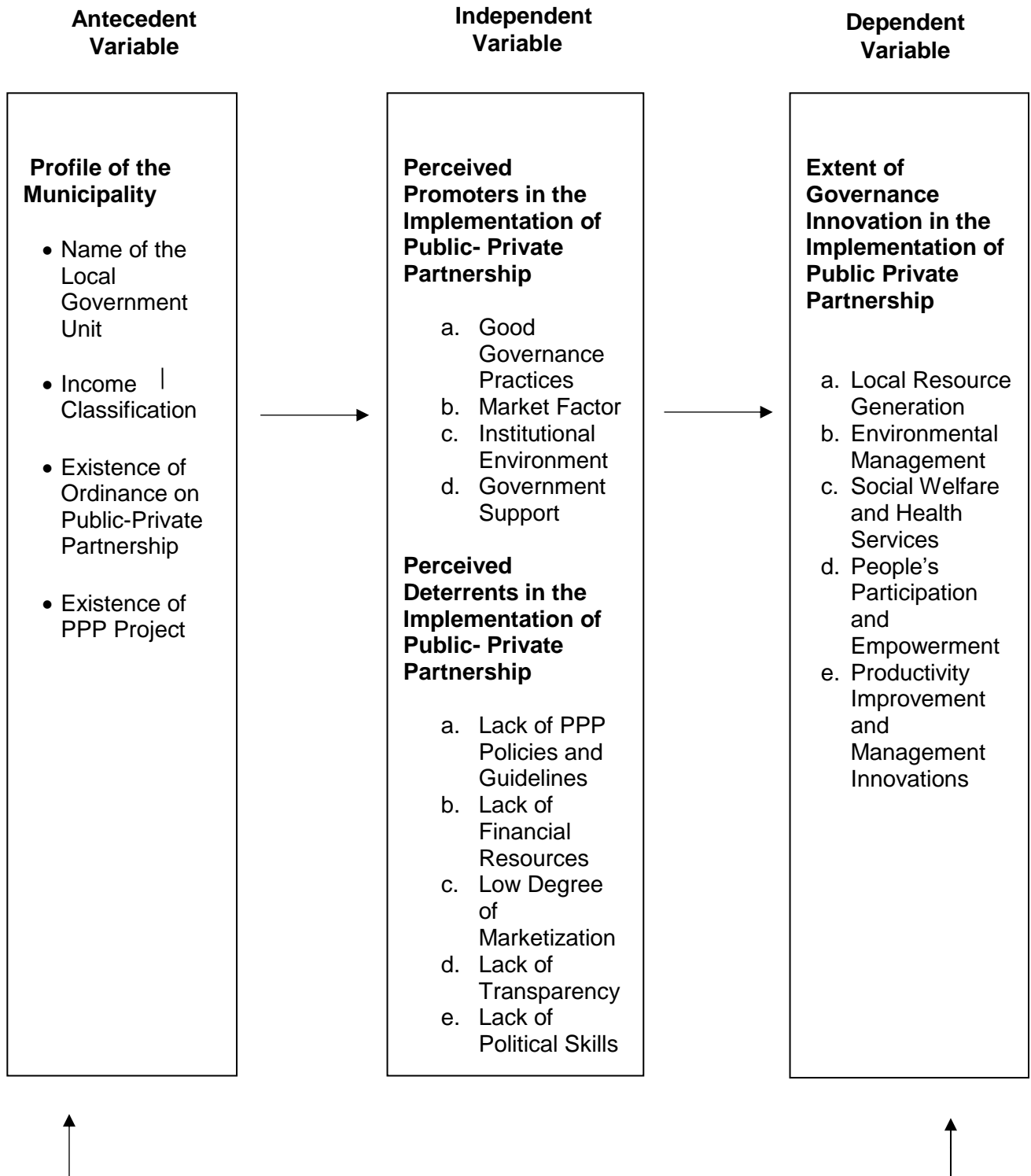


Fig. 1 Schematic diagram of the hypothesized relationship among variables.

## Hypotheses of the Study

*Based on the objectives, the following hypotheses were made:*

1. There are no significant relationships between the profile of the local government units and the perceived promoters and deterrents in the implementation of a Public-Private Partnership.
2. There are no significant relationships between local government units' profiles and the extent of governance innovation in the implementation of a Public-Private Partnership.
3. There are no significant relationships between the perceived promoters and deterrents of Public-Private partnerships and the extent of governance innovation in the implementation of a public-private partnership among local government units in Iloilo province.

## Definition of Terms

The variables and other terminology below were conceptually and operationally described for clarity and understanding:

### ***Antecedent Variable***

***Local Government Units.*** It refers to provinces, cities, municipalities, and barangays in the Philippines, and the constitution dictates the formation of the two independent entities, Muslim Mindanao (ARMM) and the Cordilleras (CAR) ( Art. X, Section 1, 1987 Philippine Constitution)

In this study, it refers to the forty-two municipalities and one component city in the province of Iloilo.

***Income Classification.*** It determines limits to expenditures on salaries and the extent of offices of the government. It is one of the bases when determining internal revenue allotment and the conversion of a barangay to a city, (Reyes, 2015).

In this study, it refers to the income classification of the municipalities as first class ( 55 million or more), second class (45 million or more), third class ( 35 million or more), fourth class (25 million or more), fifth class ( 15 million or more), and sixth class ( below 15 million). Also, for cities as first class (400 million or more), second class (320 million or more), third class ( 240 million or more), fourth class (160 million or more), fifth class ( 80 million or more), and sixth class ( below 80 million).

Also, it refers to the income classification of the City as first-class (P400 million or more), second class (P320 million or more), third class (P240 million or more), fourth class (P160 million or more), fifth class (P80 million or more), and sixth class (below 80 million).

***Ordinance.*** It is a local law enacted in the exercise of police power, eminent domain, and taxation, the force of which extends only within the territory of the issuing local government, (Philippine Journal of Public Administration).

In this study, it refers to the ordinance passed by the municipalities/cities in support of MC NO. 2016-120, DILG Guidelines for the Implementation of Public-Private Partnership for the People Initiative of Local Government Unit, which requires the complete implementation of public-private partnerships.

***Public-Private Partnership Project.*** It means a contract of collaboration among the government and the private sector for the delivery of government infrastructure or services in which each party performs specific responsibilities, bears certain risks, contributes, fulfills obligations, and gets advantages and income, (MC NO. 2016- 120,DILG).

In this study, it refers to the Public-Private Partnership Projects and activities entered upon by the forty-two municipalities and one component city with the private sector in the Province of Iloilo.

### ***Independent Variable***

***Promoters.*** One who alone or with others actively participates in the formation of a business or venture, (Legal Definition).

In this study, it is a term used to describe the influencing variables in the execution of the collaboration between the government and the private sector among local government units, such as good governance practices, market factors, institutional environment, and government support.

***Good Governance Practices.*** The processes for making and implementing decisions. It refers to the practices of its eight characteristics as defined by UNDP as participation, rule of law, transparency, responsiveness, consensus-oriented, equity and inclusiveness, effectiveness and efficiency, and accountability, (Creative Learning, Inc., 2021).

In this study, it has been operationalized through several fundamental indicators to effectively implement Public-Private Partnerships as governance innovation. These indicators are the principles of efficiency, effectiveness, responsiveness, transparency, leadership and participation, and accountability. The following principles are defined conceptually and operationally.

***Efficient*** – It refers to service delivery mechanisms and processes that are cost-efficient, making the best use of resources, (Brillantes, 2003).

***Effective and Responsive*** – Basic services provided by the Local Government Unit are those needed by the community and the stakeholders, (Brillantes, 2003).

In this study, efficient, effective, and responsive governance means the use of cost-effective service delivery techniques and processes that make the most of available resources, minimizes risk in project management, avoids lengthy negotiation with private sector partner, prioritize local labor, address the critical public need, accelerates implementation of local projects demonstrating commercial viability by the Local Government Unit in partnership with the private sector.

**Transparency-** information that can be trusted is readily available. Provision of necessary and relevant information to stakeholders when and when it is required, (Brillantes, 2003).

In this study, it refers to the conduct of open, fair, honest, and competitive bidding process, open contracting with the private sector, and full public disclosure of the local government unit of all its transaction involving public interest.

**Leadership-** Provision of a long-term vision that is both obvious and strategic. Everyone owns the vision and mission, which is reached via consensus and participation, (Brillantes, 2003).

**Participation.** In collaboration with civil society, all stakeholders have a voice in both formal and informal decision-making procedures, (Brillantes, 2003).

In this study, Leadership and Participation refers to the consistency of the local government unit on its vision and mission, and the implementation of programs and projects with the active participation of the private sector and other stakeholders, the giving of importance to the rule of the majority and participatory government.

**Accountability.** Decision-makers are held accountable for their actions, and offenders are sanctioned, (Brillantes,2003).

In this study, it refers to the clear delineation of roles and responsibilities of the municipal and city personnel involved in Public-Private Partnership, the

institutionalization of the financial audit through a post-contract review mechanism with private sector proponents to promote higher accountability.

**Market Factor.** Is a word used by economists to describe the resources used by firms to purchase or rent the equipment or materials they need to produce goods or services. These are the essentials of production, which include raw materials, land, labor, and capital. (Investopedia.com., n.d.)

In this study, it refers to the resources inherent both in the government and the private firms in the province of Iloilo, consisting of capital, land, labor, profitability, and sustainability of the projects.

**Institutional Environment.** It contains a complex set of rules and requirements that must be followed by individual groups to get support and legality. (ScienceDirect social-sciences/institutional-environment, n.d.)

In this study, it refers to the adoption of democratic processes of the local government units, its openness to the private sector, and the community, the development of multi-sectoral development plans, and institutionalization of accountability.

**Government Support.** It includes tax breaks, reductions in mandated contributions, government grants, government-backed loans, and government-backed guarantees, trusts, or insurance, regardless of whether a private firm is solely or substantially responsible for the management of the government support, (lawinsider.com/government-support)

In this study, it refers to the support the government has given to the private sector for Public-Private partnerships to flourish, such as safe locations, tax incentives, and subsidies, and the creation and implementation of an ordinance to officially materialize the said partnership and to protect its interests respectively.



**Deterrents.** It involves an effort to stop or prevent an action, (Mazarr, n.d.)

In this study, it refers to the elements that impede the implementation of the Public-Private Partnership among local government units, consisting of a lack of policies and guidelines, lack of financial resources, low degree of marketization, lack of transparency.

Below are the conceptual and operational definitions of the components under deterrents of public-private partnership.

**Policy.** For Anderson (1997, as cited in Bihasa, 2017), it is a planned course of action in response to a problem or a cause of concern created by actors or a group of actors.

**Lack of Policies and Guidelines.** In this study, refers to the absence of ordinances, sound plans, and unclear roles and responsibilities for Public-Private Partnership to take off.

**Financial Resources.** Refers to resources needed to acquire appropriate equipment, services, and supplies to implement the program, (Gray & Larson, 2014).

**Lack of Financial Resources.** In this study, it refers to the limited budget and other financial constraints experienced by the local government units and private sector partners.

**Marketization.** The process of moving a whole economy away from a planned economic system and toward a more market-based one, (journals.sage pub .n.d.)

**Low Degree of Marketization.** In this study refers to the poor locational factors, low demands, and government restrictions or control in the economy that prevent public-private partnerships to flourish.

**Transparency**- information that can be trusted is readily available. Provision of necessary and relevant information to stakeholders when and when it is required, (Brillantes, 2003)

**Lack of Transparency.** In this study refers to the lack of open contracting or competitive bidding process, public disclosure, and poor monitoring of PPP projects.

**Political Skills.** It refers to the adeptness to use power to help the company achieve its vision and objectives in establishing the right connections and winning the right people, as defined by Du Brin (“Du Brin’s work”, n.d., as cited in Philippine Journal of Public Administration, 2015).

In this study, it refers to the lack of competence to lead and the absence of collaboration among major stakeholders in the community.

### **Dependent Variable**

**Governance Innovation.** New forms of people’s participation and more open institutions are being developed, (Hartley, 2005).

In this study, it refers to extent of innovativeness through policies, plans programs, projects, and activities created and implemented by the local government units in the implementation of Public-Private Partnership based on the five areas of local governance, (a) Local Resource Generation (b) Environmental Management, (c) Social Welfare and Health Services (d) People’s Participation and Empowerment, and (e)Productivity and Management Innovations.

The extent of governance innovation will be measured using the following categories below:

Category	Definition
Innovative-active and successful	Create new ideas, converts and diffuses
Innovative- active	Create new ideas, converts, but little diffusion
Innovative	Create new ideas but fails to convert and diffuse
Not innovative	No creation of new ideas failed to convert and diffuse

Below are the conceptual and operational definitions of the five sectoral areas of governance.

**Resource Generation.** Includes a diverse group of entities that produce inputs—particularly human resources, physical resources such as facilities and equipment, and knowledge—to the provision of services.

([who.int/hrh/documents/en/Developing\\_policy\\_options](http://who.int/hrh/documents/en/Developing_policy_options), n.d.).

**Local Resource Generation** – In this study, refers to the innovative strategies implemented by the local government units in outsourcing resources from the private sector partners or civil society. These resources may include knowledge, labor, and capital for infrastructure development, such as commercial spaces, public markets, multi-purpose transportation terminals, equipment pool, funding for water and electric power services thereby improving local revenues.

**Environmental Management.** Actual decisions and action concerning policy and practice regarding how resources and the environment are appraised protected,

allocated, developed, used, rehabilitated, remediated, and restored, (sciencedirect.com, n.d.).

In this study, it refers to the creation and implementation of environmental management plan, solid waste management system, development of the agro-industrial center, Eco-Walk for the environment to promote community awareness or similar project, Tree planting programs, the establishment of tree parks, greenbelts, etc., among local government units in Iloilo province.

***Social Welfare and Services.*** The definition of services varies between countries and cultures, but in general terms, it is likely to include health, social security, and social work, and it may extend to public housing, education, advice services, the supervision of offenders, or employment support. (sciencedirect.com/topics/social-sciences/social-welfare, n.d.).

In this study, it refers to the innovative programs initiated and implemented in Iloilo Province's local government units in collaboration with the private sector, which include among others, provision of quality medicines at a cheaper price, implementation of primary health care, zero malnutrition among children, food security, communal water system, provision of better health services through improved health facilities, and the establishment of crisis centers for children and women.

***People's Participation and Empowerment.*** Participation represents an action or being part of an action such as a decision-making process. Empowerment represents sharing control, entitlement, and the ability to participate, to influence decisions, as on the allocation of resources, (socialcapitalresearch, n.d.).

In this study, refers to the mechanisms developed by the local government units in Iloilo Province to make governance more participatory and accountable, through the holding of people's congress, the institutionalization of civil society's and the private sector's representation in the local development councils, the

implementation of volunteerism program in times of disaster, people empowerment program, that promotes inclusivity in governance, with the involvement of the vulnerable/ marginalized sector of the society.

Productivity Improvement and Management Innovations.

***Productivity improvement.*** It means getting more done – more output – with the same amount of input, (smallbusiness.chron, n.d.).

***Management Innovation.*** The invention and implementation of management practice, process, structure, or technique that is new to the state of the art and is intended to further organizational goals, (jstor.org,n.d.).

In this study, Productivity Improvement and Management Innovations refers to the adoption of technology which includes the use of Geographic Information System, Transparency Portal, Administrative and Office Automation System. Also, it includes the creation and implementation of plans for effective and efficient governance such as multi-sectoral development plan, performance management plan, and performance monitoring system on Public-Private Partnership, reorganization plan as well as allocation of budget for knowledge management on digital infrastructure by the local government units in Iloilo Province with private sector participation.

***Public-Private Partnership (PPP).*** It is an agreement between the government and private firms for the finance, development, implementation, and operation of infrastructure facilities and services previously provided by the government. It represents the optimal risk distribution among the partners, cutting costs while meeting project development objectives. As a result, the project must be structured in such a way that the private sector sees a reasonable return on its investment, (Asian Development Bank, 2016).

In this study, it refers to a policy/ordinance adopted by the local government units in Iloilo Province as a partnership strategy aiming at promoting the general welfare, inclusive growth, and improved people's quality of life. Also, it includes the projects initiated by the LGU which are to produce public infrastructure and services in which the government and the private sector collaborate, and each partner performs specific responsibilities, carries certain risks, contributes to the project, fulfills specific obligations, and obtains advantages and profits.

### **Significance of the Study**

The following will benefit from the findings of this study:

***Local Policymakers.*** The results of this study will aid the policymakers specifically the local legislators in making laws relative to encouraging and institutionalizing innovation, at the most basic level of a government agency through the supervision of the Department of the Interior and Local Government. Through legislation, policymakers could require the local government to develop and execute innovative strategies designed to deliver better outcomes, such as more effective and efficient use of public resources.

***Public-Private Partnership Center.*** The findings of this research will give information to the Public-Private Partnership Center in crafting training and development for the promotion of governance innovation at the local level.

***Department of the Interior and Local Government.*** At the provincial and regional levels, the DILG can utilize the results of this study to augment the limited data/ literature on innovation in the province which may be uploaded in the DILG portal for knowledge sharing and replication of other local government units which may have a low or no implementation on governance innovation. It may also provide feedback to the focal person on the benefits and risks of LGU P4 at the local level and recommend

measures on how to address such concerns. At the national level, the results of the study can potentially provide relevant information that can be used to assess the effectiveness of existing policies on PPP and determine areas of improvement. It will also enable the DILG to fine tune the policies to better suit the context of local governments in different regions.

***Local Government Units in Iloilo Province.*** The local chief executives and legislative bodies of the Province of Iloilo may also find the results of the study beneficial. The results of the study may provide them with awareness on how to effectively implement Public-Private Partnership which would become the basis in formulating policies, programs, ordinances, and major decisions about the long-term viability of the collaboration between the government and the private sector in the province.

***Iloilo Provincial Government.*** The findings of the study can provide significant knowledge and insights to the provincial government of Iloilo in terms of the interventions that need to be implemented to facilitate the promotion of PPP among the local governments under its jurisdiction. Considering the critical role of the provincial government, the study can inform the crafting of strategic actions to improve areas of governance to encourage private-sector engagement and may also provide the basis for crafting relevant plans, policies, and strategies for an effective and efficient Public-Private Partnership at the local level

***Academe.*** The results of this study will give information to the academic institutions towards crafting relevant courses and syllabi detailing local governance innovation for academic and experiential learnings.

***Investors.*** Knowing how the political dynamics in the province with the assurance of strong engagement with the private sector because of their innovative

and agile strategies, the results of the study may even attract investors in the province for potential investment.

**Constituents.** The results of this study will give the people information as to the innovative public-private partnership initiative implemented in the province as a manifestation of public accountability, transparency, participation, and innovation in consonance with the promotion of good governance.

**Future Researchers.** The findings of this research will give future research interests a trigger. Researchers who want to do anything similar or related studies should look into improving the findings of this study, or exploring other variables, will benefit much from the varied outcomes. They may use the data from this study as baseline information for further research.

### **Scope and Limitations of the Study**

This research aimed to determine and explore the promoters and deterrents, and the extent of governance innovation in the implementation of a public-private partnership among local government units in Iloilo province. The study was conducted in March- July 2022.

This study is a mixed-method - explanatory sequential design. It is a two-phase mixed methods design. The initial stage of this strategy gathered and analyzed quantitative data. This first phase was followed by the collection and analysis of qualitative data. The qualitative phase of the study was organized to follow (or link to) the findings of the quantitative phase. Because this strategy begins with a quantitative approach, investigators frequently favor quantitative over qualitative methods.

In terms of quantitative data, the unit of analysis were the local government units, so there were 43 respondents representing the 42 municipalities and one component city who were included in the conduct of this study.



For the qualitative phase, the Key Informant Interview was conducted with the local chief executives or municipal/ city planning and development coordinators of the municipalities and one component city in the province of Iloilo which have fully implemented Public-Private Partnership (PPP) and with PPP ordinance to explore the perceived promoters on PPP. The researcher also conducted a Key Informant Interview with the local chief executives or municipal planning and development coordinators of the municipalities without PPP projects and PPP ordinance to explore the perceived deterrents of the phenomenon of interest.

The researcher arbitrarily chose 5 participants representing each of the five districts of Iloilo province, and one participant from a municipality with PPP projects but whose PPP ordinance was in the second reading yet in the Sanggunian.

The study covered only the municipalities and one component city in the province of Iloilo, thus, its findings cannot be generalized to other provinces in the Philippines.

## **Chapter 2**

### **Review of Related Literature**

This chapter presents the literature and studies, both foreign and local, which are related to the present investigation

#### **Definition of Innovation**

The term "innovation" is thought to have first appeared in Joseph Schumpeter's writings in the 1930s, namely in 1934. One of the first economists to characterize innovation was Joseph Schumpeter. He identified five categories of invention. These include (i) new-to-industry process innovation, (ii) the opening of a new market, (iii) the production of new sources of raw materials or other inputs, and (iv) changes in an industrial organization are all examples of new-to-industry process innovation, (AbuJarad, 2010).

In a seminal paper, Van de Ven (1986 as cited in Akhmetshin, E.M et al., 2018), explains the concept of innovation. While he describes innovation as the implementation of new inventions or ideas, he goes on to say that this implementation is carried out by people engaged in transactions within an organizational setup or order. He then proposes that innovation then be defined by four basic management problems that arise because of the primary factors in such the setup. These problems include the management of ideas (dealing with the problem of turning a single idea or invention into something important enough to be given priority by the company), the management of human attention (dealing with the fact that human beings, by nature have problems dealing with the complex, non-routine nature of innovations for long periods), the management of part-whole relationship (dealing with the difficulty of the

coordinating innovative efforts on both micro and macro scales), and the management of institutional leadership (dealing with the challenge of orienting an entire organization to process of innovation). Such an approach suggests that the innovative process may be something that is constantly faced with systemic hurdles and challenges. Thus, leaders seeking to define innovation to promote it within their organization must first become familiar with the problem that prevents such innovation from achieving success.

According to Kotler et al., (2000), innovation is known as a mass-produced idea, product, or technology that the consumer sees as wholly new or holding some unique features.

In 2006, Smith differentiated innovation from a separate but related concept, (i.e., invention). He explains that while invention refers primarily to the creation or development of new ideas and technologies, innovation refers to harnessing such development to sell them in a marketplace. Innovation, then, deals not only with the generation of creative new ideas but also with the production, marketing, and selling of such ideas, to create profits. Smith thus suggests that innovation is not solely nebulous, and creative: brilliant, inspired ideas will still need careful management and well-coordinated execution, to succeed, and become true innovations.

From a different perspective that is influenced by development economics, micro, small, and medium-sized businesses were studied in terms of innovation by Mckenzie and Woodruff (2009). They extend the definition of innovation slightly, using recommendations from the Oslo and Bogota Manuals for measuring innovation. Their description of innovation includes considerations for developing countries, as it considers adaptation of existing ideas from other firms as another form of innovation. De Mel et al., (n.d.) allow for such consideration by defining a bare minimum set of

conditions for something to be counted as an innovation: it must be a new idea or a significant improvement for the individual firm itself, not necessarily for the entire industry.

In the Journal of Entrepreneurship Education (2019), innovation is thought to have sprung from the Latin word "innovatio," which means "update" or "upgrade," and is therefore connected with the invention of new knowledge, solutions, products, substantial changes, and modernization. This concept is frequently used interchangeably with the term "innovation." The notions of new knowledge, new phenomena and procedures, inventions, new order, and new norms are all used to describe innovations. As a result, according to Akhmetshin et al., 2018, scholars most commonly understand "innovation" as a process, that is, a series of acts aimed at getting an advanced scientific idea to the stage of practical application and earning economic rewards.

### **Concepts of Partnership between the Public and Private Sectors**

Public-private partnerships (PPPs) have grown in popularity around the world as a means of delivering infrastructure and public services. According to some experts, the public-private partnership (PPP) model has evolved into a new type of government (Osborne, 2000).

Nowadays, most states in the world are becoming increasingly reliant on private actors to carry out their agendas. Governments, on the other hand, will require collaboration from a variety of stakeholders, (Teisman & Klijn 2002).

PPPs can be thought of as a cooperative institutional structure between public and private sector enterprises (Hodge & Greve 2007). The complicated policies, programs, and public service concerns that must be addressed may be handled via

PPP. This is because PPPs require shared development and risk-sharing among partners, two areas where traditional procurement processes have fallen short.

The Private Finance Initiative was the predecessor to the PPP. In 1992, the United Kingdom Conservative Government has established the Private Finance Initiative, during the depths of the subsequent recession of the 1980s property speculative boom (Shaoul 2011, cited in Wang et al., 2017). The beginnings of the recession were linked to issues about urban planning development, where financial deficiencies were deemed excessive (Sedjari 2004, cited in Wang et al., 2017).

Despite the Conservative government's excitement for developing the PFI strategy, the initiatives were difficult to gain traction for a variety of reasons. Some people, for example, we're concerned that private sector involvement might jeopardize the public service ethos (Ball, et al., 2007, cited in Wang et al., 2017). However, in 1997, the Labor government popularized the PFI program, which was renamed Public-Private Partnership (PPP).

Using PPPs became a bipartisan policy at the same time. Based on the experience of other countries and governments, PPPs should be used more frequently to provide much-needed infrastructure, promote local economies, provide public services, and regenerate metropolitan regions, according to the United Nations and other international organizations (e.g., the United States, the European Commission, and several Asian countries). PPPs include design-build-finance-operate, build-own-operate-transfer, and build-operate-transfer, as well as PFIs and other public-private partnerships, (Wang et al., 2017).

In PPP projects, which can last up to 25 or 30 years, long-term cooperation and a contractual link between the public and private sectors are frequent (Girth 2014; Hodge & Greve 2007). A public-private partnership is not the same as a short-term contract. The private sector is often involved in various phases of a PPP project,

including design, construction, operation, and maintenance. During these phases, large capital expenditures, typically in the hundreds of millions of dollars or more, are usual (Newman & Perl 2014). As a result, a long-term contract allows both parties to gain from their partnership (Silvestre & Araujo 2012). Simultaneously, the long-term contract permits the private sector to obtain a return on its initial investment.

Second, PPP focuses on risk, cost, benefit, resource, and responsibility-sharing, (Kojan 2005). Any PPP collaboration is built on the principle of sharing. The private sector participants will not bear all of the risks or costs in a public-private partnership investment, if not generate a profit.

Finally, PPP is frequently a difficult process (Ross & Yan 2015). Because of the long-term nature of the contract and the demand for multi-phase cooperation, the PPP partners' goals and the political climate may change in terms of design, build, operation, and maintenance. These factors need that the partners negotiate and interact throughout the collaboration. As a result, the collaboration process in a PPP project could be complicated. Furthermore, each PPP partner has its strategy and established history. As a result, the decision-making process in public-private partnerships can become exceedingly complicated (Klijn & Teisman 2003). Finally, PPP programs have common goals. The public and private sectors are motivated to work and build a partnership by these common goals.

### **Types of Innovation in Governance**

Governments could innovate in a variety of ways, and they do. The development of an appropriate typology of innovations is critical to the dissemination of those technologies. For example, transferring a new sanitation system design (such as vented pit latrines) is easier than transferring one-stop government centers, has significant legal, institutional, and technological implications. Geopolitics and spatial

concerns will also have an impact on innovation. Various authors have attempted to promote various sorts.

The Center for Public Service Institute (CPSI) developed four types of innovations: (1) Institutional innovations focus on both the revitalization of existing institutions and the creation of new ones; (2) Organizational innovation, in public administration, means the adoption of new working techniques or management practices; (3) Process innovation, aims to increase the level of service provided by the government; and (4) Conceptual innovation concentrates on the adoption of innovative governance models (e.g., interactive policymaking, engaged governance, citizen budget reforms, horizontal networks).

Hartley (2005) on the other hand, distinguishes seven forms of the invention. In practice, it's vital to remember that a given change could be the result of a combination of a variety of types of innovation. Hartley highlighted the following categories of innovation: (1) Product: New goods, such as leveraging television to convey teacher and nurse training content; (2) Service: New means of providing services to users, such as the usage of online forms; (3) Process: New approaches to organizational process design, such as reengineering corporate techniques; (4) Position: New settings or users, such as meeting the informal tax needs of informal businesses; (5) Strategic: New organizational objectives or purposes, such as community policing; (6) Governance: Citizen participation and democratic institutions in new formal types of innovation; (7) Rhetorical: New terminology and concepts, such as congestion pricing in big cities.

As indicated by the above typology, the type of invention has an impact on the transfer process, including how the innovation is documented and how it is shared.

Among these are human resource development and management, public service delivery, the use of information and communication technologies (ICT) in government operations, decentralization, and other areas of innovation. The Institute for Public Administration of Canada (IPAC) has given out awards for one-stop shops, online business registrations (eight ministries, one form), horizontal innovation (team focuses on planning, zoning, and law enforcement as well as horizontal planning), and inter-sectoral cooperation for youth issues since 1990.

### **Key Factors to Local Innovation**

According to Brillantes (2003), the following are some of the important variables that may have influenced local innovation and made it possible for local governments to be more creative and inventive.

***A hospitable policy environment.*** Local governments in the Philippines are guaranteed autonomy by the Constitution. This was operationalized with the spread of a local government code, which provided the foundation for local government activities and associated risks.

***A "triggering crisis".*** Innovations may be brought about in response to a crisis, say, environmental degradation, floods, etc. Pushed against the wall and confronted with a crisis, various stakeholders in society, whether government or civil society, become creative and innovative.

***Aggressive stakeholders.*** The political leadership usually takes the initiative in addressing felt or articulated needs in the polity. The reasons behind this may range from simple, good, and responsive governance to practical purposes, and political expediency. The point is that aggressive leadership and commitment on the part of the formal political system, (i.e., the government), leads to, and sustains innovation.



***Inadequacy of Financial Resources.*** The inadequacy of financial resources has led local authorities to think of additional alternative ways of generating revenues apart from conventional means, such as taxes and allotments from the national government.

***Response to a demand for a specific basic service.*** Local governments become creative in response to a pressing basic need that they simply have to respond to and address. Among these are the so-called basic services including health and housing.

***Attendance in local and international training.*** Participation in seminars, workshops, etc., where the local chief executive has been exposed to new theories and new ways of doing things has also led to innovations. Long-term training programs sometimes require re-entry programs that are implemented upon return to the workplace.

***National Programs.*** While the national government may provide the policy framework say in addressing specific basic needs e.g., housing, health care, infrastructure development, etc., the local government may build upon these and adapt them (some say "indigenize" the approaches) for local conditions. The national government's Primary Health Care Program is an example of a program that was eventually adopted and owned by the local governments.

***Initiated by the University or local academic institution.*** Local academic institutions being the traditional seat of knowledge also have become sources of new ideas and innovations. To a certain extent, this has become their reason for existence and the challenge is for them not to be marginalized and caught up in the ivory tower of over theorizing detached from the real world of implementation.

## **Sustainability and Success Factors of Innovation**

For innovation to be successful and sustainable it must somehow survive political changes. Below are the factors considered by Brillantes (2003):

**Leadership.** Leadership and politics will play a key role in the sustainability of innovation. Leadership styles may vary from the strong (and sometimes, authoritarian).

**People's participation and support.** This is imperative, particularly in sustaining the program. The problem with some innovative projects is that they come to a natural halt upon the departure of the leader. To a certain extent, the success of the program can only be gauged when the mayor departs from the scene. Has it been sustained by the people? This can only be sustained if the people themselves "own" the program. Multi-sectoral cooperation. About the immediately preceding factor, multi-sectoral cooperation-government (local and national), private sector, business, non-governmental organizations, and people's organizations, play a key role in determining the success of the program.

**Media and Information Dissemination.** In this day and age of multimedia and advanced telecommunications, the critical role of media in determining the success of the program and in sustaining cannot be overemphasized.

**Support of external international institutions.** Development efforts in the Philippines have benefitted from the support of many international institutions. Support may come in many forms. Loans, technical assistance, or grants. Thus, the USAID, CIDA, UNDP, the WorldBank, the Asian Development Bank, etc. have played roles in either initiating, or supporting general governance programs, and specific local governance programs.

## **Sample Cases of Governance Innovation**

### ***Local Resource Generation***

The small municipality of Dingras in Ilocos Norte used a BOT technique to construct its public market booths.

Munoz, Nueva Ecija, was able to meet its infrastructure demands by purchasing an equipment pool and renting it out to other municipalities. All the mayor had to do was call the local agencies that had underutilized or broken down equipment, have them transferred to the municipality via memorandum receipt, and have them restored.

The province of Nueva Vizcaya's, "Reforming the Real Property Tax System" program increased the province's cost-to-collection ratio (0.90:1.00), reducing the number of forms required from seven to four. The local government has also assigned a group to provide services to the rural barangays in the province. As a result, the program resulted in a huge increase in revenue collection, resulting in the region's largest increase in 2001.

### **Environmental Management**

The "Save the Maasin Watershed in Iloilo" campaign attracted over 5,000 people from all walks of life to take part in a huge tree-planting operation every rainy season. Participants included corporations, private firms, NGOs, POs, schools, and the tri-media networks.

In Baguio City, the Eco-Walk for the Environment is a year-round environmental education program for children. It addresses the need for children to form connections with the environment through a series of guided walks to the city's major watershed. It has evolved into a multi-sectoral effort comprising the city administration, the private sector, civic society, and the church.

### ***Social Welfare and Health Services***

In the province of Negros Oriental, the provincial administrations established a province's hinterlands, a community primary hospital that will provide basic health services and address the people's most basic needs. In the process, it evolved into a counter-insurgency tactic.

In Dumarao, Capiz, a community health volunteer was assigned to each barangay to assist the rural midwife with primary health care.

The province of Davao del Norte launched the Minimum Basic Needs (MBN) Approach to Development in 2000 to identify the top 10 unmet minimum basic needs in 2000 and 2001. This technique has increased knowledge among the chief executives of the province's various local government units (LGUs), making it simpler to prioritize the LGUs' demands based on the most unmet requirements of the residents in the area. The project has also received positive comments and promoted community participation at the barangay level.

### ***Peoples Participation and Empowerment***

In Naga City, the "People Empowerment" program aims to develop a system that allows for effective cooperation involving the city administration and the citizens of Naga, as well as to execute the provision on sectoral representation in the local government code. As a result, the LGU has a strong, effective people's council, with about 200 NGOs and POs recognized. The Naga City Participatory Planning Initiative, a program planning application, was named one of the world's top ten best practices by the United Nations Center for Human Settlements in 1998 and received the Dubai International Award. In 1999, Asia Week named the LGU as one of Asia's most improved cities

### ***Productivity Improvement and Management Innovations***

Naga City's administration was reformed by concentrating on four major areas of local government productivity and efficiency and utilizing computer technology. The local government services, which ranged from getting company permits and licenses to paperwork from the local civil registrar, were notable for their regularity, accessibility, and quality of outcomes

### **Related Study on Innovation**

In their study on organizational innovation, Kimberly and Evanisko (1981) identified three determinants of innovation: organizational leaders' traits, organizational features, and setting characteristics. They discovered that four sets of individual-level characteristics are important in the existing theoretical perspective on adoption: job tenure, cosmopolitanism, educational background, and nature of organizational engagement of leaders. They discovered five organizational characteristics that are related to the adoption of innovation. The first is that centralization hurts innovation uptake. Second, there is a favorable correlation between specialization and core technological innovation uptake. Third, it is widely assumed that size has a positive relationship with adoption. Fourth, would-be users of technological innovation were functionally distinguished. They stated that competition enhances the likelihood of innovation adoption for the contextual variables. technology.

The frequency of innovations reported by incumbent mayors is empirically connected to their observable attributes and available incentives in Capuno's (2018) study "Leadership and Innovation under Decentralization: A Case Study of Selected Local Governments in the Philippines" which comprised 209 innovations implemented in 48 local governments in the Philippines between June 2004 and June 2008. The Poisson regression results reveal that sex, age, educational achievement, and public-

sector experience, as well as re-election status and terms in office, all play a role, are statistically significant incumbent attributes. Also statistically significant are the local government's fiscal capacity and the local population's poverty condition.

Male local chief executives were more innovative than their female counterparts, according to the findings. Furthermore, LGUs led by senior mayors had a lower rate of innovation initiative than LGUs led by younger mayors. These findings suggest that LCEs with more experience or expertise are more adventurous, and they are less likely to innovate if they are in office for another term. Furthermore, the findings show that wealthier LGUs had a marginally higher rate of innovation than poorer LGUs. The findings suggest that wealthy LGUs may already have several innovations in place, and hence can expect only modest gains from a new, more expensive invention. Local Chief Executives in their first term innovate at around 0.767 times the rate of those in their second or third terms.

In contrast, in the May 2007 elections, those who were re-elected had only approximately 0.656 or 0.607 times the rate of innovation as those who were newly elected. This may be since LCEs only had a short amount of time to learn and adjust to their new jobs during their first term., compared to when they were re-elected and given more time to initiate and implement innovation.

The study's findings also revealed that LCEs with only a high school degree was less innovative than those who went on to college or other levels of higher education. Another noteworthy finding is that LGUs who participate in networks, where members can share information, mentor one another, or compete in a friendly manner, appear to be more ambitious and innovative. Their innovation rate is 1.279 percent higher than that of non-network members, which is significant at the 5% level.

### **Related Public-Private Partnership Research**

Wang et al., (2017), found that the PPP phenomenon has evolved into a form of governance scheme or mechanism, according to this study, rather than just being a business model or linguistic game. Converting a theory or idea into action, on the other hand, is not an easy undertaking. Many actors, for example, are simply too busy with their routines and internal difficulties to be good partners, according to some research (Klijn & Teisman, 2003).

According to Willems and Dooren (2016, as indicated in Wang 2017), the drivers of PPP adoption are lower related costs, lower risks, lower budget deficits, higher efficiency, and more efficacy and equity. PPPs are a low-cost way to provide much-needed infrastructure, public services, and urban regeneration without increasing government debt.

Sani and Ahmed (2018) conducted research titled "Exploring Factors Affecting Implementation of Public-Private Partnership Housing Projects in Bauchi State, Nigeria." The Nigerian government employed the Public-Private Partnership (PPP) housing plan to supplement government efforts to increase the country's housing stock and provide affordable housing. The Bauchi state administration, on the other hand, has decided to build 5,000 PPP housing phases. However, only a small number of dwelling units were finished and commissioned six years after the plan began.

According to the quantitative data analysis, having a favorable investment climate and government support have a substantial impact on the completion of PPP housing projects in Bauchi. As a result, the study suggests that in the future, the government and other stakeholders should focus more on creating a favorable investment climate, providing support in policy formation, and developing management techniques to improve the implementation of PPP housing projects.

Zhang et al., (2019) have launched over 14,000 public-private partnership (PPP) projects worth a total of 18 billion RMB in recent years, but nearly half of them have been canceled since the end of 2017, raising questions about whether PPP can contribute to long-term infrastructure development in China's cities. They empirically studied important elements influencing local governments' PPP adoption in this study.

Based on a unique panel dataset of 286 Chinese cities between 2014 and 2017, the empirical findings demonstrated that financial pressure on local governments was the most important factor, and cities with higher off-budgetary debts or smaller budgetary deficits tended to start more PPP projects. PPP ventures initiated with off-budgetary constraints in China were more likely to be ineffective and removed afterward.

Many studies have suggested that due to high pre-contract negotiation costs and high financing costs for the private sector, private participation in infrastructure may increase the cost of delivering public services. PPP is only suitable for projects with a clear output and large market demand and certain profitability. As a result, before embarking on a PPP project, local governments should thoroughly assess its appropriateness. Many projects undertaken by local governments in China have turned out to be inappropriate for PPP. When the Chinese central government published a tighter regulation policy at the end of 2017, local governments withdrew over 40% of the 14,000 PPP projects, wasting significant social resources and undermining local governments' credibility as trusted partner.

The following are the findings of the study of Zhang et al., (2019): (a) PPPs are suitable for large-scale infrastructure and public-service projects with long-term stable demand, a flexible price adjustment mechanism, and a high degree of marketization; (b) Before the local government may start a PPP project, it must first pass a value-for-money (VFM) review and a cost-benefit analysis. VFM investigates if the PPP model



offers lower costs for infrastructure and public service projects than the traditional model, which is widely used as a criterion for PPP project acceptance. Fiscal affordability evaluation is a tool for analyzing whether local governments have sufficient financial budgeting resources to implement PPP projects. The central government stipulates that all PPP projects' budgetary expenditures must not exceed 10% of the overall public budget. Financial risk can be efficiently avoided and controlled through fiscal affordability assessments, which can aid in the long-term development of PPP projects; (c) Only once the private partner has been chosen through the bidding procedure can a PPP project move forward to the execution stage; (d) The Ministry of Finance (MOF) created the National PPP Integrated Information Platform to standardize the operation process and increase transparency throughout the life of a PPP project and stipulated that PPP projects that are not included in this information platform (i.e., database) are ineligible for financial budgetary support (MOF (2015) No. 166), which is the primary source of income for most PPP projects; (e) because of the rapid growth of PPP, many local governments have become overly reliant on it for infrastructure development, culminating in PPP misuse. PPP is not fit for every type of infrastructure development project, such as those with low initial investment, ambiguous outcomes, or insufficient market demand; yet, local governments have started many projects that are unsuitable for PPP. Abuse of PPP applications may put local governments' finances in danger, reducing the efficiency of infrastructure investment; (f) PPP projects are more likely to be initiated by local governments with greater infrastructure needs; and (g) Local governments that are under financial strain have a bigger motivation to use the PPP model.

From a macroeconomic perspective, some researchers have looked at the key determinants that drive PPP development. Countries with high debt burdens, big

market sizes, or excellent institutional quality, according to Yehoue et al., (n.d.) are likely to support PPP engagement.

Albalade et al., (n.d) discovered that the private sector is more interested to participate in PPP in places where investment expenses are more likely to be recovered.

Girth (n.d.) concluded that in cities, PPP is more likely to be used when there is political-administrative autonomy and economic stability.

According to Wang and Zhao (n.d.), traffic demand, fiscal pressure, and PPP law are the main drivers of PPP adoption in highway tolling projects. Tan and Zhao (n.d.) examined the growth of PPP in China and concluded that it is a valuable instrument for building infrastructure and reducing financial stress.

Only Yang et al. (n.d.), developed a generic framework to explain PPP acceptance among research looking at various factors that influence PPP development. The framework is made up of three parts: the market, the government, and the operating environment.

The profitability of PPP projects is determined by the market element. The difference between infrastructure demand and supply influences the quantity of PPP project use, as well as the private sector partner's return on investment.

The government factor refers to the government's credibility or capability. The government's credibility or capability in PPP projects generally refers to the government's ability to pay and the accompanying default risk, both of which are heavily influenced by the government's financial pressure.

The institutional environment is the environment in which the institution functions. The variables pushing government PPP adoption, according to the researchers, can be divided into three categories: infrastructure shortages, financial pressures, and institutional environment.

Blair (1995) did another significant study. He gave a thorough overview of concerns concerning business location, expansion, and retention. According to the study, "when selecting a location, organizations are generally required to make trade-offs among desired location features." These trade-offs are based on local government decisions and policies and how they affect incentives for businesses looking to expand or relocate in a particular community. Blair also spoke about the elements that influence business recruiting and expansion. Quality of life, site prices, political climate and stability, energy costs, taxes, government incentives and infrastructure, and local business are some of the factors to consider.

Bates (1995) researched the location and expansion of businesses. He discusses the difficulties of evaluating the efficiency of small-business economic incentives. He evaluated the influence of government incentives on firms and concluded that "relevant data are often unavailable or difficult to compile, and cause and effect links are difficult to demonstrate even when data are available." Strategic planning is fairly arbitrary in this atmosphere when good information on the payback of various program initiatives is simply unavailable to economic development workers," he says, indicating that judging effectiveness in economic development projects is tough. These challenges lead to a policy-making perspective that is unaware of how policy decisions affect the advancement of a community's economic development.

Tolstolesova (2021) discussed the need for modern infrastructure as a prerequisite for sustainable development, poverty alleviation, and improvement of the quality of life of the population is a global problem that requires searching for and attracting large amounts of long-term investments. The presence of this problem in recent decades has led to the increasing implementation of complex and costly infrastructure projects through the public-private partnership (PPP) mechanism with high potential for attracting investment. This mechanism, in conditions of limited

financial opportunities, allows one to combine the financial resources of the public and private parties for the implementation of major infrastructure projects. The limited use of existing tools at different stages of PPP projects and the increasing need for additional resources make it necessary to consider the possibility of using digital tools that complement traditional ones.

For this purpose, the authors analyzed existing financing tools, revealing their advantages and disadvantages, and identify and justify the possibility of using digital tools in the implementation of PPP projects. However, digitalization includes not only financing tools but also the development of infrastructure, including digital platforms needed to conduct such operations in the digital environment. As a result, a combined financing toolkit can be formed for each phase of project realization, including traditional and digital tools. The results of this study revealed the directions of the digital transformation of the PPP mechanism.

### **Synthesis**

Different authors may have different definitions given to the term “innovation”, the recent and popular definition of the term is provided by Kovalenko, et al., (2019) which originates from the Latin word “innovation” which means "update" or "upgrade," and is thus associated with fresh knowledge, solutions, goods, significant changes, and modernization. As a result, according to Akhmetshin et al., (2018), researchers most usually view "innovation" as a process, or a series of actions aimed at bringing a cutting-edge scientific idea to the level of practical application and profit.

However, in public sector administration, governance innovation means an idea, a technique, or a device that was new to the adopting body, whether it was something completely new to the world or something borrowed in whole or in part; most innovations reflect either a desire of political leaders for greater control of

spending, administration, or bureaucrats, or some outside demand for change. It may also refer to new policy projects and standard operating processes to address public policy issues. It is changing the way government works to achieve better results according to Gow (n.d., as cited in Brillantes, 2003).

Some factors trigger the government to innovate, which include a hospitable policy environment, a "triggering crisis, aggressive stakeholders, the inadequacy of financial resources, response to a demand for specific basic service, attendance in seminars, workshops in local and international training where the local chief executive has been exposed to new theories and new ways of doing things have also led to innovations, as part of national programs, and lastly, such innovation is initiated by the University or local academic institution.

In a study conducted by Kimberly and Evanisko (1981), there are three identified determinants of innovation: organizational leaders' traits, organizational features, and setting characteristics. In Capuno's (2005) study "Leadership and Innovation under Decentralization: A Case Study of Selected Local Governments in the Philippines", the findings show that wealthier LGUs had a marginally higher rate of innovation than poorer LGUs. The findings suggest that wealthy LGUs may already have several innovations in place, and hence can expect only modest gains from a new, more expensive invention.

According to Willems and Dooren (2016, as indicated in Wang 2017), the drivers of PPP adoption are lower related costs, lower risks, lower budget deficits, higher efficiency, and more efficacy and equity. PPPs are a low-cost way to provide much-needed infrastructure, public services, and urban regeneration without increasing government debt.

Sani and Ahmed (2018) conducted research titled "Exploring Factors Affecting Implementation of Public-Private Partnership Housing Projects in Bauchi State,

Nigeria." The study suggests that in the future, the government and other stakeholders should focus more on creating a favorable investment climate, providing support in policy formation, and developing management techniques to improve the implementation of PPP housing projects.

A study by Zhang et al., (2019), titled "Factors Affecting Local Governments' Public-Private Partnership Adoption in Urban China" indicated that financial pressure on local governments was the most important factor, with cities with higher off-budget indebtedness or lower budgetary deficits starting more PPP projects. According to Yehoue et al., (n.d., as cited in Zhang (2019), countries with high debt burdens, large market sizes, or good institutional quality are likely to promote PPP development.

Albalade et al., (n.d., as cited in Zhang (2019), discovered that the private sector is more willing to join in public-private partnerships in areas where investment costs are more likely to be recovered.

According to Girth (n.d., as cited in Zhang, 2019), cities with greater political-administrative autonomy and economic stability are more likely to employ PPP.

The study of Toltolesova et al., (2021) revealed the need for using digital tools that complement traditional ones. For them, digitalization includes not only financing tools but also the development of infrastructure, including digital platforms needed to conduct PPP implementation in an efficient and effective manner in this digital environment.

On the other hand, Public-Private Partnership (PPP) is an important form of governance innovation. It is viewed as a cooperative institutional arrangement between public and private sector entities, (Hodge & Greve, 2007). PPP may be able to handle the complex policies, programs, and public service challenges that must be addressed. This is because PPPs entail joint development and risk-sharing among partners.

Public-Private Partnership is visible in five areas of governance at the local level, namely, Local resource generation, environmental management, people's participation, and empowerment, social welfare and health services, and productivity improvement and management innovation. Also, in this digital age, the government and the private sector should embarked on the use of modern day technology for an efficient and effective administration of PPP programs and projects, (Toltolesova et al., 2021).





## **Chapter 3**

### **Research Methodology**

The methodology that was employed in this study is discussed in this chapter. The goal is to provide an overview and knowledge of the research design as well as the study's participants. This chapter covered the procedures used in data collecting and analysis, as well as the methodologies used to ensure the study's validity. Ethical problems, such as human protection was carefully studied.

#### **Research Design**

In this study, the Explanatory-Sequential research design was used. It's a two-phase mixed methods design. This strategy's overarching purpose is to use qualitative data to explain or expand on quantitative findings (Creswell et al., 2003).

The initial stage in this strategy was to gather and analyze quantitative data. This first phase was followed by the collection and analysis of qualitative data. The qualitative phase of the study is structured to follow (or link to) the findings of the quantitative phase. Because this design is quantitative, investigators tend to favor quantitative approaches over qualitative methods. Mixed methods research is the type of research in which a researcher combines elements of qualitative and quantitative research approaches for the general purposes of breadth and depth of understanding and corroboration, (Johnson et al., 2007).

In this study, the relevant data on the profile of municipalities and cities, the promoters and deterrents of Public-Private Partnership, and the extent of PPP implementation among local government units in the Province of Iloilo were analyzed quantitatively.

On the other hand, the qualitative data that were gathered were based on the quantitative results. The researcher employed key informant interviews (KII) depending on the responses of the participants to probe deeper into the findings of quantitative data and to elicit more information. Thematic analysis of the data gathered was identified to provide deeper clarity on the phenomenon that requires deeper investigation or clarification in this research about the promoters and deterrents and the extent of governance innovation in the implementation of Public-Private Partnership (PPP).

### **The Study Population and Sampling Procedure**

The researcher employed a total enumeration of the local government units in the province of Iloilo, composed of forty-two municipalities and one component city. The study's population of interest was the local chief executives or municipal/ city planning and development coordinators of the local government units. There were 43 respondents, one representative from each LGU. The unit of analysis was the local government units.

**Table 1.***Distribution of Respondents per Municipality/ City*

District	Municipality	Sample Size
1 <sup>st</sup> District	1. Igaras	7 respondents
	2. Guimbal	
	3. Miag-ao	
	4. <u>Oton</u>	
	5. San Joaquin	
	6. Tigbauan	
	7. Tubungan	
2nd District	8. Alimodian	8 respondents
	9. Leganes	
	10. Leon	
	11. Pavia	
	12. New Lucena	
	13. San Miguel	
	14. Santa Barbara	
	15. Zarraga	
3rd District	16. Badiangan	9 respondents
	17. Bingawan	
	18. Cabatuan	
	19. Calinog	
	20. Janiuay	
	21. Lambunao	
	22. Maasin	
	23. Mina	
24. Pototan		
4th District	25. Anilao	7 respondents
	26. Banate	
	27. Barotac Nuevo	
	28. Dingle	
	29. Duenas	
	30. Dumangas	
	31. San Enrique	
5th District	32. Ajuy	11 respondents
	33. Balasan	
	34. Barotac Viejo	
	35. Batad	
	36. Carles	
	37. Concepcion	
	38. Estancia	
	39. Lemery	
	40. San Dionisio	
	41. San Rafael	
	42. Sara	
City	Passi City	1 respondent
TOTAL NO. OF RESPONDENTS		43

The respondents for the study were extrapolated using the inclusion-exclusion criteria. Inclusion requirements are qualities that potential subjects must have to be accepted. Exclusion criteria are characteristics that restrict potential subjects from participating in the study.

For the first phase of the study, the inclusion criteria were: (a) the forty-two municipalities and one component city of Iloilo Province, (b) respondents were either the local chief executives or municipal/city planning and development coordinators of the forty-two municipalities, and one component city, respectively, (c) participants who had the willingness to take part in the study. On the other hand, the researcher applied the following exclusion criteria: (a) Local Government units outside of Iloilo Province (b) Local Chief Executives and Planning Officers of other provinces outside of Iloilo Province, (c) respondents who were not willing to participate.

For the qualitative phase, the Key Informant Interview was conducted with the local chief executives or the municipal planning and development coordinators of the municipalities, and one component city that has fully implemented public-private partnerships to explore the perceived promoters on PPP. The researcher also conducted a Key Informant Interview with the local chief executives or the municipal planning and development coordinators of the municipalities that do not have a PPP ordinance and PPP projects to explore the perceived deterrents of PPP.

For the study's second phase, the inclusion criteria were (a) local government units without PPP ordinance and projects; (b) Local Chief Executives and Planning Officers of the municipalities arbitrarily selected by the researcher to suit the criteria mentioned in the preceding statement; and (c) participants who were willing to participate. The exclusion criteria were (a) Other local government units in Iloilo province not arbitrarily chosen by the researcher; (b) Local Chief Executives and Municipal Planning and Development Coordinators Officers of the local government

units not arbitrarily chosen by the researcher; and (c) those who refused to take part in the survey.

### **Research Instrument**

This research utilized a researcher-made questionnaire to collect quantitative data for this study. The researcher-made instrument was divided into three parts.

Part I includes a profile of the municipalities which includes the respondent's name (optional), name of the local government unit, income classification, the existence of the ordinance of the Local Government Unit on Public-Private Partnership, and the existence of the PPP project.

Part II pertains to promoters and deterrents of Public-Private Partnership (PPP) implementation (PPP) as governance innovation. The questionnaire on promoters is consist of 33 statements composed of the following components; Good Governance Practices along with the principles of effectiveness, efficiency, and responsiveness (eight items), Transparency (three items), Leadership and Participation (four items), and Accountability (two items), the market factor (seven items), the institutional environment (five items), and government support (four items).

The questionnaire on deterrents is composed of 13 statements, consisting of three items on Lack of PPP Policies and Guidelines, two items on Lack of Financial Resources, three items on Low Degree of Marketization, two items on Lack of Transparency, and four items on Lack of Political Skills. The questionnaire is answerable using the five-point scale by Likert with the following responses: strongly agree, agree, neutral, disagree, and strongly disagree. Each choice will be given a weight of 5, 4, 3, 2, and 1 respectively.

The four components of the promoter were evaluated and categorized as follow:

Good Governance Practices- will be measured through items 1-18. Specifically composed of the following sub-components and their categories and raw scores.

*Efficient, Effective, and Responsive* is evaluated through statements 1- 8. A raw score of 30-40 is categorized as “high promoter”, 19-29 as “moderate promoter, and 8-18 as “poor promoter”.

*Transparency* will be measured through items 9- 11. A raw score of 11-15 is categorized as “high promoter”, 7-10 as “moderate promoter, and 3-6 as “poor promoter”.

*Leadership and Participation* will be measured through items 12 -15. A raw score of 16 – 20 is categorized as “high promoter”, 10-15 as “moderate promoter, and 4-9 as “poor promoter”.

*Accountability* will be assessed through items 16-17. A raw score of 8-10 is categorized as “high promoter”, 5-7 as “moderate promoter”, and 2-4 as “poor promoter”.

*The Market Factor* will be evaluated through items 18 -24. A raw score of 26-35 is categorized as “high promoter”, 16-25 as “moderate promoter, and 7-15 as “poor promoter”.

*The Institutional Environment* will be evaluated through items 25-29. A raw score of 19 – 25 is categorized as “high promoter”, 12-18 as “moderate promoter, and 5-11 as “poor promoter”.

*The Government Support* will be measured through items 30 -33. A raw score of 16 – 20 is categorized as “high promoter”, 10-15 as “moderate promoter, and 4-9 as “poor promoter”.

The five components of deterrents were evaluated and categorized as follow:

*Lack of Public-Private Partnership Policies and Guidelines* will be evaluated through items 1-3. A raw score of 11-15 is categorized as “high deterrent”, 7-10 as “moderate deterrent”, and 3-6 as “less deterrent”.

*Lack of Financial Resources* will be evaluated through items 4-5. A raw score of 8-10 is categorized as “high deterrent”, 5-7 as “moderate deterrent”, and 2-4 as “less deterrent”.

*Low Degree of Marketization* will be measured through items 6-7. A raw score of 8-10 is categorized as “high deterrent”, 5-7 as “moderate deterrent”, and 2-4 as “less deterrent”.

*Lack of Transparency* will be assessed through items 8-9. A raw score of 8-10 is categorized as “high deterrent”, 5-7 as “moderate deterrent”, and 2-4 as “less deterrent”.

*Lack of Political Skills* will be evaluated through items 10-13. A raw score of 16 – 20 is categorized as “high deterrent”, 10-15 as “moderate deterrent”, and 4-9 as “less deterrent”.

Among Local Government Units in the Province of Iloilo, consisting of 5 sectoral areas in governance, such as Local Resource Generation (eight items), Environmental Management (five items), Social Welfare and Health Services (nine items), People’s Participation and Empowerment (five items), and Productivity and Management

Innovations (eight items). The questionnaire is answerable by Yes or NO. One (1) point is given for every statement with a “yes” answer and zero (0) for no. Scores will be added and the sum will be determined per component on governance innovation and will be based on the following classification as developed by Bereskin (2014), cited in Opiña,(2018);

<b>Category</b>	<b>Definition</b>
Innovative-active and successful	Create new ideas, converts and diffuses
Innovative- active	Create new ideas, converts, but little diffusion
Innovative	Create new ideas but fails to convert and diffuse
Not innovative	No creation of new ideas failed to convert and diffuse

The five components of governance innovation were evaluated and categorized as follow:

*Local Resource Generation* was evaluated through items 1-8. A raw score of 5.34-8 is categorized as “Innovative-active and successful”, 2.67-5.33 as “Innovative-active”, 1- 2.66 as “Innovative”, and 0 as Not innovative.

*Environmental Management* was measured through items 9-13. A raw score of 3.34-5 is categorized as “Innovative-active and successful”, 1.67-3.33 as “Innovative-active”, 1-1.66 as “Innovative”, and 0 as Not innovative.

*Social Welfare and Health Services* were evaluated through items 14-22. A raw score of 7-9 is categorized as “Innovative-active and successful”, 4-6 as “Innovative-active”, 1-3 as “Innovative”, and 0 as Not innovative



*People's Participation and Empowerment* were measured through items 23-27. A raw score of 3.34-5 is categorized as "Innovative-active and successful", 1.67-3.33 as "Innovative-active", 1-1.66 as "Innovative", and 0 as Not innovative.

*Productivity Improvement and Management Innovations* were evaluated through items 28-35. A raw score of 5.34-8 is categorized as "Innovative-active and successful", 2.67-5.33 as "Innovative-active", 1- 2.66 as "Innovative", and 0 as Not innovative.

To probe deeper into the findings of quantitative data and to elicit more information, the researcher conducted a Key Informant Interview among the local chief executives and the municipal planning and development coordinators during the qualitative phase of the study. Below were the guide questions to be used.

- a. Why are you promoting Public-Private Partnership?
- b. Why are you reluctant to engage in Public-Private Partnership?
- c. What factors do government leaders identify as important in promoting Public-Private Partnerships?

What does this imply about strategies pursued by local government?

- d. What factors do government leaders identify that deter the implementation of Public-Private partnerships?

What does this imply about strategies pursued by local government?

### ***Validity and Reliability of the instrument***

Fraenkel and Wallen (2010) considered validity an essential aspect to think through when preparing or selecting an instrument to use. This is so because researchers want the information obtained from the instrument's use to serve their purposes.

For content validity, the instrument needs to reflect the domain of interest and the conceptual definition of a construct. The instrument to be used in this study was submitted to a three-member panel for content validation. The panel's suggestions and recommendations to further improve the instrument were strictly followed and incorporated in the final draft.

Further, the instrument has undergone a pilot test with cities and municipalities outside of Iloilo province, involving the local chief executives and the municipal/ city planning officer to ensure that the questions are consistent, clear, and without ambiguity, and could gather data intended for the study. Cronbach's alpha was calculated to measure the consistency and scale reliability. The reliability coefficient of the study variables is as follows: Promoters in the implementation of Public-Private Partnership is .973, Deterrents in the implementation of Public-Private Partnership is .917, and the Extent of Innovation is .930. Thus, results showed that it is higher than the .7 Cronbach alpha coefficient, therefore, the instrument was reliable for use in the study.

## **Ethical Consideration**

To evaluate the ethical and technical aspects of the study, the researcher sought approval from the Central Philippine University Research Ethics Committee (CPU-REC). At the provincial level, the researcher obtained the relevant permits/clearances from the Office of the Governor of Iloilo Province and the Department of the Interior and Local Government.

A letter of informed consent was attached to each questionnaire to get the respondents' permission to participate in the study. The researcher explained the study's nature, objectives, and aims, and the respondents were guaranteed that the information they provided will be kept private and will be utilized solely for this research.

They were advised that participation was entirely voluntary and that they have the option to refuse or withdraw if they feel any discomfort in answering the questionnaire. The respondents did not receive any gift or token in answering the questionnaire and during the interview. There were no untoward risks identified by the researcher in participating in the study. However, if certain topics might come out during the interview which may cause the participants' discomfort, distress, and agitation, they have the right not to respond or withdraw their participation in the study. The researcher pledged to observe full responsibility and professionalism in the conduct of the interview.

There were no risks anticipated in the conduct of the study. The anticipated benefits that may be gained from this study are the policies and programs that may be developed to promote sustainable Public-Private Partnership between the government

and the private sector and how to institutionalize governance innovation at the local level.

The researcher declared no conflict of interest in the conduct of this study with the respondents and the government institutions involved. The researcher has only the exclusive access to the findings of the study and cannot be shared with any external parties without the written consent of the respondents involved.

The research materials will be disposed of when the results of the study have been disseminated or within six (6) months to one (1) year, whichever may come earlier.

### **Data Collection**

A memorandum order or directive was obtained from the Iloilo Provincial Director of the Department of the Interior and Local Government, directing municipal/city local chief executives to allow the conduct of the study, as well as directing the respondents which include municipal/city mayors and municipal/city planning officers, to participate in the study.

Before the actual conduct of the data gathering, a letter asking permission and stating the purpose of the study was sent to the Municipal Mayors, respectively. After having approval from the various offices, the researcher reproduced the instrument along with the consent forms to the desired number of copies. Thereafter, the researcher distributed the questionnaire to the respondents of the forty-two municipalities and one component city.

However, due to the current Covid- 19 pandemic, which limits the conduct of face-to-face set-up, online data gathering was resorted to using a google form, which were sent through the e-mail addresses of the respondents. The respondents

were given ample time to answer the questionnaire from the time they voluntarily decided to participate in the study.

In a face-to-face setup, the researcher personally collected the questionnaires once completed, and a researcher's assistant was asked to help in double-checking if all items were answered to ensure the completeness of responses.

To probe deeper into the findings gained through the written questionnaire, and to gain more insights into the phenomenon, the researcher conducted a key informant interview with the local chief executives, the municipal planning and development coordinators of the municipalities with or without PPP ordinance and PPP projects implemented to explore the promoters and deterrents of PPP.

The researcher saw to it that the interview duration per participant was good for 45 minutes or more to be able to explore and gather information about the phenomenon of interest.

During the entire duration of the face-to-face interview, the researcher strictly observed the Covid 19 health protocols such as wearing a mask and physical distancing.

## Data Analysis

The following were the processes that were used in data processing and analysis:

Data that were relevant such as the profile of the municipalities which includes their name, income classification, and the existence of ordinance of Local Government Unit on Public-Private Partnership, the 33 statements on perceived promoters of Public-Private Partnership composed of the following components; Good Governance Practices along with the principles of effectiveness, efficiency, and responsiveness (eight items), Transparency (three items), Leadership and Participation (four items), and Accountability (three items), the market factor (eight items), the institutional environment (five items), and government support (four items), the 14 statements on deterrents, consisting of three items on Lack of PPP Policies and Guidelines, two items on Lack of Financial Resources, three items on Lack of Transparency, and four items on Lack of Political Skills, and the 35 items of the extent of governance innovation in the implementation of private-public partnership consisting of sectoral areas in Local Resource Generation (eight items), Environmental Management (five items), Social Welfare and Health Services (nine items), People's Participation and Empowerment (five items), and Productivity and Management Innovations (eight items), were examined with descriptive statistical treatments such as frequency, percentage, and mean.

Cramer's V and Phi-Coefficient were used to figure out how two nominal variables were related and between nominal and ordinal variables. Gamma Test was used to determine the strength of the relationship.

Thematic analysis was used in recognizing patterns and themes in qualitative data. Braun and Clarke (n.d., as cited in Maguire & Delahunt, 2017) provide a six-phase guide in conducting this kind of analysis which the researcher followed, to wit, (1) gathering data; (2) generating initial code; (3) searching for themes; (4) reviewing themes; (5) defining themes; and (6) writing it all up.

## **Chapter 4**

### **Results and Discussions**

This chapter presents the analysis and interpretation of the study's findings which determine and explore the perceived promoters and deterrents and the extent of governance innovation in implementing a public-private partnership among local government units in Iloilo Province. This chapter is also composed of the presentation and discussion of the results following the relational analysis of the variables, and the major themes developed on the qualitative data gathered.

#### **Profile of Local Government Units in terms of Income Classification, Existence of PPP Ordinance, Existence of PPP Projects**

Based on the findings in Table 2, a little less than one-third (32.6%) of local government units in the Province of Iloilo were classified as 4th class municipalities and a quarter (25.6%) of the local government units in the Province of Iloilo were classified as 2nd class municipalities. As shown in the data, equal proportions of local government units were classified as 1st class municipalities (16.3%) and 3rd class municipalities (16.3%), respectively. Less than 10 percent (9.3%) of the local government units were classified as 5<sup>th</sup>-class municipalities.

When the respondents were asked whether there was an existing ordinance about the public-private partnership in their municipalities and implemented by the local government officials, findings reveal that more than 75 percent (79.07%) of the municipalities in the Province of Iloilo have no ordinance passed in terms of public-private partnership and only 2 for every 10 municipalities (20.9%) in the Province of Iloilo were found to have PPP ordinance.



Moreover, when the respondents were asked about the existence of any public-private partnership projects in their municipalities, it is surprising to know that almost 9 out of 10 (88.37%) local government units in the Province of Iloilo have no existing public-private partnership projects implemented.

**Table 2**

*Profile of The Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project.*

Profile of The Local Government Units	f	%
Income Classification:		
• 1st Class	7	16.3
• 2nd Class	11	25.6
• 3rd Class	7	16.3
• 4th Class	14	32.6
• 5th Class	4	9.3
Existence of an Ordinance on Public-Private Partnership:		
• No	34	79.07
• Yes	9	20.93
Existence of PPP Projects:		
• No	38	88.37
• Yes	5	11.63
<b>Total</b>	<b>43</b>	<b>100.0</b>

**Profile of Local Government Units in terms of Income Classification and with Existing PPP Ordinances, Existing PPP Projects per District**

The data in Table 3 show a detailed and specific illustration of the income classification and the names of the local government units with PPP Ordinances, and PPP projects, and those LGUs with both PPP ordinances and projects.

Among the seven municipalities of the first district, two local government units are categorized as first class, Oton and Miagao, while San Joaquin and Tigbauan are categorized as second class, Igaras is the lone municipality that belongs to the third class and municipalities of Guimbal and Tubungan for the fourth-class. Only two municipalities, Tigbabuan and Tubungan have an existing PPP ordinance, the rest have none, while all 7 municipalities have not engaged in any project under Public Private Partnership.

In the second district, no municipalities belong to the first class, the municipalities of Pavia and Sta. Barbara belong to the 2<sup>nd</sup> class, Alimodian is the lone municipality belonging to the 3<sup>rd</sup> class, while municipalities of Leganes, New Lucena, San Miguel, and Zarraga are categorized as 4<sup>th</sup> class. Among the 8 municipalities in the second district, only 2 have PPP ordinances, while only one has a PPP ordinance and a PPP project, which is the municipality of Pavia.

In the 3<sup>rd</sup> district, 3 out of 9 municipalities belong to the 1<sup>st</sup> class, these are the municipalities of Calinog, Janiuay, and Lambunao, Cabatuan is the only municipality categorized as 2<sup>nd</sup> class, Maasin is a 3<sup>rd</sup> class municipality, Badiangan is a 4<sup>th</sup> class municipality, and the municipalities of Bingawan and Mina belonged to 5<sup>th</sup> class.

The data further revealed that only three out of nine municipalities have a PPP ordinance, these are Cabatuan, Calinog, and Mina. The municipality of Lambunao was able to engage in PPP projects even without the approved ordinance yet.

In the fourth district, only Passi City has an adopted PPP ordinance as well as implemented PPP projects, the rest of the municipalities have none such as Anilao, Banate, Barotac Nuevo, Dingle, Duenas, Dumangas, and San Enrique.

Lastly, the data showed that out of the 11 municipalities in the fifth district, only one has an adopted ordinance with no PPP project which is the municipality of Estancia. While the municipalities of San Dionisio and Barotac Viejo have PPP projects with no PPP ordinance. The other municipalities such as Ajuy, Balasan, Batad, Carles, Concepcion, Lemery, San Rafael, and Sara have no PPP ordinances or no PPP projects.

**Table 3**  
*Profile of Local Government Units in terms of Income Classification and with Existing PPP Ordinance, Existing PPP Projects per District*

LGUs per District	Income Classification	Existing PPP Ordinance	Existing PPP Projects
<b>District 1</b>			
Igaras	3	-	-
Guimbal	4	-	-
Oton	1	-	-
Miagao	1	-	-
San Joaquin	2	-	-
Tigbauan	2	✓	-
Tubungan	4	✓	-
<b>District 2</b>			
Alimodian	3	-	-
Leganes	4	✓	-
Leon	2	-	-
New Lucena	4	-	-
Pavia	2	✓	✓
San Miguel	4	-	-
Santa Barbara	2	-	-
Zarraga	4	-	-
<b>Third District</b>			
Badiangan	4	-	-
Bingawan	5	-	-
Cabatuan	2	✓	-
Calinog	1	✓	-
Janiuay	1	-	-
Lambunao	1	-	✓
Maasin	3	-	-
Mina	5	/	-
Pototan	1	-	-
<b>Fourth District</b>			
Anilao	4	-	-
Banate	4	-	-
Barotac Nuevo	2	-	-
Dingle	3	-	-
Duenas	4	-	-
Dumangas	1	-	-
San Enrique	3	-	-
Component City of Passi	4	✓	✓
<b>Fifth District</b>			
Ajuy	2	-	-
Balasan	4	-	-
Barotac Viejo	3	-	/
Batad	5	-	-
Carles	2	-	-
Concepcion	3	-	-
Estancia	2	✓	-
Lemery	4	-	-
San Dionisio	4	-	/
San Rafael	5	-	-
Sara	2	-	-

**Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive, Transparency, Leadership and involvement, Accountability).**

Table 4 shows the perceived promoters in the implementation of Public- Private Partnerships among local government units in Iloilo Province in terms of the following characteristics of good governance practices.

**A. Good Governance Practices**

- a. **Effective, Efficient, and Responsive Governance.** The data revealed that almost 9 in every 10 (88.4 %) local government units (LGUs) perceived this characteristic of good governance as a high promoter in the implementation of Public-Private Partnership (PPP), while almost 2 out of 10 (11.6 %) LGUs perceived it as a moderate promoter.

The total mean score of 33.42 implies that most local government units believed that effective, efficient, and responsive governance is a high promoter for PPP. It is possible by using cost-effective service delivery techniques and processes, minimizing project management risk, avoiding lengthy negotiations with private sector partners, prioritizing local labor, and addressing a critical public need. The findings of the study confirm the findings of Willems and Dooren (2016) that the drivers of PPP adoption are lower related costs, lower risks, lower budget deficits, higher efficiency, and more efficacy and equity. PPPs are a low-cost way to provide much-needed infrastructure, public services, and urban regeneration without increasing government debt.

- b. **Transparency-** the data show that 8 out of 10 (88.4 %) local government units considered transparency as a high promoter of Public- Private Partnership, while only 2 in every 10 (11.6 %) LGUs perceived it to be a moderate promoter.

With a mean score of 12.65 as described in the scale, it means that most LGUs consider transparency as a high promoter in Public Private Partnerships through the conduct of an open, fair, honest, and competitive bidding process, open contracting with the private sector and full public disclosure of the local government unit of all its transaction involving public interest.

- c. **Leadership and Participation-** the data disclose that there was a higher proportion (86 %) of local government units which perceived leadership and participation as high promoters in the implementation of Public-Private Partnership, compare to LGUs (14 %) which considered it a moderate promoter.

When taken as a whole, the total mean score of 17. 28 implies that most local government units believed that leadership and participation are high promoters in PPP, characterized as being consistent in their vision and mission, practicing participatory governance, and giving importance to the rule of the majority.

- d. **Accountability.** The results showed that 39 (90.7%) local government units perceived that this characteristic of good governance is a high promoter in the implementation of Public-Private Partnerships, while only 4 (9.3%) of them perceived it as a moderate promoter. The total mean score generated for this category is 8.58 which means that most local

government units considered accountability as a high promoter in PPP by having a clear delineation of roles and responsibilities of the municipal and city personnel involved, and the institutionalization of the financial audit through a post-contract review mechanism with a private sector.

**Table 4**

*Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive, Transparency, Leadership and involvement, Accountability)*

Promoters in the Implementation of Public-Private Partnership	f	%
<b>Good Governance Practices:</b>		
• Effective, Efficient, and Responsive		
Moderate (19 - 29)	5	11.6
High (30 and above)	38	88.4
Mean = 33.42 (High)		
• Transparency		
Moderate (7 - 10)	5	11.6
High (11 and above)	38	88.4
Mean = 12.65 (High)		
• Leadership and Participation		
Moderate (10 – 15)	6	14.0
High (16 and above)	37	86.0
Mean = 17.28 (High)		
• Accountability		
Moderate (5 – 7)	4	9.3
High (8 and above)	39	90.7
Mean = 8.58 (high)		
<b>Total</b>	<b>43</b>	<b>100.0</b>

### **Overall Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices among Local Government Units in Iloilo Province**

Table 5 discloses the overall perception of the perceived promoters in the implementation of Public -Private Partnership in terms of good governance practices of the local government units in the Province of Iloilo. Results show that there was a higher proportion (93%) of local government units which perceived good governance practices as a high promoter in PPP implementation than those LGUs which perceived it as a moderate promoter (7.0%). In the study of Raquiza (2018), good governance is widely viewed as a requisite to achieving economic growth and development, especially in developing countries. The phrase good governance is a popular mantra in the development world, likened to an all-purpose cure to a range of ills that have beset the public sector.

According to Grindle (2002), good governance can span the range from institutions that set the rules of the games for economic and political interaction, to organizations that manage administrative systems and deliver goods and services to citizens, to human resources that staff government bureaucracies to the interface of official and citizens in political and bureaucratic arenas. As Grindle (2007) further observes, “advocating good governance raises a host of questions about what needs to be done, when it needs to be done, and how it needs to be done”.



**Table 5**

*Overall Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices among Local Government Units in Iloilo Province*

Promoters in the Implementation of Public-Private Partnership	f	%
<b>Good Governance Practices</b>		
• Moderate	3	7.0
• High	40	93.0
<b>Total</b>	<b>43</b>	<b>100.0</b>

In the qualitative phase of the study, a key informant interview was conducted among the participants to further understand and explore the perceived promoters of Public- Private Partnership as a governance innovation. The researcher found that the testimonies of the participants confirmed the quantitative findings that good governance practices with transformative and innovative leadership at the helm are indeed critical in governance innovation, such is also manifested through the cooperative behavior and coordination between the two powerful institutions at the local level, the executive, and the legislative department respectively. Hence, these two emerging themes “**Politically Skilled Leaders**” and “**Coordination that Spurs Partnership**” will explain further why good governance practices were perceived to be a high promoter based on the result in Table 5.

### ***Emerging theme #1 - Politically Skilled Leaders***

Political Skills refer to the ability to use power to achieve the organization's vision and mission and establish the right connections and win the right people. It is also crucial to cope with the conflicting requirements of multiple constituents. It is the ability of the leader to articulate a vision and present an idea or program in ways that encourage the participation and support of stakeholders (Chapman, 2002).

The manifestations of politically skilled leaders are essential in good governance practices among local government units that exhibited governance innovation in partnering with the private sector and other organizations and such were highlighted by the participants in this study.

In the words of Participant B:

*“The kind of progress that our city has now is because of the innate leadership of the Mayor, he has a strong political will and he is good to all people. He is loved by the people. His quality as a leader is evident in his outputs. His projects are progressive.”*

This was confirmed by Participant C saying that their mayor is undoubtedly a politically skilled leader, too, who became the symbol of partnership in their LGU, in her words:

*“We needed a person who is trustworthy to stand for the partnership. He established himself as a person who will stand for the organization, he served as the foundation. We started to bid. We joined in different activities like Galing Pook, and Angat Buhay programs. There was then a partnership with Jollibee Foundation. It*

*started with a person who could stand for the organization, and in our case, it was our former Mayor, himself.”*

Also, Participant A echoed the presence of good leadership inherent in their former mayor, as a tool in achieving economic growth despite being the smallest municipality in terms of land area in Iloilo province, he shared:

*“In fact, we are just a small town, but our local resource generation is actually nice, we have the smallest land area in Iloilo but have the highest local income. We are so blessed because we were able to reap the good initiatives of the former Mayor. When he was the mayor, he put our municipality on the economic map of the Philippines during the declaration of being the Agro-Industrial Centre.”*

Participant B also shared how politically skilled their mayor was amidst many challenges in governance, as she expressed:

*“Our LGU is the pioneer of the Public Private Partnership in the province. Due to the increase of population, we had problems like lack of housing, inadequate services of water supply, inadequate services of electricity and all the basic needs, the public facilities, and utilities. Those things mentioned were the indicators of public problems that inspired the former mayor to initiate the ordinance on PPP”.*

In addition, she shared: *“Our city mayor, modesty aside, is a visionary mayor. He made our municipality into a component city”.*

The verbalized statements of the participants agree with the findings of the study by Thomson (1992, as cited in Hechanova et al., 2017) that leaders play an

important role in driving positive reform or innovation. This was also supported by the Ability, Motivation, and Opportunity (AMO) theory by Tan and Nasurdin (2015, as cited in Opiña 2018) which contends that innovation is a function of the ability of the leader, motivation, and opportunity. From this perspective, one can argue that when innovation is desired, the demand for leadership is absolute. There can be no change without strong leadership. Change is the most difficult in all conditions to bring about as it requires hard work, sustained efforts, patience, and perseverance. In short, innovation requires a leader who can make positive reforms in the organization.

Moreover, the study of Varney as cited in Braddy and Campbell (2014) views leaders with developed political skills to have a strong vision and sense of direction for their organization, knowledge of current affairs in their fields, the ability to anticipate future concerns and can balance external factors with internal capabilities.

Participant F during the interview said:

*“The leader’s political will and his foresight for his people and municipality on what will happen is a very big factor in governance”*

Further Participant F added:

*“So leaders should really be good, so that when administration changes, the programs or projects will not be easily changed or destroyed because they were established by good leaders in the first place, hence, investors will not suffer losses.”*

Participant G also had this sentiment:

*“We really consider the official’s leadership as a factor that can make PPP possible, because if we don’t have good*

*officials, if they are corrupt for example, the investors will not also partner with us, because the partnership is a continuing program let's say for 20 years regardless of the administration."*

From the contention of the participants, it can be deduced that leadership is a pivotal issue that affects the success and failure of every organization, public or private it may be. For Wong and Cummings (2007), the most common reason given for this concern is the apparent link between leadership with positive outcomes for organizations.

This was evident when Participant B was asked what factors made their local government unit one of those LGUs with successful PPP engagement, in an interview she shared:

*"Number one (1) is the relationship of a leader in different places to other people around different sectors, your leader must have a good relationship. How can you get PPP if your Mayor is only here and doesn't have the guts to talk to his people or have no friends? But, if the mayor has a lot of friends or connections and also has a political relationship to the national level surely it will get into engagement".*

Participant B further added:

*"Our former mayor was a very good listener, second, he respects each decision that everybody agreed upon. The current mayor has the same qualities, too, though he graduated with 2 academic courses. He took accountancy, and law, but even though he is already a CPA by profession, he would still ask our accountant, about his decisions. He*

*would still ask our legal officer for opinions, even though he is already a lawyer himself. Humility is being manifested”.*

From the inputs of the participants, it may be concluded that good governance practices start with politically skilled leaders who can transform traditional governments into more accountable, efficient, effective, and innovative governments. Thus, politically skilled leaders are transformative and innovative in nature. Rotberg (2012, as cited in Hechanova et al. (2017), describes transformative and innovative political leaders to be visionaries who can translate their vision into a comprehensive plan of action. These leaders know how to sell their visions to internal and external constituencies and mobilize followers. They are democratic in approach and understand the importance of gaining trust and winning legitimacy through non-coercive methods and consultation.

***Emerging theme #2 - Coordination that Spurs Partnership***

This emerging theme confirmed the quantitative finding that good governance practices through effective, efficient, and responsive administration grounded on cooperative behavior and coordinated leadership of the executive and legislative officials at the local level were high promoters in the PPP implementation as governance innovation.

The presence of cooperative behavior and coordinated efforts among the local officials in Iloilo province were commended during the interview as a high promoter of governance innovation in the implementation of Public- Private Partnership.

In the words of Participant B, she said:

*“They have common goals and visions. They always support each other. The implementation of programs and*

*activities, ordinances, and resolutions by the executive is always backed up by the legislative”.*

She added:

*“All of this is because of the visionary mind and leadership of the former and the current mayors and the rest of the Sanggunian. The city councilors really supported the vice mayor, they are united. When there is a committee hearing they are all present.”.*

Also, Participant B proudly shared the practice of participatory governance from problem identification up to policy formulation in their LGU.

She uttered:

*“They have both concerns for the people. When they want to do something for the city, they talk to each other. The Mayor and the Vice Mayor always consult the officials at the barangay level to address concerns and communicate plans for resolving issues or problems if there is/are any”.*

*“After the consultations, they would put it into policy, and then after that, every decision and every implementation of the local chief executive will always be supported by the legislation so that the executive will not fail.”*

Participant C in the interview verbalized, saying:

*“The Sanggunians just scrutinized or asked about our action plans, but they never disagreed. The Sanggunian Members are actually an important component of public-private partnerships so the planning mechanics here is very inclusive.”*

The participants recognized that the improvement and progress they are experiencing now in their respective LGUs are attributed to the coordinated efforts of

their leaders. This agrees with the findings of the study of kai Fo-Ju et al. (2019) which confirmed that cooperative behavior is a means of producing better outcomes in achieving organizational goals and improving organizational performance.

Moreover, the study of Lackey et al.,(2004) titled “ Factors Influencing Local Government Cooperation in Rural Areas: Evidence from the Tennessee Valley”, the results confirmed that various forms of cooperation among local governments have long been advocated as means to aggregate resources and demand in rural areas so that public services and infrastructure can be improved, and one supporting factor identified for successful coordination and collaboration are the opportunities for officials to interact to better serve their communities. Indeed, the private sector is interested to put up their investments in communities beset with political stability and strong collaboration among its stakeholders, hence, good governance means good politics, too.



**Perceived Promoters in the Implementation of Public-Private Partnership in terms of Market Factors, Institutional Environment, and Government Support among Local Government Units in Iloilo Province**

Table 6 presents the data on the perceived promoters of PPP implementation in terms of the following:

**Market Factor.** The data revealed that 39 (90.7%) out of 43 local government units believed that the market factor is a high promoter in Public-Private Partnerships, and only 4 (9.3%) perceived this as a moderate promoter.

A total mean score of 28.86 is described as a high promoter. This means that most local government units believed that resources inherent both in the government and the private firms such as capital, land, labor, profitability, and sustainability of the projects themselves are indeed high promoters in the implementation of Public-Private Partnership.

**Institutional Environment.** The data showed that 40 (93%) out of 43 local government units perceived that the institutional environment is a high promoter, while, only 3 (7.0%) LGUs perceived it as a moderate promoter.

The total mean score of 21.37 implies that most local government units believed that the institutional environment through the adoption of democratic processes, its openness to the private sector, and the community, the development of multi-sectoral development plans, and the institutionalization of accountability highly promote PPP implementation. The findings of the study agree with the findings of Chang (2002) who highlighted the importance of institutional structures for the PPP to take off.

**Government Support.** The data further disclosed that 40 (93%) out of 43 local government units believed that government support is a high promoter in PPP implementation, with only 3 (7.0%) LGUs rated it as a moderate promoter.

A total mean score of 17.72 in this category implies that government support among local government units is rated as a high promoter in the implementation of Public-Private Partnership as governance innovation. This is possible through the provision of safe locations, tax incentives, and subsidies by the government to the private sector, and the creation and implementation of the PPP ordinance. The results of the study corroborate that of Doornbos (2001) who indicated that the main concern of the private sector is the presence of a policy framework that supports, promotes, and protects the private sector's investments.

**Table 6**

*Perceived Promoters in the Implementation of Public-Private Partnership in terms of Market Factors, Institutional Environment, and Government Support among Local Government Units in Iloilo Province*

Promoters in the Implementation of Public-Private Partnership	f	%
<b>Market Factor</b>		
• Moderate (16 - 25)	4	9.3
• High (26 and above)	39	90.7
<b>Mean = 28.86 (High)</b>		
<b>Institutional Environment</b>		
• Moderate (12 - 18)	3	7.0
• High (19 and above)	40	93.0
<b>Mean = 21.37 (High)</b>		
<b>Government Support</b>		
• Moderate (10 - 15)	3	7.0
• High (16 and above)	40	93.0
<b>Mean = 17.72 (High)</b>		
<b>Total</b>	<b>43</b>	<b>100.0</b>

Based on the interview conducted, two emerging themes “**Sustainable Market and Institutional Environment**” and “**Strong Government Support**” confirmed the quantitative findings that market factors, institutional environment, and government support were high promoters in the implementation of Public-Private Partnership.

***Emerging theme #3 - Sustainable Market and Institutional Environment***

The research findings above-mentioned which highlighted the importance of market factors and desirable institutional environment as promoters in the implementation of Public-Private Partnership as governance innovation were validated through the statements of the following participants during the interview.

In the words of Participant A, he claimed:

*“We have really good infrastructure. Even the subdivision developers are impressed because we have good infrastructure. That is what they really look into. For example, if investors need something, it would be easy. If you have to go to Manila, the airport is near, the city is near, even the seaports are near”.*

He further elaborated on why there are a lot of interested investors in their area, he said:

*“Our LGU has the following: number 1, political stability. Number 2, peace and order. And number 3, what the municipality can offer in terms of economics. It has everything. let’s say, your business is a supermarket, or retail, considering the huge population...we are currently 70k here. Actually, 72k in 2020. Our population growth is 4.9. It is so high.”*

He further claimed:

*“We are very near the city. We are very accessible. There are no mountainous areas. If there are accidents even in the farthest barangay, our responders would get into the accident area in not more than 5 minutes. And our peace and order system here is better compared to others.”*

The same sentiment was echoed by Participant B, she uttered:

*“We have so many investors. The movement of the business sector is rapidly sprouting because our city is attractive to investors and the business sector. It is also because it is strategically located at the center of Panay Island”.*

This was confirmed by Participant C when she said:

*“The Prince Hypermart negotiated with the LGU. They were interested in the area, because the spot is near the highway, and all transportation vehicles will usually pass by the area. The location is very strategic for business and a wise opportunity for Prince Hypermart, so they offered to shoulder the construction of the food terminal.”*

The statements of the participants agree with the findings of the study of Zhang et al., (2019), which revealed that PPP is only suitable for projects with a clear output and large market demand, and certain profitability.

Also, Albalate et al. (n.d., as cited in Zhang et al 2019) discovered that the private sector is more willing to join in public-private partnerships in areas where investment costs are more likely to be recovered. Also, Yang et al. confirmed in their

study that the profitability of PPP projects is determined by the market element, as well as the private sector partner's return on investment.

Moreover, according to the study of Yehoue et al. (n.d., as cited in Zhang et al. 2019), countries with good institutional quality are likely to promote development through Public- Private Partnerships. This institutional quality may mean political stability, well-crafted development plans of the local government units that translate its desire for greater openness with the private sector through encouraging investments in the area, and the provision of tax incentives to motivate them to invest.

In the words of Participant B she highlighted the importance of an updated CLUP (Comprehensive Land Use Plan) as an important tool in development, in her words:

*“And our CLUP is also our strength. We will be finishing our 10-year CLUP, this year 2022 and we will be updating again for another 10 years”.*

She added:

*“Our LGU has a ready and good comprehensive land use plan, aside from its strategic location. I can say that some of the inspirations for the private sector would be the incentive investment code, and number two the political stability.”*

Participant F also mentioned the importance of having a development plan as a supposed requisite prior to private sector engagement and the advantage of having enough land as an important resource in PPP implementation. In his words:

*“Why do they have great potential? (referring to Towns A and B) because in their development plan almost all of their property is either industrial or commercial only very little is*

*agricultural. Because the Agricultural area has drawn back the investment because you need to convert it. If you convert it you will undergo a lot of processes, a lot of people and you will lose a lot of money.”*

He proceeded by saying:

*“Town B has already a lot of potential because they have a lot of undeveloped land that can be used to build factories. Town B was declared as the Regional Agro-Industrial Center during the time of Cory Aquino and has already been established as industrial which means has a great potential for those who invest there”.*

Participant B also emphasized the sense of profitability their LGU could offer to private sector when it comes to partnership, she proudly shared by saying:

*“Our LGU is considered as a sugar land, we have sugar industries here which cause the migration of workers, then the increase of population. There are 51 barangays, a place of plains and valleys, rolling hills, and an area of 25,300 + hectares. We have so many productions of sweets like sugarcane, we are known for the quality of rice that we have, we are also known for corn products”.*

Indeed, the land is taken along with capital, labor, and institutional environment as a factor of production that promotes Public-Private Partnership. For Serote (2004), the land provides the physical base, the platform, the site, or the location where the production process takes place. This is exemplified by the site on which a manufacturing plant, a shopping mall, or an office tower block is erected.

#### ***Emerging theme #4 Strong Government Support***

Based on the significant statements taken from the interview transcripts, the participants confirmed the quantitative finding that government support through provisions of tax incentives and subsidies, and the implementation of PPP ordinance or investment code highly promote PPP implementation as presented in Table 6.

When participants were asked what ordinances were crafted and implemented in their respective local government units to support and encourage private sector engagement, the following were their responses.

Participant A said:

*“Actually, we have an investment incentives code here in our LGU. That’s one of the reasons why investors would not back out.... because we give incentives”*

Participant B declared:

*“We are the first to craft and implement a PPP ordinance. It was initiated by our former Mayor who is now our Vice Mayor. His actions were inspired by the problem we have encountered in our water supply, slaughterhouse, and housing”.*

Participant C, in her words:

*“We have actually crafted our investment incentive code before doing the PPP implementation, so yes we give based on the incentive investment code”.*

The study of Young and Jordan ( 2008), agrees with the findings that provide substantial evidence that top management support, in this case, government support is the most important critical success factor for project implementation and is not simply one of many factors.



Moreover, government support was also manifested through enacting a policy to continue the programs and projects of one administration over another to protect the interest of the parties involved.

Participant B during the interview mentioned the kind of support given by the previous administration to the present one, a factor that fuels innovation to take place in their LGU, in her words:

*“and what I have to say is we have good politics here because even though Mayor A is not already the Mayor, and now serving as a Vice Mayor, he just supports the new Mayor in continuing his programs in the different field”*

She added:

*“There is policy continuity in our LGU and also there is effective implementation of the program and activities in unity. We have one mission, one vision, and one team. Before Bong Bong Marcos shouts UniTeam, Our LGU is already a Uni Team (laughing)”.*

She even proceeded in elucidating the impact of changing programs and projects from one administration to another as it would entail a more disastrous kind of governance, in her words:

*“If the new leader will not continue the programs of the past Mayor, the direction of projects and programs will change, and that would also affect the money and resources of the city. That’s why it is much better if the legacies of the past leaders will be pursued and continued by the present leaders”.*

Participant C shared also her take about concretizing the kind of support the LGU could give to the private sector as it would encourage more investments, she proudly shared, saying:

*“He (referring to the former mayor and now serving as a Board Member of the province), is the one who proposed the amendments of the Iloilo Provincial Investment and Incentives Code, he proposed that when a private sector engages in local government, the government should give incentives to these private sectors by like granting them deductions from taxes.”*

With the shared facts of the participants, it is therefore concluded that local governments have the capacity to provide a conducive institutional environment for Public- Private Partnership to flourish to improve local economic development.

In this regard, Reyes (2015) emphasized that the local government units are mandated through RA 7160 to create a climate hospitable to private investments to grow and flourish by providing incentives which may come in the form of tax exemptions and soft credit provisions, the actual provision of sites and services, removal of bottlenecks and strengthening of local economic competitive advantage, sensible and consistent government regulation and promote the LGU as an attractive place to live and work in.

**Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines, Lack of Financial Resources, Low Degree of Marketization, Lack of Transparency, and Lack of Political Skills among Local Government Units in Iloilo Province**

Table 7 shows the results of the deterrents in the implementation of Public-Private Partnerships in terms of the following factors:

***Lack of PPP Policies and Guidelines*** – The data revealed that there was a higher proportion (90.7%) of local government units which perceived the lack of policies and guidelines as a high deterrent in the PPP implementation than those LGUs (9.3 %) which perceived it as a moderate deterrent.

With a mean score of 12.81, local government units generally rated this category as the high deterrent in PPP implementation due to the absence of ordinances, sound plans, and unclear roles and responsibilities of the local government officials and private sector partners.

The narrative as discussed in emerging theme #5 ***“Lack of PPP Ordinance”*** confirmed the research finding above that the lack of PPP policies and guidelines as required by DILG- MC NO. 2016-120 “Guidelines for the Implementation of Public-Private Partnership for the People Initiative of Local Government Unit” highly deter the effective implementation of Public-Private Partnership as governance innovation.

***Emerging theme #5 - Lack of PPP Ordinance***

In the Philippine context, Sinco and Cortes (1955) as cited in Reyes (2015) said that the enactment of ordinances is a local governmental function. Specifically, RA 7160, Section 48, grants the power of local legislation among the local legislative bodies to effectively govern the local affairs of the state.

However, based on the interview with the participants this power of local legislation has not been fully exercised by most of the local government units in Iloilo province which in effect hinder the effective implementation of public-private partnerships in their locality.

Participant D shared his sentiment on the ill-effect of lacking an ordinance on PPP, in his words:

*“Before one of the proposed investments under PPP was the establishment of Gaisano mall, however, we didn’t have an ordinance regarding PPP during that time. We understand that one reason why we conduct PPP is to enable the town to establish infrastructures and other services. However, during that time, we didn’t have the ordinance yet. We know that before we proceed with the partnership with other private sectors, we need to have policies that would guide and govern the contracts. These policies should also make sure that the LGU will have benefits on the investment”.*

He added by saying:

*“During the proposal of mall establishment, we realize that the LGU is really at a disadvantage due to the lack of an ordinance pertaining to PPP, that is why we also try to pass an ordinance now in order to protect the interests of both sides.”*

Participant C confirmed by saying:

*“So it should really be a win-win situation. Both sides should benefit, that is why it’s really important to lay down the policies first before you encourage investment.”*

The same sentiment was echoed by Participant A when they resorted to NGO-LGU collaboration on managing their public market, such partnership was so successful that other municipalities have already started to benchmark with them, more so that they received a national award on **“Best in LGU Cooperative Partnership Award”**. However, he felt dismayed when such a partnership was not renewed because of some political accommodation and worst there was no ordinance created by the LGU to protect the interest of both parties.

Participant D verbalized:

*“You see, there should be a law protecting PPP projects like this from local politics or politics in general.”*

Participant F also expressed the importance of the PPP ordinance as a driver for effective PPP implementation. In his words:

*“Yes, it is important for the ordinance to be crafted first because included in the ordinance are the agreements for the partnership. Without the ordinance, investments may not be secured, that’s why it is also important for the ordinance to include legal and financial studies.”*

He further added that an ordinance is needed to protect the partnership of both parties, being aware of the political culture in the Philippines that political thrust differs from one administration to another, hence, undermining the stability and direction of program and project implementation. He said:

*“There are cases where the approved proposed projects by the present administration may sometimes be questioned by the next administration, so the partnership gets broken. So both parties are protected when there is an ordinance and if we have good leaders.”*

Based on the statements of the participants, it can be concluded how vital policies are in governance, specifically the PPP ordinance, and its presence may lead to economic growth and development desired at the local level. For Nicholas Nicolaidis (1997, as cited in Bihasa, 2017), policies consist of the rule of action, manifesting or clarifying specific organization goals, objectives, or ideals and often prescribing the obligatory or most desirable ways and means for their accomplishment.

**A. Lack of Financial Resources.** The results further revealed in Table 7 that 35 (81.4 %) of the 43 local government units considered the lack of financial resources as a high deterrent in PPP implementation. While 6 (14 %) local government units considered it a moderate deterrent, and only 2 LGUs perceived it as a less deterrent.

When taken as a whole, the mean score generated is 8.26 describing this factor as a high deterrent among local government units in PPP implementation which implies that limited budget and other financial constraints experienced by the local government units and private sector partners highly deter Public- Private Partnerships.

**B. Low Degree of Marketization.** The data in table 7e disclosed that almost 8 out of 10 (76.7 %) local government units considered this factor a high deterrent, while only 2 in every 10 (23.3%) local government units perceived it as moderate. With a mean score of 7.88, this implies that most local government units believed that a low degree of marketization consisting of poor locational

factors, the unavailability of resources, low demands, and government restrictions or control in the economy are moderate deterrents for public-private partnerships to flourish.

**C. *Lack of Transparency.*** Results in Table 7 further showed that 36 (83.7%) out of 43 local government units perceived the lack of transparency as a high deterrent, while 7 (16.3%) local government units perceived it to be a moderate deterrent. With a mean score of 8.26, most local government units viewed it as a high deterrent in PPP implementation, it means that the absence of open contracting or competitive bidding process, and poor monitoring of PPP projects highly deter the successful implementation of Public-Private Partnerships.

**D. *Lack of Political Skills.*** The data in Table 7 revealed that 36 (83.7 %) out of 43 local government units believed that the lack of political skills is a high deterrent to PPP implementation. While 7 (16.3%) local government units perceived it as a moderate deterrent.

With a mean score of 16.98, most local government units described this factor as a high deterrent which means that the lack of competence to lead and the absence of collaboration among major stakeholders in the community highly deter Public- Private Partnerships.

### ***Emerging Theme #6 Conflicting Interests***

This emerging theme “Conflicting Interests” confirmed the research finding above that the lack of political skills characterized by the lack of competence for effective leadership and the absence of collaboration among major stakeholders in the

community, especially between the executive and the legislative departments at the local level highly deter the implementation of Public-Private Partnership.

According to Momodu and Matudi (2013), the executive and legislative departments remain to be the two very important political institutions in presidential democratic regimes which have a very critical task to play in promoting good governance. They contend that the achievement of this task however is dependent on whether the relationship that exists between these institutions is constructive or conflictive. For them, dysfunctional conflicts between the executive and the legislative often result in deadlocks in the policymaking and implementation process, ultimately inhibiting good governance.

The participants in this study shared also the political conflict arising between the two important institutions at the local level which may impede the development of their local government units, in the words of Participant D:

*“Actually, that is what we are worried about for now. There is an existing conflict between the legislative and the executive department. Primarily, the investors would usually look into the political status of the municipality. This is the most important thing that they consider before they invest.”*

Participant E also shared his sentiments, saying:

*“Usually, one of the hindrances of realizing projects and development initiatives is because of the executive and legislative. There are instances where the Mayor is not on the same page as the Vice-mayor or SB. That’s a normal political situation. But if they are disagreeable, the projects cannot be materialized.”*



Participant E added:

*“Actually, in my 27 years of service in the municipality, having been under different mayors, I have a lot of observations of the reality. There are mayors who have a good relationship with the Sangguniang bayan and this makes the request process a lot easier. But with the current situation that we are in, it’s really difficult. There is a conflict between the executive and legislative bodies.”*

Participant F expressed, in his words:

*“That’s why investors carefully assess the sustainability of their engagement, they make sure that administrators are trustworthy, and that there is no conflict, hence, there would be continuity in the projects or programs later on and they won’t suffer.”*

Further, Participant E elucidated the time when the mayor proposed to build a retirement village with a hospital intended for the senior citizens in their municipality, but, was disapproved by the Sangguniang Bayan members, in his words:

*“It’s all becoming political. There are these proposals to buy land properties near the municipality to build a hospital but are being disapproved by the SB. This is one of the visions of our mayor, to build a retirement village with hospitals. It’s like housing for senior citizens.”*

He added by saying:

*“I don’t know what’s the plan because it seems like the SB does not have a plan. It would actually be good to have that as one of the ordinances and that we engage in that.”*

From the inputs of the participants, it could be deduced that there can be no sustainable progress in any democratic government if the executive and the legislature will not play by the rules, as stipulated in the constitution. This explains the reason why Omotola (2008) as cited in Momodu and Matudi (2013) believes that it is difficult to talk of democracy where constitutionalism is not properly rooted and institutionalized.

**Table 7**

*Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines, Lack of Financial Resources, Low Degree of Marketization, Lack of Transparency, and Lack of Political Skills among Local Government Units in Iloilo Province*

Deterrents in the Implementation of Public-Private Partnerships	f	%
<b>Lack of Policies and Guidelines</b>		
• Moderate Deterrent (7 - 10)	4	9.3
• High Deterrent (11 and above)	39	90.7
<b>Mean = 12.8(1 High Deterrent)</b>		
<b>Lack of Financial Resources</b>		
• Less Deterrent (4 and below)	2	4.7
• Moderate Deterrent (5 - 7)	6	14.0
• High Deterrent (8 and above)	35	81.4
<b>Mean = 8.26 (high Deterrent)</b>		
<b>Low Degree of Marketization</b>		
• Moderate Deterrent (5 - 7)	10	23.3
• High Deterrent (8 and above)	33	76.7
<b>Mean = 7.88 (Moderate Deterrent)</b>		
<b>Lack of Transparency</b>		
• Moderate Deterrent (5 - 7)	7	16.3
• High Deterrent (8 and above)	36	83.7
<b>Mean = 8.26 (High Deterrent)</b>		
<b>Lack of Political Skills</b>		
• Moderate Deterrent (10 - 15)	7	16.3
• High Deterrent (16 and above)	36	83.7
<b>Mean = 16.98 (High Deterrent)</b>		
<b>Total</b>	<b>43</b>	<b>100.0</b>

**Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations**

Table 8 presents the extent of governance innovation in the implementation of Public-Private Partnerships among the local government units according to the five dimensions.

Under the dimension of local resource generation, the data showed that 19 (44 %) out of 43 local government units were “innovative”, while 12 (27.9 %) LGUs were categorized as “not innovative, and only 2 ( 4.7 %) were “ Innovative- active and successful”. With a mean score of 2.26, this implies that most of the local government units in the province of Iloilo were categorized as “innovative” which means that they have created new ideas in outsourcing resources from the private sector in the implementation of the public-private partnership but failed to convert and diffused them.

In terms of Environmental Management, findings show that 19 (44.2%) LGUs out of 43 were categorized as innovative-active, and there were 10 (23.3%) LGUs categorized as “not innovative”, while 9 (20.9 %) were categorized as “Innovative-active-and Successful”

When taken as a whole, the mean level of extent of governance innovation in the implementation of Public-Private Partnership of LGUs in terms of environmental management is 2.79 and based on the scale it is described as “Innovative”. This

means that most local government units have created new ideas for environmental management plans and programs but failed to convert and diffused them.

For Social Welfare and Services, the data revealed that 14 (32.6 %) LGUs were innovative, while 11 (25.6%) were not innovative, and only 8 ( 18.6%) were innovative-active, and Successful. With a mean score of 3.28, it is described that the extent of governance innovation among local government units in the implementation of public-private partnership in terms of social welfare services was categorized as “Innovative-active”. This implies that the LGUs have created new ideas in social welfare programs and services, and converted these but with little diffusion.

***People’s Participation and Empowerment.*** The data disclosed that 20 (46.5 %) LGUs were considered Innovative-active, and only 2 (4.7%) LGUs were not innovative.

The total mean score of 3.28 signifies that most local government units were “innovative- active-and successful” in this area. This implies that they have created new ideas, converted them, and diffused them to make governance more participatory and accountable through the holding of the people’s congress, the institutionalization of civil society, and the private sector's representation in the local development councils, the implementation of volunteerism programs in times of disaster, people empowerment program with the involvement of the vulnerable/ marginalized sector. The same findings were noted in the study of Capuno (2005) titled “Leadership and Innovation under Decentralization: A Case Study of Selected Local Governments in the Philippines” which posited that local government units which participate in networks, where members can share information, mentor one another, or compete in a friendly manner, appear to be more ambitious and innovative.

***Productivity Improvement and Management Innovations.*** The data revealed that almost 4 out of 10 (39.5 %) LGUs were categorized as Innovative, while almost 2 in every 10 (11.6 %) LGUs are categorized as not innovative.

When taken as a whole, the mean level of the extent of governance innovation among local government units in this category is 3.96 described as “innovative”. This means that most local government units have created new ideas on the adoption of technology which includes the use of a Geographic Information System, Transparency Portal, Administrative and Office Automation System, creation of plans for effective and efficient governance such as multi-sectoral development plan, performance management plan, and performance monitoring system on Public-Private Partnership, reorganization plan as well as allocation of budget for knowledge management on digital infrastructure but failed to convert and diffused them.

#### ***Emerging theme #7 – Governance in this Digital Age***

The quantitative findings on the extent of governance innovation in the implementation of Public-Private Partnership in terms of productivity improvement and management innovation categorized most of the local government units in the province of Iloilo as innovative only which is described as they have created plans on the use of technology for effective PPP implementation but failed to convert and diffused them. This finding is further explained through this emerging theme “governance in this digital age”.

The participants recognized the importance of equipping employees with the skills and knowledge of the technological infrastructure to boost employees’ competence in this 4<sup>th</sup> era of the industrial revolution which may include the use of geographic information systems, transparency portal, administrative and office

automation system. Also, the use of digital infrastructure for performance management and performance monitoring system on the implementation of Public-Private Partnership as well as allocation of budget for knowledge management by the local government units in Iloilo Province with private sector participation.

However, the lack of available programs from the national government drew back LGUS in the province to embark on this technological advancement that would surely improve governance in becoming more efficient, effective, transparent, and accountable.

In this regard, Participant A expressed the desire of their LGU for office automation but with some limitations on the availability of the technology or program from the national government, he said:

*“That is what we actually wanted to make too. The problem is there’s no available technology as of now. We are ready to buy. For example, DBM (Department of Budget and Management) has proposed to link us to the accounting and treasury. Until now, we are waiting for the program. We have allocated it from the budget, but we cannot use it because the program is non-existent”.*

He added by saying *“Our command center is fully automated.”*

The study of Toltolesova et al. (2021) revealed the need for using digital tools that complement traditional ones. For them, digitalization includes not only financing tools but also the development of infrastructure, including digital platforms needed to conduct PPP implementation in an efficient and effective manner in this digital environment.

Participant F also shared the importance of the internet in today’s governance, saying:

*“At the present time, investors need not come to visit towns anymore, they can just search the internet and scroll for what they are looking for that is really available in that town.”*

Moreover, the lack of available funds or budget for automation was also identified by Participants C and F, in their words:

Participant C declared:

*“We have training prepared for the automation. This is in addition to what our Mayor has said: “we have money, but this amount will be limited to this project alone.”*

Participant F confirmed by saying: *“We don’t have enough budget for office automation and our employees I guess are not ready for it”.*

The 4<sup>th</sup> era of the industrial revolution is where government innovation is classified as the revolution of Technology (UNDP). In this age of information technology, where the Government is considered a platform, which encourages open participation and active in knowledge co-creation along with other sectors or with third parties (app developers), there is a need to equip the government with technological infrastructure.

It is good to note, however, that some performing LGUs in the province have already embarked on the limited technology available to them. As shared by the following participants.

For Participant B:

*“For instance, our city information office is very active in the advocacy of information awareness of everything that*



*the chief executive will be doing. The information office announces or posts about the plans, activities, and/or program implementation of the Mayor's office via social media."*

Participant E shared:

*"Our systems in governance, like the link for our budgets, treasury...they also are updated. However, we're not fully upgraded yet with modern technology, especially since we transferred the building. We're only been here for almost 2 years."*

Participant C further shared the kind of governance innovation in terms of the use of technology during the height of the COVID 19 pandemic, which affected all sectors of society, she willingly shared:

*"Yes, it's true, especially during the pandemic. When they needed printers for their modules, they didn't line up and ask for Mayor. They conducted a donation drive "Piso para sa print" through their social media accounts. That's one thing that I consider new in the system. The relationship of the people in the community is not all political."*

Further, she shared:

*"We also had this 'text blast'. This is a project proposed by the municipality. This is used to disseminate information to people concerned (e.g., farmers, etc.) through text. Most of the time this is utilized during emergency or high times."*

The input of Participant C on the existence of technological innovation developed in their LGU during the Covid 19 Pandemic, such as the use of social media accounts in launching a "project piso para sa print" and text blast in times of

emergency or high-time confirmed the idea of Brillantes (2003) that innovations may occur in response to a crisis, known as “Triggering crises”, may it be environmental degradation, floods, in this case in point, a pandemic. When pushed against the wall and confronted with a crisis, various stakeholders in society, whether governmental or civil, become creative and innovative, (Brillantes,2003).

Moreover, in the study of Lallana (2018) on Social Media and Digital development for Local Governments, he cited how other countries have adopted technological innovation in governance. Iceland used social media platforms to enable citizen participation in drafting their fundamental law. The Constitutional Council posted draft clauses on its interactive website and the public can comment underneath or join a discussion on the council’s Facebook page. The Council also had a Twitter account, a YouTube page and a Flickr account containing pictures of its 25 members at work. Indeed, the use of information technology has proven effective in increasing transparency, public trust, and participation in governance, especially in this 4<sup>th</sup> era of the industrial revolution.

**Table 8**

*Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

The extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province	f	%
Local Resource Generation		
• Not Innovative (0)	12	27.9
• Innovative (1.0 – 3.0)	19	44.2
• Innovative-active (4.0 - 6.0)	10	23.3
• Innovative-active and Successful (7.0 and above)	2	4.7
<b>Mean = 2.26 Innovative</b>		
Environmental Management		
• Not Innovative (0)	10	23.3
• Innovative (1.0 - 2.0 )	5	11.6
• Innovative-active (3.0 - 4.0)	19	44.2
• Innovative-active and Successful (5.0 and above)	9	20.9
<b>Mean = 2.79 (Innovative)</b>		
Social Welfare and Health Services		
• Not Innovative (0)	11	25.6
• Innovative (1.0 - 3.0)	14	32.6
• Innovative-active (4.0 - 6.0)	10	23.3
• Innovative-active and Successful (7.0 and above)	8	18.6
<b>Mean = 3.28 (Innovative-active)</b>		
People's Participation, Empowerment		
• Not Innovative (0)	2	4.7
• Innovative (1.0 – 2.0)	9	20.9
• Innovative-active (3.0 - 4.0)	20	46.5
• Innovative-active and Successful (5.0 and above)	12	27.9
<b>Mean = 3.28 (Innovative Active)</b>		
Productivity Improvement and Management Innovations		
• Not Innovative	5	11.6
• Innovative (3.0 and below)	17	39.5
• Innovative-active (4.0 - 6.0)	15	34.9
• Innovative-active and Successful (7.0 and above)	6	14.0
<b>Mean = 3.93 (Innovative)</b>		
<b>Total</b>	<b>43</b>	<b>100.0</b>

### **Overall Extent of Governance Innovation in the Implementation of a Public-Private Partnership among Local Government Units of Iloilo Province**

Table 9 displays the overall extent of governance innovation in the implementation of Private-Public Partnerships among local government units in the Province of Iloilo. There was a higher proportion (48.6%) of local government units which were “innovative-active” than LGUs which were “innovative” and “innovative-active-successful” (32.6 & and 18.6% respectively). Thus, a higher proportion of LGUs have created new ideas and converted them to be innovative in the five areas of governance such as local resource generation, environmental management, social welfare and services, people’s participation and empowerment, and productivity management and management innovation through Public-Private Partnership but with little diffusion. On the other hand, it is alarming to note that only 8 (18.6%) out of 43 LGUs were innovative-active-successful.

The findings of this study disagree with the result of the study of Gomes and Wojahn (2016) who revealed that in relation to the organization’s innovative practices, the intensity with which they occurred was high. This finding, however, agrees with the findings of Leovaridis and Popescu (2015) which noted that there is decreasing trend in the percentage of the organization that adopt innovation.

**Table 9**

*Overall Extent of Governance Innovation in the Implementation of a Public- Private Partnership among Local Government Units of Iloilo Province*

<b>Overall Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province</b>	<b>f</b>	<b>%</b>
Governance Innovation		
• Innovative	14	32.6
• Innovative -active	21	48.6
• Innovative-active- successful	8	18.6
<b>Total</b>	<b>43</b>	<b>100.0</b>

It is the desire of the researcher to shed light on the phenomenon that causes why there are only a few local government units that adopted governance innovation in the implementation of Public-Private Partnership in the Province of Iloilo, despite the fact that the 1987 Philippine Constitution in Section 20, directs the LGUs to recognize the indispensable role of the private sector, thus, should encourage private enterprise, and provide incentives for needed investments. Such provision was localized through Sec 3(1) of the Local Government Code of 1991 which encourages the participation of the private sector in local governance and delivery of basic services. Also, the DILG issued MC NO. 2016-120 “Guidelines for the Implementation of Public-Private Partnership for the People Initiative of Local Government Units.

In this regard, Emerging theme #8” ***Poor Knowledge of Public Private Partnership***”, Emerging Theme # 9 “***Politically Driven Governance***” and Emerging theme #10 “***Conservative Politics***” may help to further explain and understand the occurrence of the said phenomenon.

### ***Emerging Theme #8 Poor Knowledge of Public-Private Partnership***

The study conducted by Himmel and Siemiatycki (2017) titled “Infrastructure public-private partnerships as drivers of Innovation? Lessons from Ontario, Canada” revealed that knowledge is an important resource for driving innovation, and acquiring and absorbing knowledge is therefore vital in innovation processes.

Access to new knowledge occurs most often through interactions with others, which is why networks and clusters, creative employees, and input from customers are considered important drivers of innovation (Hoarau and Kline, 2014, as cited in Himmel et al., 2017). Therefore, innovation is understood as an open, relational, and practice-based process where internal and external actors, knowledge, and learning play central roles (Himmel and Siemiatycki 2017).

On the other hand, participants in this study have verbalized the lack of knowledge of the concept, its nature, and the various mechanisms, and strategies for PPP implementation as a governance innovation.

Participant A shared his frustrations with the decision of the local legislative officials (SB) when they drafted a Memorandum of Agreement (MOA) with an investor who is at the same time a big mall owner in their LGU. It was an unsolicited proposal to put up a transport terminal adjacent to the mall.

According to him, the LGU was in a win-win situation, no single cent came out from the LGU funds, and the LGU was in charge in managing the terminal and enjoying at the same time the income generated from it. However, much to his dismay that at first, the SB decided only to grant a 5-year duration of the MOA. He did intervene and convinced them to make 25 or 50 years, but the SB decided to give only 10 years. In the words of Participant A, he said:

*“And do you know what the SB wanted? Just 5 years. I said, “What are you thinking? Can you make it 25?” They said, “We cannot do 25 years, just 5.” I said, “We’ll tell them to reconsider 50”. But the MOA is only 10 years. Crazy”.*

He suddenly said: *“They do not do research. They’re too parochial.”*

On the other hand, Participant H admitted that he only overheard PPP in certain television news. He said while laughing:

*“I just heard the PPP on television news (laughing). Like in Manila, we’re already hearing about PPP projects but how can we process that because we don’t have experience yet? Even some big provinces don’t know what the contents of PPP are, how much more, we, being a small town”.*

Participant E mentioned that for so long that he has been connected with the government he hasn’t known about a PPP project undertaken by his LGU. And when he was asked why? He answered:

*“Probably it’s because of the lack of information dissemination, or general knowledge of PPP. For the record, there was no PPP initiative since I have been affiliated with the municipality. Since 1992, I never heard of a project which was a PPP. Honestly, I, too, am not really knowledgeable. I only learned about PPP when I went to study at UP. I’ve heard about it from my Rural Development professor in Urban Planning. It also came out in the board exam, and this is when I realized that PPP is actually good. But the thing is, it is not being practiced in the LGU.”*

Participant E also verbalized that the other problem is on the part of the Sanggunian members who don’t know how to perform their tasks as lawmakers simply because of the lack of knowledge. In his words:

*“There are administrations that were good. But we also have to look at the orientation of the Sanggunian Bayan, which is different. Some SB are incompetent, they would only attend sessions and that’s it. That’s the reality. They do not even know how to pass resolutions and ordinances. Now, if they get to pass an ordinance, you can’t really expect the executive to perform and deliver. Meaning, there really are lapses with the governance”.*

Participant F shared the same sentiment, he said:

*“What we lack is knowledge about PPP. Unlike bigger municipalities which are highly urbanized, they have updated technology and they have access to the internet that can help them substantiate themselves with knowledge about PPP. In our case, most of us still have no sufficient idea about PPP.”*

Further, Participant E also recognized the need for the mayor to be oriented about PPP, in his words:

*“Even the mayor has no orientation about PPP. We could do projects through PPP but they are not aware that when we say public-private partnership, it has several modalities. There must be that kind of orientation.”*

He added by saying:

*“That’s one of the hindrances. Actually, PPP was introduced by the DILG. However, the LGU lacks orientation. For example, what really is PPP? Only a few people or employees are familiar with it. Even we in the MPDC. I have a background but I cannot, in full swing, discuss it, for example, with the Engineering department.”*



When the participants were asked how that could happen when they have a DILG- MLGOO (Municipal Local Government Operation Officer) who is expected to monitor and guide the municipalities for the good administration of local affairs.

Participant H answered:

*“So far for eleven years, I do not remember  
(laughing) MLGOO conducting capability building on PPP.”*

Participant E said:

*“In my own assessment, not all field officers of DILG are competent. They are not knowledgeable enough to supervise the LGU. There are some DILG officers that are complacent and are contented with just making reports, that’s all they do. They should be guiding the LGU on what to do. Others do not live in this role, especially the retiring DILG officers.”*

In addition, he said:

*“Also, they don’t stay long in one municipality. They would be assigned to other municipalities every 6 months, or 1 year. That results to the discontinuity of supervision. Just like with our experience last time, we had been assigned good DILG officers, but they were transferred to problematic municipalities, leaving us assigned with incompetent ones. (laughing).”*

Participant E proceeded by saying that if only somebody introduced PPP to them, they could have benefited from it already, the lack of knowledge is so evident that the Sanggunian did not even bother to pass an ordinance pertaining to it. In his words:

*“Only if somebody had introduced this to us before. Maybe present to the mayor the benefits of asking private sector to invest in us. But there was really no one. Also, it seems like the one who presented PPP does not have comprehensive knowledge of it as well.”*

*“Why are we not making an ordinance for it? It’s because the Sanggunian do not understand what PPP is.”*

The inputs of the participants affirmed how important knowledge is for an effective and efficient administration of governmental affairs. Further, it supports the concept of Peter Drucker (1990s) and was re-echoed by Nonaka et al., (2018) that knowledge is the only meaningful resource today. Knowledge is also a resource with unlimited quantity, unlike finite physical resources, and the essence of good public-sector management is wise leadership that unleashes the potential capability of the public in relentlessly pursuing the common good using knowledge. (Nishihara et al., 2018). Thus, it can be concluded that the absence of knowledge in an organization may lead to wasted productive resources, such as time, money, and effort, among others, and will introduce inconsistencies in program project implementation.

### ***Emerging theme #9- Politically Driven Governance***

This emerging theme argues that governance innovation exists because of the presence of good administration and good politics treated as inseparable when attaining development and progress in society. Hence, the separation of good politics and good governance may lead to bad governance, bad government, and anti-development effort of the government and the governed.

For Leftwich (1994) as cited in Abdelrahman et.al, (2021), development is fundamentally a political matter, and it is illusory to conceive of good governance as

independent of the forms of politics and type of state which alone can generate, sustain and protect it.

The participants in this study had verbalized their observation of the practice of bad politics and political accommodation in their LGUs which hinder the effective implementation of Public-Private Partnerships. The occurrence of bad politics might also be the reason why most LGUs in the province were rated innovative-active only in the implementation of PPP as governance innovation than those rated as innovative-active-successful LGUs, based on the quantitative finding in Table 9.

Participant A shared that there was a time in 2004-2006 that he made an income analysis to determine the reasons why their public market incurred so much financial loss while observing that in other municipalities their public markets would earn enough to support their other problems. What he did is he created a viability committee to study the market, and they found out that the market was not well-managed, in his words:

*“And we saw that it is difficult for the municipality to manage because number 1, there were political accommodations. You cannot even collect fees properly. If they would not renew their business permit, it would also be difficult for you. They do not cooperate well. Until such that a certain cooperative offered to manage.”*

Participant A further narrated that part of the solution created to save their public market from too much financial loss is to have it managed under an accredited and credible vendors cooperative, hence, such mechanism is also encouraged under the Local Government Code saying:

*“Let’s try it. Anyway, it’s not against the law as it is stipulated in the local government code that the*

*municipality could have other cooperative groups or NGOs as long as the consumers' and shareholders' rights are protected."*

According to Participant A, the partnership went well, with the Vendors 'Cooperative co-managing the public market, the municipality had started to earn its revenue little by little, as it was stipulated in their MOA that they shall manage the market and minor repairs shall be accounted to them while major repairs were shouldered by the municipality, and the LGU in return shall have a 30% share of the net. However, despite the improvement and progress experienced through this partnership, even the fact that they become the recipient of the "Best in LGU Cooperative Partnership Award" on the national level such partnership did not last long due to some political issues.

In the words of Participant A, he said:

*"In fact, there was really a good partnership with them. Other municipalities and cities would benchmark from us that it is actually okay to be managed by a private organization. It had won a national award, the Best in LGU Cooperative Partnership Award on the national level. However, in the end, I don't know, but to be brutally frank about it, it all boils down to politics."*

When he was asked if it was the municipality that did not renew the MOA, he said that it was the Sanggunian, in his words:

*"Not the municipality, but the Sangguniang Bayan. You know, others would assert to have someone they are affiliated with to manage the project. But of course, it should not have meddled with politics. It should be managed professionally; it should be managed well."*

On the other hand, Participant F revealed that some politicians wanted to please their constituents to the extent of coming up with a program or project for the benefit of a certain few individuals, and worst is, it is not aligned with the town's plan, in his words:

*“Our offices are just low profile, we just follow the wishes of the mayors, so if they have a plan, we try to follow but sometimes it seems that the officials already have a project to do even before running in politics. They already have a project on what to do in our town, barangay, and Sitio, which is not in accordance with the town's plan.”*

Further, he added:

*“Because sometimes not only in us, there are also in other towns, even the mayors and politicians are not following the plans of their towns, they already have a personal plan, their plan seems to be just for “pogi” points particularly for the election purposes.”*

Participant E echoed the same sentiment:

*“It really is an issue of political will. You know, politicians have to protect their political careers. They are probably afraid to lose their voters if they get too strict with the ordinances”.*

These shared observations and experiences of the participants in their respective LGUs showed that the synergy between bureaucracy and politics is absolutely necessary to realize a good governance system, as also confirmed in the study of Ishak (2020).

Moreover, the testimonies made by the participants confirmed that the ideals of representative bureaucracy are far from reality. The theory of representative bureaucracy highlights the power of the bureaucrats to formulate and shape public policies, especially through the legitimate exercise of bureaucratic discretion (BD) in administrative decision-making. For Webeck and Lee (2022), the theory expects that public servants with bureaucratic discretion will better represent citizens with shared values. The bureaucrats are expected to use responsibly their bureaucratic discretion in evaluating if their attitudes, values, and opinions, represent those of the people governed, they must promote inclusion where the power of the bureaucracy is reconciled with the requirements of democracy.

#### ***Emerging theme #10 - Conservative Politics***

In Western Culture, conservative politics believe in the social and political philosophy of preserving an array of institutions that have historically been huge in society. As a result, conservative ideologists are often extremely opposed to progressive ideas and look to return to traditional values (study.com,n.d.)

Conservatives, thus favor institutions and practices that have evolved gradually and are manifestations of continuity and stability. One reason that the researcher looks into why only a few LGUs in the Province of Iloilo have adopted PPP as governance innovation might be because of the conservative attitude of local officials and employees in some of the local government units in promoting greater openness with the private sector. The contention of the researcher was evident in the answers of the participants when they were asked why they did not have any engagement with the private sector despite the promising economic benefits and advantages their LGUs could derive from such partnerships.

Participant F in his statement confirmed that the kind of politics in their LGU is indeed conservative in nature, in his words:

*“For me, our political system is both reactive and conservative. For us, it is more practical to wait for the investors to offer something for us for partnership first before we proceed with crafting plans and ordinances. We think that if we start on our own now, our output may already be obsolete during the time when the investors would already come. In that case, we have to change and repeal the whole thing again and it would require us to call a public hearing again.”*

Participant A shared that their LGU being able to finance its projects hardly would invite the private sector for engagement, he said:

*“Ah... in terms of leadership in our LGU, I have witnessed that if the municipality has the financial capacity, then it would finance itself. In our LGU, we did not actually invite PPP projects. Unless, a PPP initiative would be presented which would be very very beneficial, then we would take that as long as we will not be covering any expenses just like in Pilipinas Water.”*

He added by saying:

*“So even our public market, we developed it, improved it using local funds and those that were sourced from the national government agencies.”*

Participant G also confirmed the willingness to engage in partnership if there is an offer, she said: *If there is an offer, we will prioritize it. The LGU is open if the private sector is willing.”*

She proceeded by sharing their case when their public market got burned in 2021 and had to wait for any offer from the private sector to rebuild it if there is any, hence, it will only incur less expense from the LGU's funds when there was a PPP resorted on this kind of public problem, she said:

*“Last December, our public market was totally burned by fire. If there were only investors who are willing to invest through PPP in that aspect, we could have had our economic enterprise back. However, nobody came and approached our LGU.”*

The same sentiment was shared by Participant E when asked why their LGU does not have any PPP engagement. He uttered:

*“For now, I think there is no engagement yet for PPP because there is no single project proposed by the private sector or business companies.”*

Participant F also verbalized that despite the presence of subdivision areas and other businesses in their locality which according to him signifies a hospitable climate for investment yet their LGU received no offer from the private sector for potential engagement, in his words he said:

*“And I don't know because no one is also approaching us. For example, private companies like SM, or Villar have a lot of projects here in our LGU yet they do not offer us PPP.”*

When the participants were asked if they have a PPP focal person assigned to focus more on addressing economic problems and creating better conditions for



investment leading to economic growth and development in their respective LGUs, most of them answered none.

In this regard, Participant D said:

*“Basically, if the LGU has a focal person who can lobby proposals or concerns to the investors, partnerships would be possible at the appropriate time. Sometimes, if you will only wait and do not initiate, there will be investors, but only a few. What we are actually hoping to happen is for the initiative to come from the executive.”*

Further, Participant D commented that though they have an existing Local Economic and Investment Promotions Officer (LEIPO) (as mentioned in DILG MC 2010-113) which was renamed as Local Economic Development and Investment Promotions Officer (LEDIPO) to give emphasis on their role for Local Economic Development, the person assigned, however, is too overwhelmed already with his responsibilities and duties that he could no longer attend to giving more attention in facilitating and coordinating potential projects which may under PPP, in his words:

*“We already have LIEPO but you can’t actually maximize his services for this alone because there are other functions assigned to him. In fact, he is our OIC in the Planning Office before, and at the same time OIC Zoning officer. He has a lot of tasks that sometimes, he cannot even attend to each of them. Simply put, he is overloaded with tasks. That is why, we do not have somebody who can really lobby our concern about PPP.”*

Also, Participant G emphasized the importance of having a PPP focal person, she said:

*“If possible, somebody should be designated as a PPP focal person to market the LGU in order for an LGU to be self-sustaining or to afford on its own without relying on the national government.”*

The shared sentiments of the participants confirmed the presence of conservative politics in their respective LGUs, thus, it may be concluded that the public administration paradigm introduced by Osborne and Gaebler (1992) as cited in Reyes (2015) known as “reinventing government” where it proposed for new public management strategies using a business model prescriptions for government, i.e., using private sector innovation, resources, and organizational ideas to improve the public sector were not reflective of governance strategies developed by some local government units in the Province of Iloilo, the reason may be why only few LGUs were categorized as innovative-active-successful in the area of PPP implementation as a governance innovation as shown in Table 9.

Further, the lack of PPP focal person limits the external potentialities of the LGUs for economic growth and development, despite the provision in Section 14.3 of the BOT Law Implementing Rules and Regulations directing the LGUs to create a PPP Unit that shall be responsible for planning, overseeing, and monitoring PPP projects of these LGUs.

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive)**

Table 10 presents the results of the relationship between the profile of the respondents and perceived promoters in the implementation of Public-Private Partnership in terms of Good Governance Practices characterized as effective, efficient, and responsive.

The statistical results disclosed that there is a negative weak relationship between the income classification of local government units and the promoters of Public- Private Partnership implementation in terms of effective, efficient, and responsive governance, as shown by the Gamma value of  $-.310$  and p-value of  $.378$ . The p-value is greater than the alpha level of significance set at  $0.05$ , thus, the null hypothesis cannot be rejected. This means that the income categories of the LGUs have no bearing on the promoters of PPP implementation in terms of good governance practices such as effective, efficient, and responsive governance.

The results also revealed that there is a very weak relationship between the existence of PPP ordinance and the promoters of PPP implementation in the area of good governance specifically on effective, efficient, and responsive governance relationship, as reflected in the Phi-value of  $.008$  and p-value of  $.782$ . The relationship is not significant at  $0.05$ , therefore, the null hypothesis cannot be rejected. This implies that the existence of PPP the ordinance and the promoters of PPP implementation in terms of effective, efficient, and responsive governance are not generally related.

Moreover, the data shows that there is a very weak relationship between the existence of PPP projects and the promoters of PPP implementation in terms of good governance practices in terms of effective, efficient, and responsive governance, as indicated by the Phi-value of .138 and p-value of .388. The p-value is greater than the alpha level of significance set at 0.05, therefore, the null hypothesis cannot be rejected. This means that the existence of PPP projects has no bearing on the promoters of PPP implementation on good governance on the aspect of effective, efficient, and responsive governance.

**Table 10**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive)*

Profile of The Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive).					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
Income Classification						
• 1st Class	0	0	7	100.0	7	100.0
• 2nd Class	2	18.2	9	81.8	11	100.0
• 3rd Class	0	0	7	100.0	7	100.0
• 4th Class	2	14.3	12	85.7	14	100.0
• 5th Class	1	25.0	3	75.0	4	100.0
<b>Total</b>	<b>5</b>	<b>11.6</b>	<b>38</b>	<b>88.4</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.310</b>						
<b>p-value = .378</b>						
Existence of Ordinance on Public-Private Partnership						
• No	4	11.8	30	88.2	34	100.0
• Yes	1	11.1	8	88.9	9	100.0
<b>Total</b>	<b>5</b>	<b>11.6</b>	<b>38</b>	<b>88.4</b>	<b>43</b>	<b>100.0</b>
<b>Phi –value = .008</b>						
<b>p-value = .782</b>						
Existence of PPP Projects						
• No	5	13.2	33	86.8	38	100.0
• Yes	0	0	5	100.0	5	100.0
<b>Total</b>	<b>5</b>	<b>11.6</b>	<b>38</b>	<b>88.4</b>	<b>43</b>	<b>100.0</b>
<b>Phi –value = .138</b>						
<b>p-value = .388</b>						

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Transparency)**

Table 11 shows the relationship between the profile of the local government units and promoters in the implementation of public-private partnerships in terms of transparency as one of the good governance practices.

Based on the result, there is a negative moderate relationship between the income classification of the local government units and the good governance practices in terms of transparency as a promoter in PPP implementation, as shown in the Gamma value of  $-.583$  and p-value of  $.095$ . The p-value is greater than the alpha level of significance set at  $0.05$ , the null hypothesis, therefore cannot be rejected. This means that the income level of the local government units has no bearing on the perceived level of promoters of PPP implementation in terms of transparency.

Moreover, findings revealed that there is a very weak relationship between the existence of PPP ordinance and the promoters of PPP implementation on the aspect of transparency, as indicated by the Phi –the value of  $.008$ , and p-value of  $.1957$ . The relationship is not significant at  $0.05$ , the null hypothesis, therefore, cannot be rejected. This means that the existence or non-existence of the PPP ordinance has no bearing on the promoters of good governance in the practice of transparency among the local government units in the province of Iloilo.

In addition, as shown in the Phi- value of  $-.095$  and p-value of  $.534$ , there is a negative very weak relationship between the existence of projects and the practice of transparency as a promoter of PPP implementation, the relationship is not significant at

0.05. Thus, the null hypothesis cannot be rejected. This implies that the existence or non- existence of PPP projects and the promoters of PPP implementation in terms of good governance practices on transparency were not related at all.

**Table 11**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Transparency)*

Profile of The Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Transparency).					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
Income Classification						
• 1st Class	0	0	7	100.0	7	100.0
• 2nd Class	1	9.1	10	90.9	11	100.0
• 3rd Class	0	0	7	100.0	7	100.0
• 4th Class	3	21.4	11	78.6	14	100.0
• 5th Class	1	25.0	3	75.0	4	100.0
<b>Total</b>	<b>5</b>	<b>11.6</b>	<b>38</b>	<b>88.4</b>	<b>59</b>	<b>100.0</b>
<b>Gamma Value = -.583</b>						
<b>p-value = .095</b>						
Existence of Ordinance on Public-Private Partnership						
• No	4	11.8	30	88.2	34	100.0
• Yes	1	11.1	8	88.9	9	100.0
<b>Total</b>	<b>5</b>	<b>11.6</b>	<b>38</b>	<b>88.4</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = .008</b>						
<b>p-value = .1957</b>						
Existence of PPP Projects						
• No	4	10.5	34	89.5	38	100.0
• Yes	1	20.0	4	80.0	5	100.0
<b>Total</b>	<b>5</b>	<b>11.6</b>	<b>38</b>	<b>88.4</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = -.095</b>						
<b>P-value = .534</b>						



**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Leadership and Participation).**

Table 12 presents the findings on the relationship between the profile of the local government units and good governance practices specifically on leadership and participation as promoters in the implementation of Public-Private Partnerships. The following results were generated.

There is a negative weak relationship between the income classification of the local government units and the promoters of PPP implementation in terms of good governance practices on leadership and participation, as shown by the Gamma value of  $-.447$ , and a p-value of  $.157$ , the relationship is not significant at  $0.05$ . Thus, the null hypothesis cannot be rejected. This implies that the income of local government units has no bearing on the perceived level of promoters of PPP implementation on the aspect of good governance practices among local government units in the Iloilo province.

There is a very weak relationship between the existence of the PPP ordinance and the promoters of PPP implementation on good governance practices in terms of leadership and participation, as indicated by the Phi- value of  $.042$  and a p-value of  $.782$ . The p-value is greater than the alpha level of significance set at  $0.05$ . Thus, the null hypothesis cannot be rejected. This implies that the existence or non-existence of a PPP ordinance and the promoters of PPP implementation on good governance practices such as leadership and participation were not generally related.

There is a weak relationship between the existence of PPP projects and the promoters of PPP implementation in the area of good governance practices under leadership and participation, as reflected by the Phi-value of .146 and a p-value of .338. The relationship is not significant at 0.05, thus, the null hypothesis cannot be rejected. This means that the existence and non-existence of PPP projects have no bearing on the perceived level of promoters on PPP implementation on good governance practices under leadership and participation.

**Table 12**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Leadership and Involvement)*

Profile of The Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Leadership and Participation).					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
Income Classification						
• 1st Class	0	0	7	100.0	7	100.0
• 2nd Class	2	18.2	9	81.8	11	100.0
• 3rd Class	0	0	7	100.0	7	100.0
• 4th Class	2	14.3	12	85.7	14	100.0
• 5th Class	2	50.0	2	50.0	4	100.0
<b>Total</b>	<b>6</b>	<b>14.0</b>	<b>37</b>	<b>86.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.477</b>						
<b>p-value = .157</b>						
Existence of Ordinance on Public-Private Partnership						
• No	5	14.7	29	85.3	34	100.0
• Yes	1	11.1	8	88.9	9	100.0
<b>Total</b>	<b>6</b>	<b>14.0</b>	<b>37</b>	<b>86.0</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = .042</b>						
<b>p-value = .782</b>						
Existence of PPP Projects						
• No	6	15.8	32	84.2	38	100.0
• Yes	0	0	5	100.0	5	100.0
<b>Total</b>	<b>6</b>	<b>14.0</b>	<b>37</b>	<b>86.0</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = .146</b>						
<b>p-value = .338</b>						

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Accountability)**

Table 13 shows the results of the relationship between the profile of the local government units and the perceived promoters of PPP implementation on good governance practice specifically on accountability.

The findings revealed that there is a negative moderate relationship between the income classification of the local government units and the promoters in the implementation of Public-private Partnership in terms of good governance practices under accountability, as shown by the Gamma value of  $-.659$  and a p-value of  $.066$ . The p-value is greater than the alpha level of significance set at  $0.05$ , the null hypothesis, therefore, cannot be rejected. This means that income classification and good governance practice on accountability were not generally related.

The data further show that there is a very weak relationship between the existence of the PPP ordinance and the promoters of PPP implementation on good governance, specifically on the aspect of accountability, as indicated by the Phi-value of  $.004$  and p-value of  $.978$ . The relationship is not significant at  $0.05$ , thus, the null hypothesis, cannot be rejected. This implies that the existence or non-existence of a PPP ordinance has no bearing on the perceived level of promoters of PPP implementation in the category of good governance in terms of accountability.

Additionally, the results indicate that there is a negative weak relationship between the existence of PPP projects and the promoters of PPP implementation on good governance under accountability, as shown by the Phi-value of  $-.134$  and a p -

value= .381. The p-value is greater than the alpha level of significance set at 0.05, the null hypothesis, therefore, cannot be rejected. This means that the existence or non-existence of PPP projects and the practice of accountability for good governance as a promoter of PPP implementation are not related in general.

**Table 13**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Accountability)*

Profile of The Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Accountability).					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
<b>Income Classification</b>						
1st Class	0	0	7	100.0	7	100.0
2nd Class	0	0	11	100.0	11	100.0
3rd Class	1	14.3	6	85.7	7	100.0
4th Class	2	14.3	12	85.7	14	100.0
5th Class	1	25.0	3	75.0	4	100.0
<b>Total</b>	<b>4</b>	<b>9.3</b>	<b>39</b>	<b>90.7</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.659</b>						
<b>p-value = .066</b>						
<b>Existence of Ordinance on Public-Private Partnership</b>						
No	3	8.8	31	91.2	34	100.0
Yes	1	11.1	8	88.9	9	100.0
<b>Total</b>	<b>4</b>	<b>9.3</b>	<b>39</b>	<b>90.7</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = .004</b>						
<b>p-value = .978</b>						
<b>Existence of PPP Projects</b>						
No	3	7.9	35	92.1	38	100.0
Yes	1	20.0	4	80.0	5	100.0
<b>Total</b>	<b>4</b>	<b>9.3</b>	<b>39</b>	<b>90.7</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = -.134</b>						
<b>p-value = .381</b>						

**Overall Relationship between the Profile of the Local Government Units in terms of Income Classification, Existence of PPP ordinance, and Existence of PPP projects and the Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices**

Table 14 shows the relationship between the profile of the local government units in terms of income classification, existence of PPP ordinance, and existence of PPP projects and the perceived promoters in the implementation of Public-Private Partnership in terms of good governance practices.

The findings show that there is a negative strong relationship between the income classification of the local government units and the promoters in the implementation of Public-Private Partnership in terms of good governance practices, as shown by the Gamma value of  $-.871$  and a p-value of  $.068$ . The relationship is not significant at  $.05$ , thus, the null hypothesis cannot be rejected. This means that income classification and good governance practices were not generally related.

Further, the results disclose that there is a negative very weak relationship between the existence of PPP ordinance and the perceived promoters in the implementation of Public-private Partnership in terms of good governance practices as shown by the Phi-value of  $-.049$  and a p-value of  $.750$ . The relationship is not significant at  $.05$ , therefore, the null hypothesis cannot be rejected. This implies that the existence of PPP ordinance has no bearing on good governance practices as promoters in PPP implementation. The finding of the study contradicts the results of the study of Sabry (2015), which revealed that bureaucratic efficiency and independence and higher regulatory quality through PPP policies should be a top priority if the great positive externalities resulting from PPP in infrastructure are to be

realized, thus, higher regulatory policy help PPP in performing well as evident from their positive effect on investment growth.

Moreover, the findings reveal that there is a weak relationship between the existence of PPP projects and the perceived promoters in the implementation of Public-Private Partnership in terms of good governance practices, as shown by the Phi-value of .121 and a p-value of .428, the p-value is not significant at .05. Therefore, the null hypothesis cannot be rejected. This means that the existence of PPP projects and good governance practices as promoters in PPP implementation were not generally related.

**Table 14**

*Overall Relationship between the Profile of the Local Government Units in terms of Income Classification, Existence of PPP ordinance, and Existence of PPP projects and the Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices*

Profile of The Local Government Units	Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
Income Classification						
• 1st Class	0	0	7	100.0	7	100.0
• 2nd Class	0	0	11	100.0	11	100.0
• 3rd Class	0	0	7	100.0	7	100.0
• 4th Class	2	14.3	12	85.7	14	100.0
• 5th Class	1	25	3	75.0	4	100.0
<b>Total</b>	<b>6</b>	<b>14.0</b>	<b>37</b>	<b>86.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.871</b>						
<b>p-value = .068</b>						
Existence of Ordinance on Public-Private Partnership						
• No	2	6.3	30	93.8	32	100.0
• Yes	1	9.1	10	90.9	11	100.0
<b>Total</b>	<b>3</b>	<b>7.0</b>	<b>40</b>	<b>93.0</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = -.049</b>						
<b>p-value = .750</b>						
Existence of PPP Projects						
• No	3	83.3	33	91.7	36	100.0
• Yes	0	0	7	100.0	5	100.0
<b>Total</b>	<b>3</b>	<b>7.0</b>	<b>40</b>	<b>93.0</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = .121</b>						
<b>p-value = .428</b>						



**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Promoters in the Implementation of Public-Private Partnership in terms of Market Factor**

Table 15 presents the results of the relationship between the profile of the local government units and the promoters of PPP implementation in terms of the market factor. The following results were generated.

There is a negative moderate relationship between the income classification of the local government units and the promoters in the implementation of Public-Private Partnership in terms of market factor, as shown by the Gamma value of  $-.659$  and p-value of  $.066$ . The relationship is not significant at  $0.05$ , thus, the null hypothesis cannot be rejected. This means that the income classification of LGUs has no bearing on the market factor as promoter of PPP implementation

There is a negative strong relationship between the existence of PPP ordinance and market factor as a promoter in PPP implementation, as indicated by the Phi-value of  $.032$  and a p-value of  $.834$ . The p-value is greater than the alpha level of significance set at  $0.05$ , thus, the null hypothesis, cannot be rejected. This means that the existence or non-existence of the PPP ordinance and the market factor as a promoter of PPP implementation were not generally related.

The data reveal that there is a negative weak relationship between the existence of PPP projects and the promoters of PPP implementation in terms of the market factor, as reflected in the Phi-value of  $-.134$  and p-value of  $.381$ . The p-value is greater than the alpha level of significance set at  $0.05$ , therefore, the null hypothesis cannot be rejected. This signifies that the existence or non-existence of PPP projects

has no bearing on the perceived level of promoters of PPP implementation in terms of the market factor.

**Table 15**

*Relationship between Profile of the Local Government Units in terms of Income*

*Classification, Existence of Ordinance on Public-Private Partnership, and Existence of*

*PPP Project and Perceived Promoters in the Implementation of Public-Private*

*Partnership in terms of Market Factor*

Profile of The Local Government Units	Promoters in the Implementation of Public-Private Partnerships in terms of Good Governance Practices (Market Factor).					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
Income Classification						
• 1st Class	0	0	7	100.0	7	100.0
• 2nd Class	0	0	11	100.0	11	100.0
• 3rd Class	1	14.3	6	85.7	7	100.0
• 4th Class	2	14.3	12	85.7	14	100.0
• 5th Class	1	25.0	3	75.0	4	100.0
<b>Total</b>	<b>4</b>	<b>9.3</b>	<b>39</b>	<b>90.7</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.659</b>						
<b>p-value = .066</b>						
Existence of an Ordinance on Public-Private Partnership						
• No	3	8.8	31	91.2	34	100.0
• Yes	1	11.1	8	88.8	9	100.0
<b>Total</b>	<b>4</b>	<b>9.3</b>	<b>39</b>	<b>90.7</b>	<b>43</b>	<b>100.0</b>
<b>Phi –value = -.032</b>						
<b>p-value = .834</b>						
Existence of PPP Projects						
• No	3	7.9	35	92.1	38	100.0
• Yes	1	20.0	4	80.0	5	100.0
<b>Total</b>	<b>4</b>	<b>9.3</b>	<b>39</b>	<b>90.7</b>	<b>43</b>	<b>100.0</b>
<b>Phi –value = -.134</b>						
<b>p-value = .381</b>						

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnership in terms of Institutional Environment**

Table 16 discloses the relationship between the profile of the local government units and the institutional environment as a perceived promoter in the implementation of Public-Private Partnership (PPP).

The results showed that there is a negative strong relationship between the income classification of LGUs and the promoters of PPP implementation in terms of the institutional environment, as shown in the Gamma value of  $-.871$ , and p-value of  $.68$ . The p-value is greater than the alpha level of significance set at  $0.05$ , thus, the null hypothesis, cannot be rejected. This implies that the income classification of the LGUs has no bearing on the perceived level of promoters in PPP implementation in terms of the institutional environment.

The data further reveal that there is a negative very weak relationship between the existence of PPP ordinance and the promoters of PPP implementation in the category of the institutional environment, as indicated in the Phi-value of  $-.083$  and p-value of  $.584$ . The relationship is not significant at  $0.05$ , therefore, the null hypothesis cannot be rejected. This means that the existence or non-existence of the PPP ordinance and the promoter of PPP implementation on the institutional environment were not related at all.

Moreover, there is a very weak relationship between the existence of PPP projects and the promoters of PPP implementation in terms of the institutional environment as shown by the Phi-value of  $.099$  and p-value of  $.515$ . The p-value is greater than the alpha level of significance set at  $0.05$ , thus, the null hypothesis, cannot

be rejected. This signifies that the existence or non-existence of PPP projects and the promoters of PPP implementation on the aspect of the institutional environment were not generally related.

**Table 16**

*Relationship between Profile of the Local Government Units in terms of Income*

*Classification, Existence of Ordinance on Public-Private Partnership, and Existence of*

*PPP Projects and Perceived Promoters in the Implementation of Public-Private*

*Partnership in terms of Institutional Environment*

Profile of The Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Institutional Environment.					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
<b>Income Classification</b>						
• 1st Class	0	0	7	100.0	7	100.0
• 2nd Class	0	0	11	100.0	11	100.0
• 3rd Class	0	0	7	100.0	7	100.0
• 4th Class	2	14.3	12	85.7	14	100.0
• 5th Class	1	25.0	3	75.0	4	100.0
<b>Total</b>	<b>3</b>	<b>7.0</b>	<b>40</b>	<b>93.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.871</b>						
<b>p-value = .068</b>						
<b>Existence of an Ordinance on Public-Private Partnership</b>						
• No	2	5.9	32	94.1	34	100.0
• Yes	1	11.1	8	88.9	9	100.0
<b>Total</b>	<b>3</b>	<b>7.0</b>	<b>40</b>	<b>93.0</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = -.083</b>						
<b>p-value = .584</b>						
<b>Existence of PPP Projects</b>						
• No	3	7.9	35	92.1	38	100.0
• Yes	0	0	5	100.0	5	100.0
<b>Total</b>	<b>3</b>	<b>7.0</b>	<b>40</b>	<b>93.0</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = .099</b>						
<b>p-value = .515</b>						

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Promoters in the Implementation of Public-Private Partnerships in terms of Government Support**

The data in Table 17 display the relationship between the profile of the local government units and perceived promoters in the implementation of Public-Private Partnership in terms of government support.

The data disclosed that there is a negative moderate relationship between the income classification and the promoters of PPP implementation in terms of government support as shown by the Gamma value of  $-.612$  and a p-value of  $.143$ . The p-value is greater than the alpha level of significance set at  $0.05$ , therefore, the null hypothesis which states that there is no significant relationship between income classification and government support cannot be rejected. This implies that the income categories of local government units and the perceived level of promoters of PPP implementation on the aspect of government support were not generally related.

The results further reveal that there is no significant relationship between the existence of PPP ordinance and government support as represented by the Phi-value of  $.141$  and p-value of  $.356$ . Therefore, the null hypothesis cannot be rejected. This indicates that local government units with or without PPP ordinances agreed that government support highly promotes the implementation of partnership between the private and public entities.

Lastly, there is a very weak relationship between the existence of PPP projects and the promoters of PPP implementation in terms of government support, as shown by the Phi-value of  $.099$  and p-value of  $.515$ , the relationship is not significant at  $0.05$ . Thus, the null hypothesis cannot be rejected. This implies that the existence or non-

existence of the PPP projects has no bearing on the promoters of PPP implementation in terms of government support.

**Table 17**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Projects and Perceived Promoters in the Implementation of Public-Private Partnerships in terms of Government Support*

Profile of The Local Government Units	Promoters in the Implementation of Public-Private Partnerships in terms of Government Support					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
<b>Income Classification</b>						
• 1st Class	0	0	7	100.0	7	100.0
• 2nd Class	0	0	11	100.0	11	100.0
• 3rd Class	1	14.3	6	85.7	7	100.0
• 4th Class	1	7.1	13	92.9	14	100.0
• 5th Class	1	25.0	3	75.0	4	100.0
<b>Total</b>	<b>3</b>	<b>7.0</b>	<b>40</b>	<b>93.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.612</b>						
<b>p-value = .143</b>						
<b>Existence of Ordinance on Public-Private Partnership</b>						
• No	3	8.8	31	91.2	34	100.0
• Yes	0	0	9	100.0	9	100.0
<b>Total</b>	<b>3</b>	<b>7.0</b>	<b>40</b>	<b>93.0</b>	<b>43</b>	<b>100.0</b>
<b>Phi –value = .141</b>						
<b>p-value = .356</b>						
<b>Existence of PPP Projects</b>						
• No	3	7.9	35	92.1	38	100.0
• Yes	0	0	5	100.0	5	100.0
<b>Total</b>	<b>3</b>	<b>7.0</b>	<b>40</b>	<b>93.0</b>	<b>43</b>	<b>100.0</b>
<b>Phi –value = .099</b>						
<b>p-value = .515</b>						

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines**

Table 18 presents the relationship between the profile of the local government units and the deterrents in the implementation of Public-Private Partnership in terms of lack of policies and guidelines.

The data reveal that there is a negative moderate relationship between the income classification of the local government units and the deterrents in PPP implementation on the lack of policies and guidelines, as shown by the Gamma value of  $-.529$  and a p-value of  $.188$ . The p-value is higher than the alpha level of significance set at  $0.05$ , therefore, the null hypothesis cannot be rejected. This signifies that the income categories of local government units have no bearing on the perceived deterrents in PPP implementation on the lack of policies and guidelines.

The result also shows that there is a negative very weak relationship between the existence of PPP ordinance and the lack of policies and guidelines as deterrents in PPP implementation, as shown by the Phi-value of  $-.048$  and p-value of  $.754$ . The relationship is not significant at  $0.05$ , therefore, the null hypothesis cannot be rejected. This means that the existence or non-existence of PPP ordinance among local government units and the deterrents in PPP implementation on lack of policies and guidelines are not generally related.

In addition, there is a negative very weak relationship between the existence or non-existence of PPP projects and the deterrents in PPP implementation on lack of policies and guidelines, as shown by the Phi-value of  $-.013$  and p-value of  $.932$ . The p-value is greater than the alpha level of significance set at  $0.05$ , therefore, the null

hypothesis cannot be rejected. This implies that local government units with or without PPP projects undertaken has no bearing on the deterrents of PPP implementation in terms of the lack of policies and guidelines. Table 13. Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines.



**Table 18**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines*

Profile of The Local Government Units	Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines					
	Moderate Deterrent		High Deterrent		Total	
	f	%	f	%	f	%
Income Classification						
• 1st Class	0	0	7	100.0	7	100.0
• 2nd Class	1	9.1	10	90.9	11	100.0
• 3rd Class	0	0	7	100.0	7	100.0
• 4th Class	2	14.3	12	85.7	14	100.0
• 5th Class	1	25.0	3	75.0	4	100.0
<b>Total</b>	<b>5</b>	<b>8.5</b>	<b>54</b>	<b>91.5</b>	<b>59</b>	<b>100.0</b>
<b>Gamma Value = -.529</b>						
<b>p-value = .188</b>						
Existence of Ordinance on Public-Private Partnership						
• No	6	17.6	28	82.4	34	100.0
• Yes	2	22.2	7	77.8	9	100.0
<b>Total</b>	<b>8</b>	<b>18.6</b>	<b>35</b>	<b>81.4</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = -.048</b>						
<b>p-value = .754</b>						
Existence of PPP Projects						
• No	7	18.4	31	81.6	38	100.0
• Yes	1	20.0	4	80.0	5	100.0
<b>Total</b>	<b>8</b>	<b>18.6</b>	<b>35</b>	<b>81.4</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = -.013</b>						
<b>p-value = .932</b>						

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Financial Resources**

Table 19 shows the relationship between the profile of the local government units and the lack of financial resources as a perceived deterrent in the implementation of Public-Private Partnerships.

Based on the result, there is a negative moderate relationship between income classification and the lack of financial resources as a deterrent in the PPP implementation as shown by the Gamma value of  $-.637$  and a p-value of  $.026$ , the relationship is significant at  $.05$ . Thus, the null hypothesis which states that there is no significant relationship between income classification and the lack of financial resources is rejected. This means that the higher the income classification of the local government units the more they refuse to implement Public-Private Partnerships due to a lack of financial resources. It implies further that the lower the income classification of the local government units the more they would be willing to engage in a partnership due to lack of financial. The findings of the study coincide with the findings of Yehoue et al as cited in Zhang et al. (2019) which revealed that governments with high debt burdens, hence, financially struggling have the higher tendency to promote private sector partnership.

The data further reveal that there is a very weak relationship between the existence of ordinance and the deterrents in the PPP implementation in terms of lack of financial resources, as shown by the Phi-value of  $.006$  and p-value of  $.796$ , the relationship is not significant at  $.05$ . This shows that the null hypothesis cannot be

rejected. This means that the existence of an ordinance has no bearing on the lack of financial resources as a deterrent in the implementation of Public-Private Partnership.

The results also disclosed that there is a very weak relationship between the existence of PPP projects and deterrents in the implementation of PPP in terms of the lack of financial resources, as shown by the Phi-value of .049 and p-value of .748, the relationship is not significant at .05, thus, the null hypothesis cannot be rejected. This indicates that the existence of PPP projects and the deterrents in PPP implementation in terms of lack of financial resources are not related in general.

**Table 19**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Financial Resources*

Profile of The Local Government Units	Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Financial Resources					
	Moderate Deterrent		High Deterrent		Total	
	f	%	f	%	f	%
Income Classification						
• 1st Class	0	0	7	100.0	7	100.0
• 2nd Class	2	18.2	9	81.8	11	100.0
• 3rd Class	0	0	7	100.0	7	100.0
• 4th Class	3	21.4	11	78.6	14	100.0
• 5th Class	3	75.0	1	25.0	4	100.0
<b>Total</b>	<b>8</b>	<b>18.6</b>	<b>35</b>	<b>81.4</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.637*</b>						
<b>p-value = .026</b>						
Existence of Ordinance on Public-Private Partnership						
• No	6	18.8	26	81.3	32	100.0
• Yes	2	18.2	9	81.8	11	100.0
<b>Total</b>	<b>8</b>	<b>18.6</b>	<b>35</b>	<b>81.4</b>	<b>43</b>	<b>100.0</b>
<b>Phi –value = .006</b>						
<b>p-value = .796</b>						
Existence of PPP Projects						
• No	7	19.4	29	80.6	36	100.0
• Yes	1	14.3	6	85.7	7	100.0
<b>Total</b>	<b>8</b>	<b>18.6</b>	<b>35</b>	<b>81.4</b>	<b>43</b>	<b>100.0</b>
<b>Phi –value = .049</b>						
<b>p-value = .748</b>						

\*Significant at .05

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Low Degree of Marketization**

The data in Table 20 show the relationship between the profile of the local government units and perceived deterrents in the implementation of Public-Private Partnerships in terms of low degree of marketization.

The data reveal that there is a negative very weak relationship between the income classification of the local government units and the low degree of marketization as a deterrent in PPP implementation as shown by the Gamma value of  $-.046$  and p-value of  $.864$ . The p-value is higher than the alpha level of significance set at  $0.05$ , thus, the null hypothesis cannot be rejected. This signifies that the income classification of local government units has no bearing on the deterrents in the Implementation of Public-Private Partnerships in terms of a low degree of marketization.

Also, the results show that there is a negative moderate relationship between the existence of ordinance on Public-Private Partnership and the low degree of marketization as a deterrent in PPP implementation, as shown by the Phi-value of  $-.258$  and p-value of  $.091$ , the relationship is not significant at  $.05$ . Therefore, the null hypothesis cannot be rejected. This means that the existence of the PPP ordinance and the deterrents in the Implementation of Public-Private Partnerships in terms of low degree of marketization are not related in general.

In addition, the data show that there is a very weak relationship between the existence of PPP projects and the deterrent in the Implementation of Public-Private Partnerships in terms of low degree of marketization, as shown by the Phi-value of

.028 and p-value of .855, the relationship is not significant at .05, hence, the null hypothesis cannot be rejected. This means that the existence of PPP projects and the low degree of marketization as a deterrent in the implementation of PPP are not related at all.

**Table 20**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Low Degree of Marketization*

Profile of The Local Government Units	Deterrents in the Implementation of Public-Private Partnerships in terms of Low Degree of Marketization					
	Moderate Deterrent		High Deterrent		Total	
	f	%	f	%	f	%
Income Classification						
• 1st Class	1	14.3	6	85.7	7	100.0
• 2nd Class	4	36.4	7	63.6	11	100.0
• 3rd Class	1	14.3	6	85.7	7	100.0
• 4th Class	2	14.3	12	85.7	14	100.0
• 5th Class	2	50.0	2	50.0	4	100.0
<b>Total</b>	<b>10</b>	<b>23.3</b>	<b>33</b>	<b>76.7</b>	<b>59</b>	<b>100.0</b>
<b>Gamma Value = -.046</b>						
<b>p-value = .864</b>						
Existence of Ordinance on Public-Private Partnership						
• No	6	17.6	28	82.4	34	100.0
• Yes	4	44.4	5	55.6	9	100.0
<b>Total</b>	<b>10</b>	<b>23.3</b>	<b>33</b>	<b>76.7</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = -.258</b>						
<b>p-value = .091</b>						
Existence of PPP Projects						
• No	9	23.7	29	76.3	38	100.0
• Yes	1	20.0	4	80.0	5	100.0
<b>Total</b>	<b>10</b>	<b>23.3</b>	<b>33</b>	<b>76.7</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = .028</b>						
<b>p-value = .855</b>						

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Transparency**

Table 21 presents the relationship between the profile of the local government units and perceived deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Transparency.

The data disclosed that there is a negative weak relationship between the income classification of the local government units and the lack of transparency as a deterrent in PPP implementation, as shown by the Gamma value of  $-.358$  and p-value of  $.269$ , the relationship is not significant at  $.05$ . Thus, the null hypothesis cannot be rejected. This indicates that income classification and the lack of transparency as a deterrent in the implementation of PPP are not generally related.

Moreover, the results show that there is a negative very weak relationship between the existence of the PPP ordinance and the lack of transparency as a deterrent in PPP implementation, as shown by the Phi-value of  $-.083$  and p-value of  $.587$ , the relationship is not significant at  $.05$ , hence, the null hypothesis cannot be rejected. This implies that the existence of PPP ordinance has no bearing on the deterrent in the Implementation of Public-Private Partnerships in terms of lack of transparency.

Further, the data reveal that there is a negative very weak relationship between the existence of PPP projects and the deterrent in the Implementation of Public-Private Partnerships in terms of lack of transparency, as shown by the Phi-value of  $-.037$  and the p-value of  $.811$ , the relationship is not significant at  $.05$ . Thus, the null hypothesis



cannot be rejected. This means that the existence of PPP projects and the lack of transparency as a deterrent in PPP implementation are not related at all.

**Table 21**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Transparency*

Profile of The Local Government Units	Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Transparency					
	Moderate Deterrent		High Deterrent		Total	
	f	%	f	%	f	%
<b>Income Classification</b>						
• 1st Class	1	14.3	6	85.7	7	100.0
• 2nd Class	1	9.1	10	90.9	11	100.0
• 3rd Class	0	0	7	100.0	7	100.0
• 4th Class	4	28.6	10	71.4	14	100.0
• 5th Class	1	25.0	3	75.0	4	100.0
<b>Total</b>	<b>7</b>	<b>16.3</b>	<b>36</b>	<b>83.7</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.358</b>						
<b>p-value = .269</b>						
<b>Existence of an Ordinance on Public-Private Partnership</b>						
• No	5	14.7	29	85.3	34	100.0
• Yes	2	22.2	7	77.8	9	100.0
<b>Total</b>	<b>7</b>	<b>16.3</b>	<b>36</b>	<b>83.7</b>	<b>43</b>	<b>100.0</b>
<b>Phi –value = -.083</b>						
<b>p-value = .587</b>						
<b>Existence of PPP Projects</b>						
• No	6	15.8	32	84.2	38	100.0
• Yes	1	20.0	4	80.0	5	100.0
<b>Total</b>	<b>7</b>	<b>16.3</b>	<b>36</b>	<b>83.7</b>	<b>43</b>	<b>100.0</b>
<b>Phi –value = -.037</b>						
<b>p-value = .811</b>						

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and the Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Political Skills**

Table 22 presents the relationship between the profile of the local government units and the deterrent in the implementation of Public-Private Partnership (PPP) in terms of political skills.

The data show that there is a negative weak relationship between the income classification of the local government units and the lack of political skills as a deterrent in the implementation of public-private partnership, as shown by the Gamma value of  $-.247$  and p-value of  $.424$ , the relationship is not significant at  $.05$ , hence, the null hypothesis cannot be rejected. This signifies that the income classification of the LGUs has no bearing on the lack of political skill as a deterrent in PPP implementation.

The data further reveal that there is a negative very weak relationship between the existence of the PPP ordinance and the deterrent in the PPP implementation in terms of lack of political skills, as shown by the Phi-value of  $-.083$  and p-value of  $.587$ . The p-value is higher than the alpha level of significance set at  $0.05$ , therefore, the null hypothesis cannot be rejected. This means that the existence of PPP ordinance and the lack of political skills as a deterrent in the PPP implementation are not related generally.

In addition, the data show that there is a negative very weak relationship between the existence of PPP projects and the deterrent in the PPP implementation in terms of lack of political skills, as shown by the Phi-value of  $-.037$  and p-value of  $.811$ , the relationship is not significant at  $.05$ . Thus, the null hypothesis cannot be rejected. This implies that the existence of PPP projects of the local government units and the

deterrent in the implementation of PPP in terms of lack of political skills are not related at all.

**Table 22**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Political Skills*

Profile of The Local Government Units	Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Political Skills					
	Moderate Deterrent		High Deterrent		Total	
	f	%	f	%	f	%
<b>Income Classification</b>						
• 1st Class	1	14.3	6	85.7	7	100.0
• 2nd Class	1	9.1	10	90.9	11	100.0
• 3rd Class	1	14.3	6	85.7	7	100.0
• 4th Class	3	21.4	11	78.6	14	100.0
• 5th Class	1	25.0	3	75.0	4	100.0
<b>Total</b>	<b>7</b>	<b>16.3</b>	<b>36</b>	<b>83.7</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.247</b>						
<b>p-value = .424</b>						
<b>Existence of Ordinance on Public-Private Partnership</b>						
• No	5	14.7	29	85.3	34	100.0
• Yes	2	22.2	7	77.8	9	100.0
<b>Total</b>	<b>7</b>	<b>16.3</b>	<b>36</b>	<b>83.7</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = -.083</b>						
<b>p-value = .587</b>						
<b>Existence of PPP Projects</b>						
• No	6	15.8	32	84.2	38	100.0
• Yes	1	20.0	4	80.0	5	100.0
<b>Total</b>	<b>7</b>	<b>16.3</b>	<b>36</b>	<b>83.7</b>	<b>43</b>	<b>100.0</b>
<b>Phi -value = -.037</b>						
<b>p-value = .811</b>						

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Local Resource Generation**

Table 23 shows the relationship between profile of the local government units and the extent of governance innovation in the implementation of public-private partnerships in terms of local resource generation.

Based on the result, there is no relationship between the income classification of the local government units and the extent of governance innovation in the implementation of public-private partnerships in terms of local resource generation, as shown by the Gamma value of .141 and p-value of .433, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This means that annual income of the LGUs has no bearing on the extent of governance innovation in terms of local resource generation.

The results further show that there is a moderate relationship between the existence of PPP ordinance and the extent of governance innovation in terms of local resource generation, as shown by the Cramer's V value of .281 and p-value of .336, the relationship, however, is not significant at .05. Therefore, the null hypothesis cannot be rejected. This implies that the existence of PPP ordinance and the extent of governance innovation in terms of local resource generation were not related in general.

Also, the data show that there is a strong relationship between the existence of PPP projects of the LGUs and the extent of governance innovation in terms of local resource generation, as shown by the Cramer's V value of .321 and p-value of .219,

the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected.

This indicates that the existence the existence of PPP projects of the LGUs and the extent of governance innovation in terms of local resource generation were not related at all.

**Table 23**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Local Resource Generation*

Profile of The Local Government Units	The extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Local Resource Generation									
	Not Innovative		Innovative		Innovative-Active		Innovative-Active and Successful		Total	
	f	%	f	%	f	%	f	%	f	%
<b>Income Classification</b>										
• 1st Class	4	57.1	2	28.6	1	14.3	0	0	7	100.0
• 2nd Class	2	18.2	6	54.5	2	18.2	1	9.1	11	100.0
• 3rd Class	1	14.3	4	57.1	2	28.6	0	0	7	100.0
• 4th Class	4	28.6	4	28.6	5	35.7	1	7.1	14	100.0
• 5th Class	1	25.0	3	75.0	0	0	0	0	4	100.0
<b>Total</b>	<b>12</b>	<b>27.9</b>	<b>19</b>	<b>44.2</b>	<b>10</b>	<b>23.3</b>	<b>2</b>	<b>4.7</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .141</b>										
<b>p-value = .433</b>										
<b>Existence of Ordinance on Public-Private Partnership</b>										
• No	8	23.5	17	50.0	8	23.5	1	2.9	34	100.0
• Yes	4	44.4	2	22.2	2	22.2	1	11.1	9	100.0
<b>Total</b>	<b>12</b>	<b>27.9</b>	<b>19</b>	<b>44.2</b>	<b>10</b>	<b>23.3</b>	<b>2</b>	<b>4.7</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V –value = .281</b>										
<b>p-value = .336</b>										
<b>Existence of PPP Projects</b>										
• No	11	28.9	18	47.4	7	18.4	2	5.3	38	100.0
• Yes	1	20.0	1	20.0	3	60.0	0	0	5	100.0
<b>Total</b>	<b>12</b>	<b>27.9</b>	<b>19</b>	<b>44.2</b>	<b>10</b>	<b>23.3</b>	<b>2</b>	<b>4.7</b>	<b>59</b>	<b>100.0</b>
<b>Cramer's V –value = .321</b>										
<b>p-value = .219</b>										

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Projects and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Environmental Management**

Table 24 displays the results for the relationship between the profile of the local government units and the extent of governance innovation in the implementation of public-private partnerships in terms of environmental management.

The data reveal that there is a moderate relationship between the income classification of the local government units and the extent of governance innovation in PPP implementation in terms of environmental management, as shown by the Gamma value of .071 and the p-value of .681, the relationship, however, is not significant at .05. Thus, the null hypothesis cannot be rejected. This means that the income classification of LGUs and the extent of governance innovation in PPP implementation in terms of environmental management were not related in general.

The results further show that there is a strong relationship between the existence of PPP ordinance and the extent of governance innovation in the implementation of public-private partnerships in terms of environmental management, as shown by the Cramer's V- value of .401 and p-value of .074. However, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This implies that the existence of PPP ordinance has no bearing on the extent of governance innovation in the implementation of public-private partnerships in terms of environmental management.

Also, the data show that there is a moderate relationship between the existence of PPP projects and the extent of governance innovation in the implementation of

public-private partnerships in terms of environmental management, as shown by Cramer's V- value of .276 and p-value of .351, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This implies that the existence of PPP projects and the extent of governance innovation in the implementation of public-private partnerships in terms of environmental management are not related at all.



**Table 24**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Projects and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Environmental Management*

Profile of The Local Government Units	Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Environmental Management									
	Not Innovative		Innovative		Innovative-Active		Innovative-Active and Successful		Total	
	f	%	f	%	f	%	f	%	f	%
<b>Income Classification</b>										
• 1st Class	2	28.6	1	14.3	4	57.1	0	0	7	100.0
• 2nd Class	3	27.3	3	27.3	2	18.2	3	27.3	11	100.0
• 3rd Class	0	0	0	0	5	71.4	2	28.6	7	100.0
• 4th Class	3	21.4	0	0	7	50.0	4	28.6	14	100.0
• 5th Class	2	50.0	1	25.0	1	25.0	0	0	4	59.0
<b>Total</b>	<b>10</b>	<b>23.3</b>	<b>5</b>	<b>11.6</b>	<b>19</b>	<b>44.2</b>	<b>9</b>	<b>20.9</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .071</b>										
<b>p-value = .681</b>										
<b>Existence of an Ordinance on Public-Private Partnership</b>										
• No	8	23.5	3	8.8	18	52.9	5	14.7	34	100.0
• Yes	2	22.2	2	22.2	1	11.1	4	44.4	9	100.0
<b>Total</b>	<b>10</b>	<b>23.3</b>	<b>5</b>	<b>11.6</b>	<b>19</b>	<b>44.2</b>	<b>9</b>	<b>20.9</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V –value = .401</b>										
<b>p-value = .074</b>										
<b>Existence of PPP Projects</b>										
• No	10	26.3	5	13.2	16	42.1	7	18.4	38	100.0
• Yes	0	0	0	0	3	60.0	2	40.0	5	100.0
<b>Total</b>	<b>10</b>	<b>23.3</b>	<b>5</b>	<b>11.6</b>	<b>19</b>	<b>44.2</b>	<b>9</b>	<b>20.9</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V –value = .276</b>										
<b>p-value = .351</b>										

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Social Welfare and Health Services**

Table 25 shows the relationship of the profile of the local government units and the extent of governance innovation in the implementation of public-private partnerships in terms of social welfare and health services.

The data disclose that there is a very weak relationship between the income classification of the local government units and the extent of governance innovation in the implementation of public-private partnerships in terms of social welfare and health services, as shown by Cramer's V-value of .081 and p-value of .628, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This implies that income classification has no bearing on the extent of governance innovation in the implementation of public-private partnerships in terms of social welfare and health services.

The results also reveal that there is a weak association between the existence of PPP ordinance and the extent of governance innovation in the implementation of public-private partnerships in terms of social welfare and health services, as shown by Cramer's V-value of .081 and p-value of .628, the relationship is not significant at .05. Hence, the null hypothesis cannot be rejected. This means that the existence of the PPP ordinance and the extent of governance innovation in the implementation of public-private partnerships in terms of social welfare and health services were not related in general.

Further, the data show that there is a strong relationship between the existence of PPP projects and the extent of governance innovation in the implementation of public-private partnerships in terms of social welfare and health services, as shown by Cramer's V-value of .430\* and p-value of .047, the relationship is significant at .05. Thus, the null hypothesis which states that there is no significant relationship between the existence of PPP projects and the extent of governance innovation in the implementation of public-private partnerships in terms of social welfare and health services is rejected. This implies that the more the local government units have initiated projects on Private-Public Partnership the more they become innovative, active, and successful in terms of social welfare services.

**Table 25**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Social Welfare and Health Services*

Profile of The Local Government Units	Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Social Welfare and Health Services									
	Not Innovative		Innovative		Innovative-Active		Innovative-Active and Successful		Total	
	f	%	f	%	f	%	f	%	f	%
<b>Income Classification</b>										
• 1st Class	1	14.3	4	57.1	0	0	2	28.6	7	100.0
• 2nd Class	3	27.3	3	27.3	2	18.2	3	27.3	11	100.0
• 3rd Class	2	28.6	2	28.6	3	42.9	0	0	7	100.0
• 4th Class	3	21.4	4	28.6	4	28.6	3	21.4	14	100.0
• 5th Class	2	50.0	1	25.0	1	25.0	0	0	4	59.0
<b>Total</b>	<b>11</b>	<b>25.6</b>	<b>14</b>	<b>32.6</b>	<b>10</b>	<b>23.3</b>	<b>8</b>	<b>18.0</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V –value = .081</b>										
<b>p-value = .628</b>										
<b>Existence of Ordinance on Public-Private Partnership</b>										
• No	8	23.5	12	35.3	8	23.5	6	17.6	34	100.0
• Yes	3	33.3	2	22.2	2	22.2	2	22.2	11	100.0
<b>Total</b>	<b>11</b>	<b>25.6</b>	<b>14</b>	<b>32.6</b>	<b>10</b>	<b>23.3</b>	<b>8</b>	<b>18.6</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V –value = .130</b>										
<b>p-value = .867</b>										
<b>Existence of PPP Projects</b>										
• No	11	28.9	14	36.8	7	18.4	6	15.8	38	100.0
• Yes	0	0	0	0	3	60.0	2	40.0	5	100.0
<b>Total</b>	<b>11</b>	<b>25.6</b>	<b>14</b>	<b>32.6</b>	<b>10</b>	<b>23.3</b>	<b>8</b>	<b>18.6</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V –value = .430*</b>										
<b>p-value = .047</b>										

\*Significant at .05

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of People's Participation and Empowerment**

Table 26 shows the relationship between the profile of the local government units and the extent of governance innovation in the implementation of public-private partnerships in terms of people's participation.

The data reveal that there is a very weak relationship between the income classification of the local government units and the extent of governance innovation in the implementation of public-private partnerships in terms of people's participation as shown by Cramer's V-value of .038 and p-value of .846. The p-value is greater than the alpha level of significance set at 0.05, the null hypothesis, therefore cannot be rejected. This implies that the income classification of the LGUs has no bearing on the extent of governance innovation in the implementation of public-private partnerships in terms of people's participation.

Moreover, the data show that there is a strong relationship between the existence of PPP ordinance and the extent of governance innovation in the implementation of public-private partnerships in terms of people's participation as shown by Cramer's V-value of .402 and p-value of .074. However, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This means that the existence of the PPP ordinance and the extent of governance innovation in the implementation of public-private partnerships in terms of people's participation were not related generally.

The data further disclose that there is a moderate relationship between the existence of PPP projects and the extent of governance innovation in the implementation of public-private partnerships in terms of people's participation as shown by Cramer's V-value of .273 and p-value of .361, the relationship is not significant at .05, hence, the null hypothesis cannot be rejected. This implies that the existence of PPP projects and the extent of governance innovation in the implementation of public-private partnerships in terms of people's participation were not related at all.

**Table 26**

*Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of People's Participation and Empowerment*

Profile of The Local Government Units	Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of People's Participation and Empowerment									
	Not Innovative		Innovative		Innovative-Active		Innovative-Active and Successful		Total	
	f	%	f	%	f	%	f	%	f	%
Income Classification										
• 1st Class	1	14.3	2	28.6	2	28.6	2	28.6	7	100.0
• 2nd Class	0	0	1	9.1	7	63.6	3	27.3	11	100.0
• 3rd Class	0	0	2	28.6	4	57.1	1	14.3	7	100.0
• 4th Class	1	7.1	3	21.4	5	35.7	5	35.7	14	100.0
• 5th Class	0	0	1	25.0	2	50.0	1	25.0	4	59.0
<b>Total</b>	<b>2</b>	<b>4.7</b>	<b>9</b>	<b>20.9</b>	<b>20</b>	<b>46.5</b>	<b>12</b>	<b>27.9</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V –value = .038</b>										
<b>p-value = .846</b>										
Existence of Ordinance on Public-Private Partnership										
• No	1	2.9	9	26.5	17	50.0	7	20.6	34	100.0
• Yes	1	11.1	0	0	3	33.3	5	55.6	9	100.0
<b>Total</b>	<b>2</b>	<b>4.7</b>	<b>9</b>	<b>20.9</b>	<b>20</b>	<b>46.5</b>	<b>12</b>	<b>27.9</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V –value = .402</b>										
<b>p-value = .074</b>										
Existence of PPP Projects										
• No	2	5.3	8	21.1	19	50.0	9	23.7	38	100.0
• Yes	0	0	1	20.0	1	20.0	3	60.0	5	100.0
<b>Total</b>	<b>2</b>	<b>4.7</b>	<b>9</b>	<b>20.9</b>	<b>20</b>	<b>46.5</b>	<b>12</b>	<b>27.9</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V –value = .273</b>										
<b>p-value = .361</b>										

**Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Productivity Improvement and Management Innovation**

Table 27 presents the relationship between the profile of the local government units and the extent of governance innovation in the implementation of public-private partnerships in terms of productivity improvement and management innovation.

Based on the results there is a very weak relationship between the income classification of the local government units and the extent of governance innovation in the implementation of public-private partnerships in terms of productivity improvement and management innovation as shown by Cramer's V-value of .028 and p-value of .884, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This implies that the income classification of the local government units has no bearing on the extent of governance innovation in the implementation of public-private partnerships in terms of productivity improvement and management innovation.

The results also show that there is a strong relationship between the existence of PPP ordinance and the extent of governance innovation in the implementation of public-private partnerships in terms of productivity improvement and management innovation as shown by Cramer's V-value of .380 and p-value of .102, the relationship, however, is not significant at .05. The null hypothesis, therefore, cannot be rejected. This indicates that the existence of the PPP ordinance and the extent of governance innovation in the implementation of public-private partnerships in terms of productivity improvement and management innovation are not related in general.



The table further shows that there is a strong relationship between the existence of PPP projects among local government units and the extent of governance innovation in the implementation of public-private partnerships in terms of productivity improvement and management innovation as shown by Cramer's V-value of .384 and p-value of .097. The relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This implies that the existence of PPP projects and the extent of governance innovation in the implementation of public-private partnerships in terms of productivity improvement and management innovation were not related at all.

**Table 27**

*Relationship between Profile of the Local Government Units in terms of Income*

*Classification, Existence of Ordinance on Public-Private Partnership, and Existence of*

*PPP Project and Extent of Governance Innovation in the Implementation of Public-*

*Private Partnerships in terms of Productivity Improvement and Management Innovation*

Profile of The Local Government Units	Extent of Governance Innovation in the Implementation of Public-Private Partnerships in terms of Productivity Improvement and Management Innovation									
	Not Innovative		Innovative		Innovative-Active		Innovative-Active and Successful		Total	
	f	%	f	%	f	%	f	%	f	%
Income Classification										
• 1st Class	1	14.3	3	42.9	2	28.6	1	14.3	7	100.0
• 2nd Class	0	0	5	45.5	5	45.5	1	9.1	11	100.0
• 3rd Class	0	0	4	57.1	2	28.6	1	14.3	7	100.0
• 4th Class	3	21.4	4	28.6	5	35.7	2	14.3	14	100.0
• 5th Class	1	25.0	1	25.0	1	25.0	1	25.0	4	59.0
<b>Total</b>	<b>5</b>	<b>11.6</b>	<b>17</b>	<b>39.5</b>	<b>15</b>	<b>34.9</b>	<b>6</b>	<b>14.0</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V-value = -.028</b>										
<b>p-value = .884</b>										
Existence of Ordinance on Public-Private Partnership										
• No	4	12.5	14	43.8	12	37.5	2	6.3	32	100.0
• Yes	1	9.1	3	27.3	3	27.3	4	36.4	11	100.0
<b>Total</b>	<b>5</b>	<b>11.6</b>	<b>17</b>	<b>39.5</b>	<b>15</b>	<b>34.9</b>	<b>6</b>	<b>14.0</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V-value = .380</b>										
<b>p-value = .102</b>										
Existence of PPP Projects										
• No	4	11.1	15	41.7	14	38.9	3	8.3	36	100.0
• Yes	1	14.3	2	28.6	1	14.3	3	42.9	7	100.0
<b>Total</b>	<b>5</b>	<b>11.6</b>	<b>17</b>	<b>39.5</b>	<b>15</b>	<b>34.9</b>	<b>6</b>	<b>14.0</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V-value = .384</b>										
<b>p-value = .097</b>										

**Overall Relationship between Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships**

Table 28 presents the overall relationship between the profile of the local government units in terms of income classification, the existence of ordinances on Public-Private Partnership, and the existence of PPP projects and the extent of governance innovation in the implementation of Public-Private Partnerships.

The results reveal that there is a strong relationship between income classification and the extent of governance innovation in the implementation of Public-Private Partnerships as shown by Cramer's V-value of .302 and a p-value of .451. The p-value is greater than the alpha level of significance set at 0.05, thus, the null hypothesis which states that there is no significant relationship between the income classification and the extent of governance innovation in PPP implementation cannot be rejected. This means that income classification has no bearing on the extent of governance innovation in PPP implementation. The findings of this study disagree with the findings of the study by Capuno (2010) which revealed that wealthier LGUs had a marginally higher rate of innovation than poorer LGUs. The findings suggest that wealthy LGUs may already have several innovations in place, and hence can expect only modest gains from a new, more expensive invention. Also, the study by Zhang et al., (2019) suggests that local government units should assess its fiscal affordability before it enters a certain PPP project to avoid financial risk for long term investments. Thus, considering the financial capacity of the LGU before engaging in PPP.

Further, the statistical result yielded a Cramer's V value of .284 which means that there is a moderate relationship between the existence of PPP ordinance and the

extent of governance innovation in PPP implementation. With a  $p$  – value of .176 the relationship is not significant at .05. Therefore, the null hypothesis cannot be rejected. This implies that the existence of PPP ordinance and the extent of governance innovation in PPP implementation were not generally related. The findings of this study contradict the findings of the study by De Haan et al., (2006) which reported that policies and market-oriented institutions of communities advocating Public Private Partnerships are strongly related to economic growth.

On the other hand, the data indicate that there is a strong relationship between the existence of PPP projects and the extent of governance innovation as shown by Cramer's  $V$  value of .438, and a  $p$ -value of .016. The relationship is significant at .05, thus, the null hypothesis which states that there is no relationship between the existence of PPP projects and the extent of governance innovation in PPP implementation is rejected. This means that the existence of PPP projects has a bearing on the extent of governance innovation in PPP implementation. This implies that local government units that adopted PPP projects have higher innovation rates, they were classified as innovative-active- successful than those LGUs with no PPP projects.

***Emerging theme #11 Changing Mindset for Expanded Public-Private Sphere***

This emerging theme will help further explain the quantitative findings in Table 28 on the reasons which gave a push to the local government units in engaging with the private sector despite their income categories and the absence of a PPP ordinance.

The researcher found that changing mindsets or perceptions on how to better economies and achieved the development agenda of the local government units is a precursor to governance innovation in the implementation of Public-Private Partnerships. Reforming mindsets and behaviors is essentially about shaping collective mindsets and values that will shape behaviors. Brillantes and Fernandez (2010) as cited in Hechanova (2017) developed a reform framework on the experiences of government institutions. They suggest that reforms begin with a vision for change. However, this vision needs to be accompanied by reform in structures, processes, and institutions, citizen engagement, and changes in mindsets and behavior across sectors. Further, they contend that the active engagement of citizens' organizations allows people to have a voice and makes the government more responsive and accountable for in-service delivery, the approach tends to be holistic and participative, and the resources are pooled together for the benefit of the majority in the society.

In this regard, Participant C verbalized the innate desire of the leader, the mayor himself to change the mindset of people in adhering to the new public service management where society is viewed from a pluralistic perspective, where governance goes beyond government, the government is no longer the sole provider of public services considering its inherent limitations to its resources as well.

Participant C said:

*“He wanted to change their mindset and culture. He also knew that if he won’t partner with the private sector, he would not be able to get funding or support in addition to the limited public fund, which is why he did an assessment of the whole municipality. After which, he knew what to prioritize.”*

Participant C further added:

*“The former mayor encouraged us to go for partnership, one day he said to me “Sea Oil Foundation is in the city. Visit him.” Then I would reply: “what would I do there, Mayor?” Then he would say: “Nothing, you will just have coffee with him and talk, but bring this folder (that would mean business). So, we have this kind of system before.”*

She further recalled saying:

*“Yes, we bid out for partnerships. Last week, we went to Pavia market, Central market and Super market, because we are also trying to engage our market into private partnerships. We initially planned to co-manage with the vendors’ association. When we visited Super market, we learned that SM City Builders is trying to buy out the Super market, so that’s a partnership with the private sector. That is what we are trying to learn now on how our public market can also be engaged with private sector for partnerships.”*

The same sentiment was echoed by Participant B as she expressed in her words:

*“The mindset of the individual assigned and the ability to interact with private partners is a factor. Private partners are more concerned about whom they can trust and looks after the rapport of the staff, aside from the technical skills of the staff.”*

The realization of the importance of public-private partnership as the new norm in governance was also echoed by Participant A, saying:

*“We find PPP very beneficial for the government. It’s beneficial because number 1, the resources will come from the private sector, mostly with no financial input from the local government unit. Number 2, we can do away with red tape. We can also have revenues without putting in too much personal services cost and all those things”.*

Further, he recalled: *“If I were to be asked, local markets have to be privatized. They actually got this idea from us.”*

Moreover, Participant A also highlighted the need to change the mindset of the municipal personnel as to the benefit that they could derive from partnering with the private sector with only the government providing tax incentives within the 5-year duration. In his words:

*“I had an argument with the treasurer. She said 5 years would only collect a small income. So, I said, “Think about it. You give them 5 years, and if they have already invested, why would they not re-invest after? Do not just think of those 5 years. Think of the next 50 years that they will be here.”*

Participant F also expressed in his words the advantages of resorting to private sector partnership rather than with the national government, as he expressed:

*“Personally, I am not in favor of the Build Build Build because it’s the government who proposes the projects, so the government would take loans so they can build their projects. Basically, we will only have increased debts if that’s the case because we have to repay until everything is paid. However, when we only partner with the private sector, we won’t need to spend an amount and at the end of the day, the project belongs to us.”*

The participants when asked about what are their ongoing services in their respective local government units under PPP, the following were their responses.

In the words of Participant B:

*“We have also a state-of-the-art sanitary landfill and that is under PPP. We have 40 hectares of a sanitary landfill, it is done through the PPP, it is in partnership with B.E.S.T Technology.”*

She added, *“Yes, also, in our electricity, of course, there is also a PPP involved and later on the electricity will be owned by the cooperative. The water supply is under PPP for the South Balibago Waterworks Inc., and then the slaughterhouse was an investment out of the joint venture with Bam-I, Monterey.”*

Participant A mentioned also the services and facilities under PPP in their local government unit, saying:

*“In our LGU, we have identified PPP projects... one is with the Pilipinas Water for our water supply, another is the Transport Terminal at Robinson’s Place.”*



The existence of public-private partnerships among the local government units as shared by the participants of the study is in line with the provisions of the Local Government Code of 1991 which also provided for the policy context for the emergence of entrepreneurial local governments by encouraging LGUs to enter joint ventures and partnerships with the private sector such as build-operate-transfer arrangements among others in their desire to deliver services for the welfare of the constituents.

According to Sec. 35 of RA 7160 ( Local Government Code of 1991), the local government units may enter into joint ventures and other cooperative arrangements with peoples and non-governmental organizations to engage in the delivery of certain basic services, capability-building and livelihood projects, and to develop local enterprises designed to improve productivity and income, diversify agriculture, spur rural industrialization, promote ecological balance, and enhance the economic and social well-being of the people.

As to the promotion of linkages between the government and the people and non-government organizations, Participant B said in her statement:

*“Our Mayor utilizes consultative government as a strategy in leading the people. Every week, they conduct a Barangay Day. It is when they go to every barangay to check on its people and consult when there are project proposals.”*

She further stated:

*“CSOs are all involved in all activities in the city. In several special bodies, there is always a CSO representative, and the religious sectors are also represented by pastors and other representatives from*

*different religious groups. They are usually invited by the mayor to assess the peace and order in the barangays and they would usually report to the Mayor's office."*

Also, Participant A confirmed the observation of the requirement under the LGC of 1991 as to the participation of NGOs in their Local Development Council (LDC), in his words: *"We have observed that a quarter of the members of LDCs are NGOs."*

Based on Sec. 34, RA 7160 (Role of Peoples and Nongovernmental Organizations), the local Governmental units shall promote the establishment and operation of peoples and nongovernmental organizations to become active partners in the pursuit of local autonomy. Thus, LGUs are encouraged to come up with innovative processes, or even new structures that would give venues for greater involvement of the private sector or NGOs in governance. Such a mechanism is in consonance with one of the principles of decentralization which recognizes that administrative and organizational reforms, aside from legislative enabling acts, shall form the continuing mechanism to enhance local autonomy. Hence, it requires leaders to become innovative and transformative in expanding the public-private sphere. As espoused by Jurgen Habermas (Reyes, 2015) a strong proponent of democracy, a public sphere is a space where people come together as citizens articulating private and independent views that are meant in a way to influence policymaking institutions for more participatory and accountable governance.

The de-bureaucratization or the transfer of some public functions and responsibilities, which the government may perform, to private entities or NGOs as mandated by the LGC of 1991 encourages the LGUs to have less reliance on the national government and to deliver services relying efficiently and effectively on their internally generated resources or resources jointly generated with other institutions, to

augment the LGUs lack of capital or even technical or managerial capability.

Therefore, the new public management theory of Osborne and Gaebler's Reinventing Government (2005) proved to be relevant in managing the affairs of the LGUs today.

**Table 28**

*Overall Relationship between Perceived Profile of the Local Government Units in terms of Income Classification, Existence of Ordinance on Public-Private Partnership, and Existence of PPP Project and Extent of Governance Innovation in the Implementation of Public-Private Partnerships*

Profile of The Local Government Units	Extent of Governance Innovation in the Implementation of Public-Private Partnerships							
	Innovative		Innovative-Active		Innovative-Active and Successful		Total	
	f	%	f	%	f	%	f	%
<b>Income Classification</b>								
• 1st Class	3	42.9	3	42.9	1	14.3	7	100.0
• 2nd Class	4	36.4	4	36.4	3	27.3	11	100.0
• 3rd Class	1	14.3	6	85.7	0	0	7	100.0
• 4th Class	5	35.7	5	35.7	4	28.6	14	100.0
• 5th Class	1	25.0	3	75.0	0	0	4	59.0
<b>Total</b>	<b>14</b>		<b>21</b>		<b>7</b>		<b>43</b>	<b>100.0</b>
<b>Cramer's V-value = .302</b>								
<b>p-value = .451</b>								
<b>Existence of Ordinance on Public-Private Partnership</b>								
• No	12	37.5	16	50.0	4	12.5	32	100.0
• Yes	2	18.2	5	45.5	4	36.4	11	100.0
<b>Total</b>	<b>14</b>	<b>32.6</b>	<b>21</b>	<b>48.8</b>	<b>8</b>	<b>18.6</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V-value = .284</b>								
<b>p-value = .176</b>								
<b>Existence of PPP Projects</b>								
• No	13	36.1	19	52.8	4	11.1	36	100.0
• Yes	1	14.3	2	28.6	4	57.1	7	100.0
<b>Total</b>	<b>14</b>	<b>32.6</b>	<b>21</b>	<b>48.8</b>	<b>8</b>	<b>18.6</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V-value = .438*</b>								
<b>p-value = .016</b>								

**\*Significant at .05\***

**Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation and Empowerment, and Productivity Improvement and Management Innovations**

Table 29 shows the relationship between promoters in PPP implementation in terms of effective, efficient, and responsive governance and the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units of Iloilo province in in areas of local resource generation, environmental management, social welfare and health services, people's participation and empowerment, and productivity improvement and management innovations.

The data reveal that there is a weak relationship between the promoters of PPP implementation in terms of effective, efficient, and responsive governance and the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units in the area of local resource generation, as shown by the Gamma value of .492 and p-value of .126. The p-value is greater than the alpha level of significance set at 0.05, the null hypothesis, therefore, cannot be rejected. This implies that promoters of PPP implementation in terms of effective, efficient, and responsive governance and the extent of governance innovation in PPP Implementation in the area of local resource generation are not generally related.

The data show that there is a weak relationship between the promoters of PPP implementation in terms of effective, efficient, and responsive governance and the extent of governance innovation in the implementation of a Public-Private Partnership

among the local government units in the area of environmental management as shown by the Gamma value of .316 and p-value of .258, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This means that effective, efficient, and responsive governance has no bearing on the extent of governance innovation in PPP implementation in the area of environmental management.

The statistical analysis also revealed a Gamma value of .024 and a p-value of .953. This signifies that there is no significant relationship between the promoters of PPP in terms of effective, efficient, and responsive governance and the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units in the area of social welfare and health services. Thus, the null hypothesis cannot be rejected. This means that promoters in PPP such as effective, efficient, and responsive governance and the extent of governance innovation in PPP implementation in terms of social welfare and health services are not related in general.

Moreover, as shown by the Gamma value of .140 which indicates no relationship between variables, and a p-value of .706. This means that there is no significant relationship between promoters of PPP in terms of effective, efficient, and responsive governance and the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units in the area of people's participation and empowerment. Thus, the null hypothesis cannot be rejected. This implies that promoters of PPP in terms of effective, efficient, and responsive governance and the extent of governance innovation in PPP implementation in terms of people's participation and empowerment were not generally related.

The results further show that there is a negative strong relationship between the promoters of PPP implementation in terms of effective, efficient, and responsive governance and the extent of governance innovation in the implementation of a Public-

Private Partnership among the local government units in the area of productivity improvement and management innovation as shown by Cramers V value of -.419 and p-value of .197, the relationship is not significant at .05. Therefore, the null hypothesis cannot be rejected. This implies that promoters of PPP such as effective, efficient, and responsive governance are not related to the extent of governance innovation in PPP implementation in terms of productivity improvement and management innovation.

**Table 29**

*Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Effective, Efficient, and Responsive)					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
<b>Local Resource Generation</b>						
• Not Innovative	2	40.0	15	27.8	17	28.8
• Innovative	3	60.0	21	38.9	24	40.7
• Innovative-Active	0	0	14	25.9	14	23.7
• Innovative-Active and Successful	0	0	4	7.4	4	6.8
<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .492</b>		<b>p-value = .126</b>				
<b>Environmental Management</b>						
• Not Innovative	1	20.0	13	24.1	14	23.7
• Innovative	1	20.0	4	7.4	5	8.5
• Innovative-Active	3	60.0	22	40.7	25	42.4
• Innovative-Active and Successful	0	0	15	27.8	15	25.4
<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .316</b>		<b>p-value = .258</b>				
<b>Social Welfare and Health Services</b>						
• Not Innovative	2	40.0	14	25.9	16	27.1
• Innovative	1	20.0	15	27.8	16	27.1
• Innovative-Active	0	0	14	25.9	14	23.7
• Innovative-Active and Successful	2	40.0	11	20.4	13	22.0
<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .024</b>		<b>p-value = .953</b>				



People's Participation and Empowerment						
• Not Innovative	0	0	4	7.4	4	6.8
• Innovative	1	20.0	9	16.7	10	16.9
• Innovative-Active	2	40.0	23	42.6	25	42.4
• Innovative-Active and Successful	2	40.0	18	33.3	20	33.9
<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .140</b>		<b>p-value = .706</b>				

Productivity Improvement and Management Innovation						
• Not Innovative	0	0	6	11.1	6	10.2
• Innovative	1	20.0	21	38.9	22	37.3
• Innovative-Active	3	60.0	18	33.3	21	35.9
• Innovative-Active and Successful	1	20.0	9	16.7	10	16.9
<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Cramer's V = -.419</b>		<b>p-value = .197</b>				

**Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Transparency) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations**

Based on the data in table 30 on the relationship between promoters in the implementation of Public-Private Partnership in terms of Good Governance Practices on the aspect of transparency and extent of governance innovation in the implementation of a Public-Private Partnership among the local government units of Iloilo Province in areas of local resource generation, environmental management, social welfare, and health services, people's participation and empowerment, and productivity improvement and management innovations the following results were generated:

There is a weak relationship between promoters of PPP implementation in terms of transparency and the extent of governance innovation in the area of local resource generation, as shown by a Gamma value of .261 and a p-value of .357, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This implies that transparency as a promoter in PPP implementation does not have bearing on the extent of governance innovation in local resource generation.

In terms of transparency as a PPP promoter and the extent of innovation in the area of environmental management, results show that there is a very weak relationship among the variables, as indicated by the Gamma value of .256 and a p-value of .393, the relationship is not significant at .05. Therefore, the null hypothesis cannot be

rejected. This implies that promoters of PPP implementation in terms of transparency and the extent of governance innovation in terms of environmental management were not generally related.

There is no relationship between promoters of PPP in terms of transparency and the extent of governance innovation in the area of social welfare and health services, as shown by the Gamma value of .133 and a p-value of .733, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This means that promoters of PPP implementation in terms of transparency have no bearing on the extent of governance innovation in the area of social welfare and services.

There is no relationship between the promoters of PPP implementation in terms of transparency as good governance practice and the extent of governance innovation in the area of people's empowerment and empowerment, as indicated by the Gamma value of .240 and a p-value of .528, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This means that transparency as a promoter in PPP implementation has no bearing on the extent of governance innovation in the area of people's participation and empowerment.

Further, there is a weak relationship between the promoters of PPP implementation in terms of transparency and the extent of governance innovation in the area of productivity improvement and management innovation, as shown by the Gamma value of .045 and a p-value of .900, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This means that transparency as a good governance practice and promoter of PPP implementation has no bearing on the extent of governance innovation in the area of productivity improvement and management innovation.

**Table 30**

*Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Transparency) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Transparency)					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
<b>Local Resource Generation</b>						
• Not Innovative	1	20.0	11	28.9	12	27.9
• Innovative	4	80.0	15	39.5	19	44.2
• Innovative-Active	0	0	10	26.3	10	23.3
• Innovative-Active and Successful	0	0	2	5.3	2	4.7
<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = .261</b>	<b>p-value = .357</b>					
<b>Environmental Management</b>						
• Not Innovative	1	20.0	9	23.7	10	23.3
• Innovative	1	20.0	4	10.5	5	11.6
• Innovative-Active	3	60.0	16	42.1	19	44.2
• Innovative-Active and Successful	0	0	9	23.7	9	20.9
<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .256</b>	<b>p-value = .393</b>					
<b>Social Welfare and Health Services</b>						
• Not Innovative	2	40.0	9	23.7	11	25.6
• Innovative	1	20.0	13	34.2	14	32.6
• Innovative-Active	1	20.0	9	23.7	10	23.3
• Innovative-Active and Successful	1	20.0	7	18.4	8	18.6
<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .133</b>	<b>p-value = .733</b>					

People's Participation and Empowerment						
• Not Innovative	0	0	2	5.3	2	4.7
• Innovative	2	40.0	7	18.4	9	20.9
• Innovative-Active	2	40.0	18	47.4	20	46.5
• Innovative-Active and Successful	1	20.0	11	28.9	12	27.9
<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .240</b>	<b>p-value = .528</b>					
Productivity Improvement and Management Innovation						
• Not Innovative	1	20.0	4	10.5	5	11.6
• Innovative	1	20.0	16	42.1	17	39.5
• Innovative-Active	3	60.0	12	31.6	15	34.9
• Innovative-Active and Successful	0	0	6	15.8	6	14.0
<b>Total</b>	<b>5</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .045</b>	<b>p-value = .900</b>					

**Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Leadership and Participation) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations**

The data in table 31 presents the relationship between the promoters in the implementation of a Public-Private Partnership in terms of leadership and participation as good governance practices and the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units of Iloilo province in in areas of local resource generation, environmental management, social welfare and health services, people's participation and empowerment, and productivity improvement and management innovations. The following results were generated:

First, there is no relationship between the promoters in PPP implementation in terms of leadership and participation as good governance practices and the extent of governance innovation in the area of local resource generation as shown by the Gamma value of .014 and a p-value of .163. Thus, the null hypothesis cannot be rejected. This means that leadership and participation as promoters of PPP implementation and the extent of governance innovation in the area of local resource generation are not related at all. The findings of the study contradict the study of Maddick (1991) as cited in Reyes (2015) that in the process of mobilizing local resources and with good leadership, the local government units also promote the participation or involvement of the people and the private sector.

Second, there is no relationship between the promoters in PPP implementation in terms of leadership and participation as good governance practices and the extent of governance innovation in the area of environmental management as indicated by the Gamma value of .139 and a p-value of .653, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This signifies that promoters of PPP implementation such as leadership and participation have no bearing on the extent of governance innovation in the area of environmental management.

Third, there is a negative no relationship between the promoters in PPP implementation in terms of leadership and participation and the extent of governance innovation in the area of social welfare and health services, as shown by Gamma value of -.102 and a p-value of .761. The p-value is higher than the alpha level of significance set at 0.05, therefore, the null hypothesis cannot be rejected. This implies that promoters in PPP implementation in terms of leadership and participation as good governance practices have no bearing on the extent of governance innovation in PPP implementation in the area of social welfare and health services.

Moreover, there is a negative no relationship among the variables such as leadership and participation as promoters of PPP implementation and the extent of governance innovation in the area of people's participation and empowerment, as indicated by the Gamma value of -.203 and a p-value of .558, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This means that promoters of PPP implementation in terms of leadership and participation and the extent of governance innovation in the area of people's participation and empowerment were not generally related.

Lastly, there is no relationship between the promoters in PPP implementation in terms of leadership and participation and the extent of governance innovation in the

area of productivity improvement and management innovation as shown by the Gamma value of .145 and a p-value of .655, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This implies that leadership and participation as promoters of PPP implementation and the extent of governance innovation in the area of productivity improvement and management innovation are not related in general.



**Table 31**

*Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Leadership and Participation) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Promoters in the Implementation of Public-Private Partnerships in terms of Good Governance Practices (Leadership and Participation)					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
<b>Local Resource Generation</b>						
• Not Innovative	1	16.7	11	29.7	12	27.9
• Innovative	4	66.7	15	40.5	19	44.2
• Innovative-Active	1	16.7	9	24.3	10	23.3
• Innovative-Active and Successful	0	0	2	5.4	2	4.7
<b>Total</b>	<b>6</b>	<b>100.0</b>	<b>37</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = .014</b>	<b>p-value = .163</b>					
<b>Environmental Management</b>						
• Not Innovative	1	16.7	9	24.3	10	23.3
• Innovative	2	33.3	3	8.1	5	11.6
• Innovative-Active	2	33.3	17	45.9	19	44.2
• Innovative-Active and Successful	1	16.7	8	21.6	9	20.9
<b>Total</b>	<b>6</b>	<b>100.0</b>	<b>37</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .139</b>	<b>p-value = .653</b>					
<b>Social Welfare and Health Services</b>						
• Not Innovative	1	16.7	10	27.0	11	25.6
• Innovative	3	50.0	11	29.7	14	32.6
• Innovative-Active	0	0	10	27.0	10	23.3
• Innovative-Active and Successful	2	33.3	6	16.2	8	18.6
<b>Total</b>	<b>6</b>	<b>100.0</b>	<b>37</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.102</b>	<b>p-value = .761</b>					

People's Participation and Empowerment						
• Not Innovative	0	0	2	5.4	2	4.7
• Innovative	1	16.7	8	21.6	9	20.9
• Innovative-Active	3	50.0	17	45.9	20	46.5
• Innovative-Active and Successful	2	33.3	10	27.0	12	27.9
<b>Total</b>	<b>6</b>	<b>100.0</b>	<b>37</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.203</b>	<b>p-value = .558</b>					
Productivity Improvement and Management Innovation						
• Not Innovative	1	16.7	4	10.8	5	11.6
• Innovative	2	33.3	15	40.5	17	39.5
• Innovative-Active	3	50.0	12	32.4	15	34.9
• Innovative-Active and Successful	0	0	6	16.2	6	14.0
<b>Total</b>	<b>6</b>	<b>100.0</b>	<b>37</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .145</b>	<b>p-value = .655</b>					

**Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Accountability) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations**

Table 32 displays the relationship between promoters in the implementation of a Public-Private Partnership in terms of good governance practices in terms of accountability and the extent of governance innovation in the implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in areas of local resource generation, environmental management, social welfare and health services, people's participation and empowerment, and productivity improvement and management innovations. The data showed the following results:

There is a moderate relationship between the promoters of PPP implementation of good governance practices on the aspect of accountability and the extent of governance innovation in local resource generation as shown by the Gamma value of .608 and the p-value of .125, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This signifies that accountability as a promoter in PPP implementation has no bearing on the extent of governance innovation in local resource generation.

There is no relationship between the promoters of PPP implementation of good governance practices on the aspect of accountability and the extent of governance innovation in environmental management as shown by the Gamma value of .000 and a p-value of .1.000, the relationship is significant at .05. Therefore, the null hypothesis

cannot be rejected. This implies that the practice of accountability as a promoter of PPP implementation and the extent of governance innovation in environmental management were not perfectly related.

There is a negative no relationship between good governance practices on accountability as a promoter of PPP implementation and the extent of governance innovation in terms of social welfare and health services, as indicated in the Gamma value of  $-.111$  and a p-value of  $.787$ , the relationship is not significant at  $.05$ . Thus, the null hypothesis cannot be rejected. This means that promoters of PPP implementation in terms of good governance practices on the aspect of accountability and the extent of governance innovation in terms of social welfare and health services are not related at all.

As shown by the Gamma value of  $.010$ , there is no relationship between the promoters of PPP implementation of good governance practices on the aspect of accountability and the extent of governance innovation in the category of people's participation and empowerment. With a p-value of  $.981$ , the relationship is not significant at  $.05$ , therefore, the null hypothesis cannot be rejected. This indicates that practices of accountability have no bearing on the extent of governance innovation in people's participation and empowerment.

The statistical results showed that there is an negative weak relationship between the promoters of PPP implementation of good governance practices on the aspect of accountability and the extent of governance innovation in the category of productivity improvement and management innovation as indicated by the Gamma value of  $-.308$  and a p-value of  $.330$ , the relationship is not significant at  $.05$ . Thus, the null hypothesis cannot be rejected. This means that practices of accountability as promoter in PPP implementation and the extent of governance innovation in the

category of productivity improvement and management innovation are not related in general.

**Table 32**

*Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Accountability) and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices (Accountability)					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
Local Resource Generation						
• Not Innovative	2	50.0	10	25.6	12	27.9
• Innovative	2	50.0	17	43.6	19	44.2
• Innovative-Active	0	0	10	25.6	10	23.3
• Innovative-Active and Successful	0	0	2	5.1	2	4.7
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = .608</b>	<b>p-value = .125</b>					
Environmental Management						
• Not Innovative	0	0	10	25.6	10	23.3
• Innovative	1	25.0	4	10.3	5	11.6
• Innovative-Active	3	75.0	16	41.0	19	44.2
• Innovative-Active and Successful	0	0	9	23.1	9	20.9
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .000</b>	<b>p-value = 1.000</b>					
Social Welfare and Health Services						
• Not Innovative	1	25.01	10	25.6	11	25.6
• Innovative	1	25.0	13	33.3	14	32.6

• Innovative-Active	1	25.0	9	23.1	10	23.3
• Innovative-Active and Successful	1	25.0	7	17.9	8	18.6
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.111</b>	<b>p-value = .787</b>					
People's Participation and Empowerment						
• Not Innovative	0	0	2	5.1	2	4.7
• Innovative	1	25.0	8	20.5	9	20.9
• Innovative-Active	2	50.0	18	46.2	20	46.5
• Innovative-Active and Successful	1	25.0	11	28.2	12	27.9
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .010</b>	<b>p-value = .981</b>					
Productivity Improvement and Management Innovation						
• Not Innovative	0	0	5	12.8	5	11.6
• Innovative	1	25.0	16	41.0	17	39.5
• Innovative-Active	3	75.0	12	30.8	15	34.9
• Innovative-Active and Successful	0	0	6	15.4	6	14.0
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.308</b>	<b>p-value = .330</b>					

**Overall Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province**

Table 33 presents the overall relationship between perceived promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices and the extent of governance innovation in the implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province.

The findings reveal that there is a negative weak relationship between good governance practices as promoters in PPP implementation and the extent of governance innovation among local government units in Iloilo province as indicated by the Gamma value of  $-.273$  and a p-value of  $.278$ . The relationship is not significant at  $.05$ , thus, the null hypothesis that states that there is no significant relationship between the promoters in PPP implementation in terms of good governance practices and the extent of governance innovation cannot be rejected. The findings of the study disagree with the findings of the study by Raquiza (2018), which revealed that good governance is widely viewed as a requisite to achieving economic growth and development, especially in developing countries.

However, the findings of this study agree with the findings of the study by Ohno and Ohno (2013), which explained and revealed that good governance practices among institutions in developing countries are not the only requirements needed to achieve economic growth that led to positive reforms and innovations. They contend that economic development is likely to be more rapid if markets mediating resource allocation in any country become more efficient. According to them, the Heterodox growth-promoting approaches to governance have argued that markets are inherently



inefficient in developing countries and, even with the best political will, structural characteristics of developing economies ensure governance and development that market efficiency remains low till a substantial degree of development is achieved. Given the structural limitations of markets in developing countries, successful development requires critical governance capacities of states to accelerate private and public accumulation and to ensure productivity growth. The same findings were supported by the findings of the study conducted by Barney (1991) who reported that strategic resources and competitive advantage of the organization are vital in economic development, thus, an organization's resources have a direct link to the sustained competitive advantage of the firm. Moreover, Sani and Ahmed (2018) revealed that PPP is only suitable for projects with a clear output and large market demand, and certain profitability. Albalate et al. (n.d., as cited in Zhang (2019), discovered that the private sector is more willing to join in public-private partnerships in areas where investment costs are more likely to be recovered. Lastly, Yehoue et al. (n.d., as cited in Zhang, 2019) as cited in Zhang (2019), reported that countries with large market sizes, or good institutional quality are likely to promote PPP development.

To better understand the determinants of governance innovation in the implementation of Public-Private Partnership among the local government units in Iloilo province aside from the good governance practices of government institutions the emerging theme "*Unsustainable Market Factor*" will provide a deeper view of the phenomenon.

### ***Emerging Theme #12 Unfavorable Market Factor***

Based on the experience of other countries and governments, Wang (2017) contends that PPPs should be used more frequently to provide much-needed infrastructure, promote local economies, provide public services, and regenerate metropolitan regions.

On the other hand, the study of Kojan (2005) revealed that any PPP collaboration is built on the principle of sharing. The private sector participants will not bear all the risks or costs in a public-private partnership investment if not generate a profit. Also, Usman and Ahmed (2018) revealed that PPP is only suitable for projects with a clear output and large market demand, and certain profitability.

In most of the municipalities in Iloilo province, however, the participants confirmed that one limitation that hinders them to enter a partnership with the private sector is their capacity to provide the required counterpart for PPP to flourish, such as the need for land, strategic location, high demands for sustainability and profitability which made their LGUs unfavorable for potential investments. Hence, market factor is equally important as good governance practices in governmental institutions.

In this regard, Participant E shared that there was a supposed PPP in one of their big projects (sanitary landfill) but was not realized due to the lack of land of the LGU, in his words:

*“There was supposedly a PPP proposal for a sanitary landfill, the problem is we don’t have the property required. We cannot provide the land area.”*

Participant E also clarified in his statement that the investors are also after the return on investment they could get from the partnership, so other LGUs do not take the risks of partnership, being aware of the LGU's limitations to provide. In the interview he shared:

*“The investors would, obviously, ask for their returns of investment depending on your terms and conditions, shares, or whatever. That is probably why the LGU is scared to take the risk. There really is not much of pressure if they own the project. For example, our market was LGU funded. Imagine for how many years.”*

Participant F also mentioned that the market size of the LGU is a factor that deters PPP implementation, he said:

*“It is really a great advantage if we have PPP. The problem however is that no private investor is interested to propose and invest projects in us considering that we are only small as an LGU. It is just that we lack the potential for big projects.”*

Zhang et al (2019) revealed that PPP is not fit for every type of infrastructure development projects, such as those with a low initial investment, ambiguous outcomes, or insufficient market demand. Abuse of PPP applications may put local governments' finances in danger, reducing the efficiency of infrastructure investment. Albalade et al. as cited in Zhang et al. (2019), discovered that the private sector is more willing to join in public-private partnerships in areas where investment costs are more likely to be recovered.

It was attested by Participant G who particularly said:

*“It is only in the city where investors would invest in big projects like skyways. These are usually the investors’ ventures. However, for some municipalities that are not highly urbanized yet, there are barely a few to none who would invest.”*

She further explained, saying:

*“As I’ve said earlier if you can observe PPP projects are leading toward transportation facilities like roads, and skyways. And these investments are not prevalent in some municipalities like ours.”*

The same sentiment was shared by Participant E, who said:

*“We are a fourth-class municipality. So, whom do you think would invest millions? If they invested, they have to have returns on investment because that’s economics. Actually, our biggest issue is the lack of land area.”*

This was also affirmed by Participant F, who said:

*“Private sectors would not usually also invest in small projects because they may not gain and recover their investments back from it, so because we are only a small town, we also don’t have a big project to propose to them.”*

Participant F further said:

*“In big cities and municipalities, they can put up many projects unlike us here where no one from the private sector is interested to invest in us due to our size.”*

Participant G also highlighted the importance of location for PPP to flourish, she said:

*“Yes, location is an important factor, they consider the strategic location for investment, and they also assess the LGU’s potentials and opportunities for engagement.”*

Participant F in his statement made mention of the economic indicators that the investors are looking for before they decide to go for partnership. In his words

*“The investors would also look into the socio-economic status of the town. They would assess the towns’ potential, the number of people who have high economic status, the number of workers, and the availability of some goods and products. These are the economic indicators that the investors would look into before they propose and put-up projects in partnership with the town.”*

This was affirmed in the statement of Participant E who said:

*“Another one is, is the LGU ready to accept the proposal of the private sector? Because for example, if there are infrastructure projects, they should be ready. It has to have a land area ready, and a counterpart, or else.... but it depends if the private sector would have it in full swing. In the operation, the LGU has to be ready with its manpower, also with what I said earlier. Another need is the property. The partnership cannot be done if the LGU doesn’t have the property to build the project, right?”*

From the inputs of the participants, it is indeed important that the local government units should have the needed resources for PPP to succeed. The findings confirm the results of the study by Barney (1991) pertaining to strategic

resources and competitive advantage, he found that the organization's resources have a direct link to the sustained competitive advantage of the organization. Thus, Porter (1980) as cited in Barney (1991) suggests that firms should analyze their competitive environment, choose their strategies, and then acquire the resources needed to implement their strategies.

Moreover, from the perspective of Kinicho Ohno and Izumi Ohno(2013), good governance was viewed as having two equally important indicators. First, the Growth-promoting approach to governance, which believed that markets are inherently inefficient in poor and developing countries, hence, at the disadvantaged side in PPP implementation. Therefore, the government should try to rectify and provide these market inefficiencies and inadequacies respectively. Second, is the Growth- enhancing governance capabilities, these are capabilities that allow developing countries to cope with the property right instability of early development and maintain political stability in a context of endemic and structural reliance on patron-client politics. Thus, in attaining development both sets of governance should not be treated separately but are interrelated in many ways.

**Table 33**

*Overall Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Good Governance Practices and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province*

Extent of Governance Innovation in the Implementation of a Public- Private Partnership among the Local Government Units	Promoters in the Implementation of Public- Private Partnership in terms of Good Governance Practices					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
• Innovative	0	0	14	35.0	14	32.6
• Innovative-Active	3	100.0	18	45.0	21	48.8
• Innovative-Active and Successful	0	0	8	20.0	8	18.6
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = -.273</b>	<b>p-value = .278</b>					

**Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Market Factor and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation and Empowerment, and Productivity Improvement and Management Innovations**

Table 34 discloses the relationship between promoters in the implementation of Public- Private Partnership in terms of market factors and the extent of governance innovation in PPP implementation in areas of local resource generation, environmental management, social welfare, and health services, people's participation and empowerment, and productivity improvement and management innovations. The data reveal the following statistical results.

There is a moderate relationship between the market factor as a promoter of PPP implementation and the extent of governance innovation in local resource generation, as shown by the Gamma value of .608 and a p-value of .125, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This implies that the market factor has no bearing on the extent of governance innovation in local resource generation.

There is no relationship between the market factor as a promoter of PPP implementation and the extent of governance innovation in terms of environmental management as indicated in the Gamma value of .000 and a p-value of 1.000, the relationship is significant at .05, the null hypothesis, therefore, cannot be rejected. This means that the market factor as a promoter in PPP implementation and the extent of



governance innovation in terms of environmental management were not perfectly related.

Moreover, there is a negative no relationship between the market factor as a promoter of PPP implementation and the extent of governance innovation in terms of social welfare and health services as shown by the Gamma value of  $-.111$  and a p-value of  $.787$ , the relationship is not significant at  $.05$ . Therefore, the null hypothesis cannot be rejected. This implies that promoters of PPP implementation such as the market factor and the extent of governance innovation in social services were not related at all.

Further, there is no relationship between the promoters of PPP implementation in terms of market factor and the extent of governance innovation in people's participation and empowerment as shown by the Gamma value of  $.010$  and a p-value of  $.981$ . Thus, the nul hypothesis cannot be rejected. This means that the market factor and the extent of governance innovation in people's participation and empowerment were not generally related.

In addition, there is no relationship between the promoters of PPP implementation in terms of market factor and the extent of governance innovation in the category of productivity improvement and management innovation as shown by the Gamma value of  $-.308$  and p-value of  $.330$ , thus, the null hypothesis cannot be rejected. This implies that the market factor has no bearing on the extent of governance innovation in the category of productivity improvement and management innovation.

**Table 34**

*Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Market Factor and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Market Factor					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
<b>Local Resource Generation</b>						
• Not Innovative	2	50.0	10	25.6	12	27.9
• Innovative	2	50.0	17	43.6	19	44.2
• Innovative-Active	0	0	10	25.6	10	23.3
• Innovative-Active and Successful	0	0	2	5.1	2	4.7
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = .608</b>	<b>p-value = .125</b>					
<b>Environmental Management</b>						
• Not Innovative	0	0	10	25.6	10	23.3
• Innovative	1	25.0	4	10.3	5	11.6
• Innovative-Active	3	75.0	16	41.0	19	44.2
• Innovative-Active and Successful	0	0	9	23.1	9	20.9
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .000</b>	<b>p-value = 1.000</b>					
<b>Social Welfare and Health Services</b>						
• Not Innovative	1	25.0	10	25.6	11	25.6
• Innovative	1	25.0	13	33.3	14	32.6
• Innovative-Active	1	25.0	9	23.1	10	23.3
• Innovative-Active and Successful	1	25.0	7	17.9	8	18.6
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.111</b>	<b>p-value = .787</b>					

People's Participation and Empowerment						
• Not Innovative	0	0	2	5.1	2	4.7
• Innovative	1	25.0	8	20.5	9	20.9
• Innovative-Active	2	50.0	18	46.2	20	46.5
• Innovative-Active and Successful	1	25.0	11	28.2	12	27.9
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .010</b>	<b>p-value = .981</b>					
Productivity Improvement and Management Innovation						
• Not Innovative	0	0	5	12.8	5	11.6
• Innovative	1	25.0	16	41.0	17	39.5
• Innovative-Active	3	75.0	12	30.8	15	34.9
• Innovative-Active and Successful	0	0	6	15.4	6	14.0
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.308</b>	<b>p-value = .330</b>					

**Relationship between the Perceived Promoters in the Implementation of Public-Private Partnership in terms of Institutional Environment and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations**

Table 35 presents the relationship between the perceived promoters in the implementation of Public- Private Partnership in terms of institutional environment and the extent of governance innovation in five governance areas identified in this study.

The results showed that there is a weak relationship between the promoters in PPP implementation on the aspect of institutional environment and the extent of governance innovation in local resource generation as indicated by the Gamma value of .413 and a p-value of .307, the relationship is not significant at .05. Therefore, the null hypothesis cannot be rejected. This implies that promoters of PPP such as institutional environment have no bearing on the extent of governance innovation in local resource innovation.

On the other hand, there is a strong relationship between institutional environment as a promoter of PPP implementation and governance innovation in environmental management as shown by the Gamma value of .073 and a p-value of .790, the relationship, however, is not significant at .05. Thus, the null hypothesis cannot be rejected. This means that the institutional environment and governance innovation in environmental management were not generally related.

There is a weak relationship between promoters of PPP implementation on the aspect of the institutional environment and the extent of governance innovation in

terms of social welfare and health services as shown by the Gamma value of .044 and p-value of .931. The relationship is not significant at .05, thus, the null hypothesis cannot be rejected. This signifies that the institutional environment has no bearing on the extent of governance innovation in terms of social welfare and health services.

Further, the statistical result as indicated in the Gamma value of .000 signifies no relationship between the promoters of PPP implementation in terms of institutional environment and the extent of governance innovation in people's participation and empowerment, with a p-value of 1.000 which means that the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This implies that the institutional environment as a promoter in PPP implementation has no bearing on the extent of governance innovation in people's participation and empowerment. These findings contradict the study of Capuno's (2010) which indicated that LGUs who participate in networks, where members can share information, mentor one another, or compete in a friendly manner, appear to be more ambitious and innovative.

Lastly, there is a negative no relationship between the promoters of PPP implementation in terms of institutional environment and the extent of governance innovation in productivity improvement and management innovation as shown by the Gamma value of -.205 and a p-value of .571, the relationship is not significant at .05. Therefore, the null hypothesis cannot be rejected. This means that the institutional environment as a promoter and the extent of governance innovation in productivity improvement and management innovation are not related at all.

**Table 35**

*Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Institutional Environment and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Institutional Environment					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
<b>Local Resource Generation</b>						
• Not Innovative	1	33.3	11	27.5	12	27.9
• Innovative	2	66.7	17	42.5	19	44.2
• Innovative-Active	0	0	10	25.0	10	23.3
• Innovative-Active and Successful	0	0	2	5.0	2	4.7
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = .413</b>	<b>p-value = .307</b>					
<b>Environmental Management</b>						
• Not Innovative	0	0	10	25.0	10	23.3
• Innovative	1	33.3	4	10.0	5	11.6
• Innovative-Active	2	66.7	17	42.5	19	44.2
• Innovative-Active and Successful	0	0	9	22.5	9	20.9
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .073</b>	<b>p-value = .790</b>					
<b>Social Welfare and Health Services</b>						
• Not Innovative	1	33.3	10	25.0	11	25.6
• Innovative	1	33.3	13	32.5	14	32.6
• Innovative-Active	0	0	10	25.0	10	23.3
• Innovative-Active and Successful	1	33.3	7	17.5	8	18.6
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .044</b>	<b>p-value = .931</b>					

People's Participation and Empowerment						
• Not Innovative	0	0	2	5.0	2	4.7
• Innovative	1	33.3	8	20.0	9	20.9
• Innovative-Active	1	33.3	19	47.5	20	46.5
• Innovative-Active and Successful	1	33.3	11	27.5	12	27.9
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .000</b>	<b>p-value = 1.000</b>					
Productivity Improvement and Management Innovation						
• Not Innovative	0	0	5	12.5	5	11.6
• Innovative	1	33.3	16	40.0	17	39.5
• Innovative-Active	2	66.7	13	32.5	15	34.9
• Innovative-Active and Successful	0	0	6	15.0	6	14.0
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.205</b>	<b>p-value = .571</b>					

**Relationship between Promoters in the Implementation of Public-Private Partnership in terms of Government Support and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation and Empowerment, and Productivity Improvement and Management Innovation**

Table 36 displays the data for the relationship between perceived promoters in the implementation of Public-Private Partnership in terms of government support and extent of governance innovation in the implementation of a Public-Private Partnership among the local government units of Iloilo Province in the areas of local resource generation, environmental management, social welfare, and health services, people's participation and empowerment, and Productivity improvement and management innovation. The data reveal the following results:

There is no relationship between government support as a promoter in PPP implementation and the extent of governance innovation in terms of local resource generation as shown by the Gamma value of .000 and a p-value of 1.000, the relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This means that government support has no bearing at all on the extent of governance innovation in local resource generation. The findings of the study confirm the study of

There is a weak relationship between the promoters of PPP implementation in terms of government support and the extent of governance innovation in environmental management as indicated by the Gamma value of .044 and a p-value of .931, the relationship is not significant at .05. Therefore, the null hypothesis cannot be rejected.



This signifies that government support as a promoter of PPP implementation and the extent of governance innovation are not related at all.

There is a negative weak relationship between government support as a promoter in PPP implementation and the extent of governance innovation in social welfare and health services as shown by the Gamma value of  $-.226$  and a p-value of  $.614$ , the relationship is not significant at  $.05$ . Thus, the null hypothesis cannot be rejected. This implies that government support has no bearing on the extent of governance innovation in social welfare and health services.

There is a negative weak relationship between government support and the extent of governance innovation in people's participation and empowerment as shown by the Gamma value of  $-.328$  and a p-value of  $.548$ , the relationship is not significant at  $.05$ . Thus, the null hypothesis cannot be rejected. This means that government support as a promoter of PPP implementation and the extent of governance innovation in people's participation and empowerment are not generally related.

There is a weak relationship between the promoters of PPP implementation in terms of government support and the extent of governance innovation in productivity improvement and management innovation as shown in the Gamma value of  $.211$  and a p-value of  $.570$ , the relationship is not significant at  $.05$ . Thus, the null hypothesis cannot be rejected. This signifies that government support has no bearing on the extent of governance innovation in productivity improvement and management innovation

**Table 36**

*Relationship between Perceived Promoters in the Implementation of Public-Private Partnership in terms of Government Support and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Promoters in the Implementation of Public-Private Partnership in terms of Government Support					
	Moderate Promoter		High Promoter		Total	
	f	%	f	%	f	%
<b>Local Resource Generation</b>						
• Not Innovative	0	0	12	30.0	12	27.9
• Innovative	3	100.0	16	40.0	19	44.2
• Innovative-Active	0	0	10	25.0	10	23.3
• Innovative-Active and Successful	0	0	2	5.0	2	4.7
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = .000                      p-value = 1.000</b>						
<b>Environmental Management</b>						
• Not Innovative	1	33.3	10	25.0	11	25.6
• Innovative	1	33.3	13	32.5	14	32.6
• Innovative-Active	0	0	10	25.0	10	23.3
• Innovative-Active and Successful	1	33.3	7	17.5	8	18.6
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .044                      p-value = .931</b>						
<b>Social Welfare and Health Services</b>						
• Not Innovative	1	25.0	15	27.3	16	27.1
• Innovative	1	25.0	15	27.3	16	27.1
• Innovative-Active	0	0	14	25.5	14	23.7
• Innovative-Active and Successful	2	50.0	11	20.0	13	22.0
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>55</b>	<b>100.0</b>	<b>59</b>	<b>100.0</b>
<b>Gamma Value = -.226                      p-value = .614</b>						

People's Participation and Empowerment						
• Not Innovative	0	0	2	5.0	2	4.7
• Innovative	1	33.3	8	20.0	9	20.9
• Innovative-Active	0	0	20	50.0	20	46.5
• Innovative-Active and Successful	2	66.7	10	25.0	12	27.9
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.328</b>	<b>p-value = .548</b>					
Productivity Improvement and Management Innovation						
• Not Innovative	0	0	5	12.5	5	11.6
• Innovative	2	66.7	15	37.5	17	39.5
• Innovative-Active	1	33.3	14	35.0	15	34.9
• Innovative-Active and Successful	0	0	6	15.0	6	14.0
<b>Total</b>	<b>3</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .211</b>	<b>p-value = .570</b>					

**Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovation**

Table 37 presents the relationship between the deterrents in the implementation of Public-Private Partnerships in terms of the lack of policies and guidelines and the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units of Iloilo Province in the areas of local resource generation, environmental management, social welfare and health services, people's participation, empowerment, and productivity improvement and management innovation.

Based on the result, there is a weak relationship between the deterrents in PPP implementation in terms of lack of policies and guidelines and the extent of governance innovation in local resource generation as shown by the Gamma value of .320 and a p-value of .328, the relationship is not significant at .05. Therefore, the null hypothesis cannot be rejected. This implies that the lack of policies and guidelines as deterrents in PPP implementation have no bearing on the extent of governance innovation in local resource generation.

There is a weak relationship between the lack of policies and guidelines as deterrents in PPP implementation and the extent of governance innovation in environmental management as indicated in the Gamma value of .207 and a p-value of .417. The relationship is not significant at .05, thus, the null hypothesis cannot be

rejected. This means that the lack of policies and guidelines and the extent of governance innovation in environmental management were not related at all.

Further, there is a strong relationship between the perceived deterrents in PPP implementation in terms of lack of policies and guidelines and the extent of governance innovation in social welfare and services, as shown by the Gamma value of .096 and a p-value of .812. The relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This implies that a lack of policies and guidelines has no bearing on the extent of governance innovation in social welfare and services.

In addition, there is no relationship between the lack of policies and guidelines as deterrents in PPP implementation and the extent of governance innovation in people's participation and empowerment, as indicated by the Gamma value of .010 and a p-value of .981. Therefore, the null hypothesis cannot be rejected. This implies that the lack of policies and guidelines and the extent of governance innovation in people's participation and empowerment are not generally related.

Lastly, there is a negative weak relationship between the deterrents of PPP implementation in terms of lack of policies and guidelines and the extent of governance innovation in productivity improvement and management innovation as shown by the Gamma value of -.308 and a p-value of .330. The relationship is not significant at .05. This means that the lack of policies and guidelines on PPP implementation has no bearing on the extent of governance innovation in productivity improvement and management innovation.

**Table 37**

*Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Policies and Guidelines					
	Moderate Deterrent		High Deterrent		Total	
	f	%	f	%	f	%
<b>Local Resource Generation</b>						
• Not Innovative	1	25.0	11	28.2	12	27.9
• Innovative	3	75.0	16	41.0	19	44.2
• Innovative-Active	0	0	10	25.6	10	23.3
• Innovative-Active and Successful	0	0	2	5.1	2	4.7
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = .320                      p-value = .328</b>						
<b>Environmental Management</b>						
• Not Innovative	0	0	10	25.6	10	23.3
• Innovative	2	50.0	3	7.7	5	11.6
• Innovative-Active	2	50.0	17	43.6	19	44.2
• Innovative-Active and Successful	0	0	9	23.1	9	20.9
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .207                      p-value = .417</b>						
<b>Social Welfare and Health Services</b>						
• Not Innovative	1	25.0	10	25.6	11	25.6
• Innovative	2	50.0	12	30.8	14	32.6
• Innovative-Active	0	0	10	25.6	10	23.3
• Innovative-Active and Successful	1	25.0	7	17.9	8	18.6
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .096                      p-value = .812</b>						

People's Participation and Empowerment						
• Not Innovative	0	0	2	5.1	2	4.7
• Innovative	1	25.0	8	20.5	9	20.9
• Innovative-Active	2	50.0	18	46.2	20	46.5
• Innovative-Active and Successful	1	25.0	11	28.2	12	27.9
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .010</b>	<b>p-value = .981</b>					
Productivity Improvement and Management Innovation						
• Not Innovative	0	0	5	12.8	5	11.6
• Innovative	1	25.0	16	41.0	17	39.5
• Innovative-Active	3	75.0	12	30.8	15	34.9
• Innovative-Active and Successful	0	0	6	15.4	6	14.0
<b>Total</b>	<b>4</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.308</b>	<b>p-value = .330</b>					

**Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Financial Resources and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation and Empowerment, and Productivity Improvement and Management Innovations**

Table 38 discloses the relationship between perceived deterrents in the implementation of Public-Private Partnerships in terms of lack of financial resources and the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units of Iloilo Province in the areas of local resource generation, environmental management, social welfare, and health services, people's participation and empowerment, and productivity improvement and management innovations. The following were the results generated.

There is no relationship between the lack of financial resources as a perceived deterrent in PPP implementation and the extent of governance innovation in local resource generation as indicated by the Gamma value of .022 and a p-value of .943, thus, the null hypothesis cannot be rejected. This implies that the lack of financial resources among local government units has no bearing on the extent of governance innovation in local resource generation.

There is a weak relationship between the deterrents in PPP implementation in terms of the lack of financial resources and the extent of governance innovation in environmental management, as shown by the Gamma value of .276 and a p-value of .380. The relationship is not significant at .05, thus, the null hypothesis cannot be rejected. This means that the deterrent in PPP implementation such as the lack of



financial resources and the extent of governance innovation in environmental management are not related at all.

There is no relationship between the lack of financial resources as a perceived deterrent in PPP implementation and the extent of governance innovation in social welfare and services, as indicated by the Gamma value of .023 and a p-value of .380. The relationship is not significant at .05. Therefore, the null hypothesis cannot be rejected. This signifies that the lack of financial resources has no bearing on the extent of governance innovation in social welfare and services.

There is a weak relationship between perceived deterrents in PPP implementation on the lack of financial resources and the extent of governance innovation in people's participation and empowerment, as shown by the Gamma value of .481 and a p-value of .123. The relationship is not significant at .05, therefore, the null hypothesis cannot be rejected. This implies that the lack of financial resources and the extent of governance innovation in people's participation are not generally related

There is no relationship between the perceived deterrents of PPP implementation on the lack of financial resources and the extent of governance innovation in productivity improvement and management innovation as indicated by the Gamma value of .010 and a p-value of .978. The p-value is higher than the alpha level of significance set at 0.05, therefore, the null hypothesis cannot be rejected. This signifies that the lack of financial resources has no bearing on the extent of governance innovation in productivity improvement and management innovation.

**Table 38**

*Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Financial Resources and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Financial Resources					
	Moderate Deterrent		High Deterrent		Total	
	f	%	f	%	f	%
Local Resource Generation						
• Not Innovative	2	25.0	10	28.6	12	27.9
• Innovative	4	50.0	15	42.9	19	44.2
• Innovative-Active	2	25.0	8	22.9	10	23.3
• Innovative-Active and Successful	0	0	2	5.7	2	4.7
<b>Total</b>	<b>8</b>	<b>100.0</b>	<b>35</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = .022</b>	<b>p-value = .943</b>					
Environmental Management						
• Not Innovative	3	37.5	7	20.0	10	23.3
• Innovative	2	25.0	3	8.6	5	11.6
• Innovative-Active	1	12.5	18	51.4	19	44.2
• Innovative-Active and Successful	2	25.0	7	20.0	9	20.9
<b>Total</b>	<b>8</b>	<b>100.0</b>	<b>35</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .276</b>	<b>p-value = .380</b>					
Social Welfare and Health Services						
• Not Innovative	3	37.5	8	22.9	11	25.6
• Innovative	2	25.0	12	34.3	14	32.6
• Innovative-Active	0	0	10	28.6	10	23.3
• Innovative-Active and Successful	3	37.5	5	14.3	8	18.6
<b>Total</b>	<b>8</b>	<b>100.0</b>	<b>35</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .023</b>	<b>p-value = .945</b>					

## People's Participation and Empowerment

• Not Innovative	0	0	2	5.7	2	4.7
• Innovative	1	12.5	8	22.9	9	20.9
• Innovative-Active	3	37.5	17	48.6	20	46.5
• Innovative-Active and Successful	4	50.0	8	22.9	12	27.9
<b>Total</b>	<b>8</b>	<b>100.0</b>	<b>35</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .481</b>	<b>p-value = .123</b>					

## Productivity Improvement and Management Innovation

• Not Innovative	2	25.0	3	8.6	5	11.6
• Innovative	2	25.0	15	42.9	17	39.5
• Innovative-Active	2	25.0	13	37.1	15	34.9
• Innovative-Active and Successful	2	25.0	4	11.4	6	14.0
<b>Total</b>	<b>8</b>	<b>100.0</b>	<b>35</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .010</b>	<b>p-value = .978</b>					

**Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Low Degree of Marketization and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation and Empowerment, and Productivity Improvement and Management Innovations**

Table 39 shows the relationship between perceived deterrents in the implementation of Public-Private Partnerships in terms of low degree of marketization and the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units of Iloilo Province in the areas of local resource generation, environmental management, social welfare, and health services, people's participation and empowerment, and productivity improvement and management innovations.

The data reveal that there is a negative no relationship between the deterrents in the implementation of Public-Private Partnerships in terms of low degree of marketization and the extent of governance innovation in PPP implementation in local resource generation, as shown by the Gamma value of  $-.166$  and a p-value of  $.561$ , the relationship is not significant at  $p < .05$ . Thus, the null hypothesis cannot be rejected. This means that low degree of marketization as a deterrent in implementation has no bearing on the extent of governance innovation in local resource generation.

The results also showed that there is a moderate relationship between a low degree of marketization and the extent of governance innovation in PPP implementation in terms of environmental management, as indicated by the Gamma value of  $.074$  and a p-value of  $.794$ . Therefore, the null hypothesis cannot be rejected.

It signifies that a low degree of marketization and the extent of governance innovation in PPP implementation in environmental management are not generally related.

Moreover, there is a negative weak relationship between the deterrents in the implementation of Public-Private Partnerships in terms of low degree of marketization and the extent of governance innovation in PPP implementation in social welfare and services, as shown by the Gamma value of  $-.331$  and a p-value of  $.272$ . The p-value is higher than the alpha level of significance set at  $0.05$ , therefore, the null hypothesis cannot be rejected. This implies that the low degree of marketization and the extent of governance innovation in social welfare services are not related at all.

Further, there is a negative weak relationship between the deterrent of PPP implementation on the aspect of low degree of marketization and the extent of governance innovation in terms of people's participation and empowerment, as presented in the Gamma value of  $-.400$  and a p-value of  $.173$ , the relationship is not significant at  $.05$ . Thus, the null hypothesis cannot be rejected. This indicates that the low degree of marketization has no bearing on the extent of governance innovation in people's participation and empowerment.

In addition, there is a negative weak relationship between the low degree of marketization and the extent of governance innovation in PPP implementation in terms of productivity improvement and management innovation, as shown by the Gamma value of  $-.408$  and a p-value of  $.136$ , the relationship is not significant at  $.05$ . Therefore, the null hypothesis cannot be rejected. This means that the low degree of marketization and the extent of governance innovation in PPP implementation in terms of productivity improvement and management innovation were not related.

**Table 39**

*Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Low Degree of Marketization and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Deterrents in the Implementation of Public-Private Partnerships in terms of Low Degree of Marketization					
	Moderate Deterrent		High Deterrent		Total	
	f	%	f	%	f	%
Local Resource Generation						
• Not Innovative	2	20.0	10	30.3	12	27.9
• Innovative	5	50.0	14	42.4	19	44.2
• Innovative-Active	2	20.0	8	24.2	10	23.3
• Innovative-Active and Successful	1	10.0	1	3.0	2	4.7
<b>Total</b>	<b>10</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = -.166</b>	<b>p-value = .561</b>					
Environmental Management						
• Not Innovative	2	20.0	8	24.2	10	23.3
• Innovative	2	20.0	3	9.1	5	11.6
• Innovative-Active	3	30.0	16	48.5	19	44.2
• Innovative-Active and Successful	3	30.0	6	18.2	9	20.9
<b>Total</b>	<b>10</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.074</b>	<b>p-value = .794</b>					
Social Welfare and Health Services						
• Not Innovative	3	30.0	8	24.2	11	25.6
• Innovative	1	10.0	13	39.4	14	32.6
• Innovative-Active	1	10.0	9	27.3	10	23.3
• Innovative-Active and Successful	5	50.0	3	9.1	8	18.6
<b>Total</b>	<b>10</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.331</b>	<b>p-value = .272</b>					

People's Participation and Empowerment						
• Not Innovative	0	0	2	6.1	2	4.7
• Innovative	2	20.0	7	21.2	9	20.9
• Innovative-Active	3	30.0	17	51.5	20	46.5
• Innovative-Active and Successful	5	50.0	7	21.2	12	27.9
<b>Total</b>	<b>10</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.400</b>	<b>p-value = .173</b>					
Productivity Improvement and Management Innovation						
• Not Innovative	0	0	5	15.2	5	11.6
• Innovative	4	40.0	13	39.4	17	39.5
• Innovative-Active	3	30.0	12	36.4	15	34.9
• Innovative-Active and Successful	3	30.0	3	9.1	6	14.0
<b>Total</b>	<b>10</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>
<b>Gamma Value = -.408</b>	<b>p-value = .136</b>					

**Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Transparency and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations**

Table 40 presents the relationship between perceived deterrents in the implementation of Public-Private Partnerships in terms of lack of transparency and the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units of Iloilo Province in the areas of local resource generation, environmental management, social welfare, and health services, people's participation and empowerment, and productivity improvement and management innovations. The following results were generated.

There is a negative no relationship between the lack of transparency as deterrent in PPP implementation and the extent of governance innovation in local resource generation, as shown by the Gamma value of  $-.164$  and a p-value of  $.583$ , the relationship is not significant at  $.05$ , thus, the null hypothesis cannot be rejected. This implies that the lack of transparency has no bearing on the extent of governance innovation in local resource generation

There is a negative weak relationship between the deterrents in PPP implementation on the aspect of the lack of transparency and the extent of governance innovation in environmental management, as indicated by the Gamma value of  $-.425$  and a p-value of  $.126$ . The p-value is higher than the alpha level of significance set at  $0.05$ , therefore, the null hypothesis cannot be rejected. This implies that the lack of



transparency as a deterrent in PPP implementation and the extent of governance innovation in environmental management are not generally related.

There is a negative no relationship between the deterrents in PPP implementation in terms of the lack of transparency and the extent of governance innovation in social welfare and health services, as shown by the Gamma value of  $-.138$  and a p-value of  $.698$ . The relationship is not significant at  $.05$ , hence, the null hypothesis cannot be rejected. This means that the lack of transparency and the extent of governance innovation in social welfare and services were not related at all.

There is a negative no relationship between the variables the lack of transparency as a deterrent in PPP implementation and the extent of governance innovation in people's participation and empowerment, as reflected in the Gamma value of  $-.111$  and a p-value of  $.762$ . The relationship is not significant at  $.05$ . Therefore, the null hypothesis cannot be rejected. This means that the lack of transparency and the extent of governance innovation in people's participation and empowerment are not related at all.

There is a negative strong relationship between the deterrents in PPP implementation in terms of the lack of transparency and the extent of governance innovation in productivity management and innovation, as shown in the Gamma value of  $-.085$  and a p-value of  $.797$ , the relationship is not significant at  $.05$ , hence, the null hypothesis cannot be rejected. This indicates that the lack of transparency has no bearing on the extent of governance innovation in productivity improvement and management innovation.

**Table 40**

*Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Transparency and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Transparency					
	Moderate Deterrent		High Deterrent		Total	
	f	%	f	%	f	%
<b>Local Resource Generation</b>						
• Not Innovative	1	14.3	11	30.6	12	27.9
• Innovative	4	57.1	15	41.7	19	44.2
• Innovative-Active	2	28.6	8	22.2	10	23.3
• Innovative-Active and Successful	0	0	2	5.6	2	4.7
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>36</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = -.164</b>	<b>p-value = .583</b>					
<b>Environmental Management</b>						
• Not Innovative	0	0	10	27.8	10	23.3
• Innovative	1	14.3	4	11.1	5	11.6
• Innovative-Active	4	57.1	15	41.7	19	44.2
• Innovative-Active and Successful	2	28.6	7	19.4	9	20.9
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>36</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.425</b>	<b>p-value = .126</b>					
<b>Social Welfare and Health Services</b>						
• Not Innovative	2	28.6	9	25.0	11	25.6
• Innovative	2	28.6	12	33.3	14	32.6
• Innovative-Active	0	0	10	27.8	10	23.3
• Innovative-Active and Successful	3	42.9	5	13.69	8	18.6
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>36</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.138</b>	<b>p-value = .693</b>					

People's Participation and Empowerment						
• Not Innovative	1	14.3	1	2.8	2	4.7
• Innovative	1	14.3	8	22.2	9	20.9
• Innovative-Active	2	28.6	18	50.0	20	46.5
• Innovative-Active and Successful	3	4	9	25.0	12	27.9
		2.9				
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>36</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.111</b>		<b>p-value = .762</b>				
Productivity Improvement and Management Innovation						
• Not Innovative	1	14.3	4	11.1	5	11.6
• Innovative	2	28.6	15	41.7	17	39.5
• Innovative-Active	3	42.9	12	33.3	15	34.9
• Innovative-Active and Successful	1	14.3	5	13.9	6	14.0
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>36</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.085</b>		<b>p-value = .797</b>				

**Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Political Skills and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations**

Table 41 discloses the relationship between perceived deterrents in the implementation of Public-Private Partnerships in terms of lack of political skills and the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units of Iloilo Province in the areas of local resource generation, environmental management, social welfare, and health services, people's participation and empowerment, and productivity improvement and management innovations.

The statistical results showed that there is a strong relationship between the lack of political skills as a deterrent in PPP implementation and the extent of governance innovation in terms of local resource generation, as indicated by the Gamma value of .092 and a p-value of .164, the relationship, however, is not significant at .05. Thus, the null hypothesis which says that there is no significant relationship between the deterrents in PPP implementation in terms of the lack of political skills and the extent of governance innovation in local resource generation cannot be rejected. This implies that the lack of political skills and the extent of governance innovation in local resource generation are not generally related.

The data reveal that there is no relationship between the lack of political skills and the extent of governance innovation in terms of environmental management, as

shown by the Gamma value of .124 and a p-value of .627. The p-value is higher than the alpha level of significance set at 0.05, therefore, the null hypothesis cannot be rejected. This means that the lack of political skills as a deterrent to PPP implementation and the extent of governance innovation in environmental management are not generally related.

The results further show that there is a strong association between the lack of political skills and social welfare and health services, as shown by the Gamma value of .079 and a p-value of .809. The relationship, however, is not significant at .05, thus, the null hypothesis cannot be rejected. This implies that the lack of political skills and the extent of governance innovation in social welfare and health services are not related at all.

Moreover, there is no relationship between the deterrents in PPP implementation in terms of the lack of political skills and the extent of governance innovation in people's participation and empowerment, as reflected in the Gamma value of .006 and a p-value of .986. The relationship is not significant at .05. Thus, the null hypothesis cannot be rejected. This signifies that the lack of political skills has no bearing on the extent of governance innovation in people's participation and empowerment. This indicates that the lack of political skills and the extent of governance innovation in people's participation and empowerment are not generally related.

Lastly, there is a negative weak relationship between a lack of political skills and the extent of governance innovation in terms of productivity improvement and management innovation, as shown by the Gamma value of -.399 and a p-value of .165. The p-value is higher than the alpha level of significance set at 0.05, therefore, the null hypothesis cannot be rejected. This signifies that the lack of political skills and

the extent of governance innovation in terms of productivity improvement and management innovation are not generally related.

**Table 41**

*Relationship between Perceived Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Political Skills and Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units of Iloilo Province in the Areas of Local Resource Generation, Environmental Management, Social Welfare, and Health Services, People's Participation, Empowerment, and Productivity Improvement and Management Innovations*

Extent of Governance Innovation in the Implementation of a Public-Private Partnership among the Local Government Units	Deterrents in the Implementation of Public-Private Partnerships in terms of Lack of Political Skills					
	Moderate Deterrent		High Deterrent		Total	
	f	%	f	%	f	%
<b>Local Resource Generation</b>						
• Not Innovative	1	14.3	11	30.6	12	27.9
• Innovative	5	71.4	14	38.9	19	44.2
• Innovative-Active	1	14.3	9	25.0	10	23.3
• Innovative-Active and Successful	0	0	2	5.6	2	4.7
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>36</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma value = .092</b>		<b>p-value = .164</b>				
<b>Environmental Management</b>						
• Not Innovative	0	0	10	27.8	10	23.3
• Innovative	2	28.6	3	8.3	5	11.6
• Innovative-Active	4	57.1	15	41.7	19	44.2
• Innovative-Active and Successful	1	14.3	8	22.2	9	20.9
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>36</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .124</b>		<b>p-value = .627</b>				
<b>Social Welfare and Health Services</b>						
• Not Innovative	2	28.6	9	25.0	11	25.6
• Innovative	3	42.9	11	30.6	14	32.6
• Innovative-Active	0	0	10	27.8	10	23.3
• Innovative-Active and Successful	2	28.6	6	16.7	8	18.6
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>36</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .079</b>		<b>p-value = .809</b>				

People's Participation and Empowerment						
• Not Innovative	0	0	2	5.6	2	4.7
• Innovative	2	28.6	7	19.4	9	20.9
• Innovative-Active	3	42.9	17	47.2	20	46.5
• Innovative-Active and Successful	2	28.6	10	27.8	12	27.9
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>36</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = .006</b>	<b>p-value = .986</b>					
Productivity Improvement and Management Innovation						
• Not Innovative	0	0	5	13.9	5	11.6
• Innovative	2	28.6	15	41.7	17	39.5
• Innovative-Active	4	57.1	11	30.6	15	34.9
• Innovative-Active and Successful	1	14.3	5	13.9	6	14.0
<b>Total</b>	<b>7</b>	<b>100.0</b>	<b>36</b>	<b>100.0</b>	<b>43</b>	<b>100.0</b>
<b>Gamma Value = -.399</b>	<b>p-value = .165</b>					

## CHAPTER 5

### Summary, Conclusions, Recommendations

Public-Private Partnership as a governance innovation is imperative for the government sector to provide public services and infrastructures to augment the public sector revenues and spending. In the Philippine government, the 1987 Philippine Constitution recognizes the importance of the private sector as the primary driver of national progress. Thus, MC No. 2016-120, "Guidelines for the Implementation of the Public-Private Partnership for the People Initiative for Local Governments ", was issued by the Department of the Interior and Local Government (DILG) which was supplemented by the Joint Memorandum Circular of 2019 issued by the DILG and the Public-Private Partnership Center (PPPC) MC No. 2019-01 dated December 10, 2019. This study was conducted to determine and explore the perceived promoters and deterrents and the extent of governance innovation in the implementation of a public-private partnership among local government units in Iloilo province.

This study is a mixed-method - explanatory sequential design. It is a two-phase mixed methods design. The initial stage of this strategy gathered and analyzed quantitative data. This first phase was followed by the collection and analysis of qualitative data. The unit of analysis the forty-two (42) municipalities and one (1) component city in the province of Iloilo. Data were collected using a researcher-made questionnaire divided into three parts. Part I is on the municipalities' profile, including the respondent's name (optional), name of the local government unit (optional), income classification, the existence of the ordinance of the Local Government Unit on Public-Private Partnership, and the existence of the PPP project. Part II contained 33 statements on promoters and 13 statements on deterrents of Public-Private



Partnership (PPP) implementation (PPP). Part III questionnaire consists of 35 statements about the Extent of Governance Innovation in Public-Private Partnership implementation. Data gathered were processed and analyzed using the Statistical Package for Social Sciences (SPSS) version 29. Descriptive statistical treatments such as frequency, percentage, and mean were used. Cramer's V and Phi co-efficient were used to figure out how two nominal variables are related and between nominal and ordinal variables. Gamma Test was used to determine the strength of the relationship. Thematic analysis was used in recognizing patterns and themes in qualitative data.

### **Major Findings**

From the analysis of the data gathered, the following major findings were deduced:

1. There were only 7 LGUs out of 43 that were categorized as first class, 11 as second class, 7 as third class, 14 as 4<sup>th</sup> class, and 4 LGUs belong to the fifth class.
2. Only 9 (20.93%) local government units with a PPP ordinance and 34 (79.07%) LGUs without a PPP ordinance. Five LGUs (11.63%) have PPP projects, and 38 (88.37%) LGUs with no PPP projects.
3. There were only two (2) out of 43 local government units with both PPP ordinance and PPP projects, eight (8) LGUs with PPP ordinance but no PPP projects, and 5 LGUs with PPP projects but without an ordinance.
4. Overall, the 42 municipalities and 1 component city perceived that good governance practices such as effective, efficient, and responsive governance, transparency, leadership and participation, and accountability were high promoters in PPP implementation as governance innovation.

Two emerging themes, #1 “Politically Skilled Leaders” and #2 “Coordination that Spurs Partnership” supported the above findings.

5. The perceived promoters on PPP implementation in the areas of market factor, institutional environment, and government support were rated as high promoters for PPP implementation as governance innovation. Emerging themes #3 “Sustainable Market and Institutional Environment” and #4 “Strong Government Support” confirmed the quantitative findings on the promoters such as market factor, institutional environment, and government support in PPP implementation.
6. Factors such as lack of policies and guidelines, lack of financial resources, lack of transparency, lack of political skills with exception to low degree of marketization, were perceived to be high deterrents in PPP implementation as governance innovation among the local government units in the province of Iloilo. Emerging theme #5” Lack of PPP Ordinance” confirmed the quantitative finding that the lack of PPP policies and guidelines is a high deterrent to PPP implementation. Emerging theme #6 “Conflicting Interests” confirms the quantitative finding that the lack of political skills is a high deterrent to PPP implementation as governance innovation.
7. As a whole, a higher proportion of LGUs (44.2%) were categorized as innovative in terms of local resource generation, a little less than the majority (44.2%) were Innovative- active in terms of environmental management, almost 3 out of 10 (32.6) LGUs were innovative in terms of social welfare and health services, and almost 5 out of 10 (46.5%) LGUs were innovative-active in terms of peoples participation and empowerment,

and 4 out of 10 (39.5%) LGUs were innovative in terms of productivity improvement and management innovation.

Emerging theme #7 “Governance in this Digital Age” offers deeper understanding why LGUs in the province were rated innovative only in the use of technological infrastructure in PPP implementation as governance innovation.

8. The overall extent of governance innovation in PPP implementation among local government units in the Province of Iloilo is innovative-active (48.6%) only.

Emerging themes #8” Poor Knowledge of Public Private Partnership”, #9 “Politically Driven Governance” and #10 “Conservative Politics” may help to further explain and understand why LGUs in the province of Iloilo were rated innovative-active only in the implementation of PPP as governance innovation.

9. The profile of LGUs such as income classification, the existence of the PPP ordinance, and the existence of PPP projects had no bearing on the promoters in the implementation of Public-Private Partnership as governance innovation in terms of good governance practices, market factor, institutional environment, and government support.

10. As a whole, the LGUs profile such as income classification, the existence of the PPP ordinance, and the existence of PPP projects were not related to the perceived deterrents in the implementation of Public-Private Partnership as governance innovation in terms of lack of PPP policies and guidelines, low degree of marketization, lack of transparency, lack of political skills, with exception to income classification and lack of financial resources, these two variables were related to each other.

11. There has no bearing between the profile of the local government units such as income classification, the existence of the PPP ordinance, the existence of PPP projects, and the extent of governance innovation in PPP implementation in terms of local resource generation, environmental management, people's participation and empowerment, productivity improvement. However, there was a relationship existed between the existence of PPP projects and the extent of governance innovation in terms of social welfare and health services.
12. Overall, the existence of PPP projects and the extent of governance innovation in PPP implementation were generally related, but not with income classification and the existence of PPP ordinance.  
  
Emerging theme #11 " Changing Mindset for Expanded Public-Private Sphere" supports the above quantitative finding.
13. As a whole, good governance practices as promoters of PPP implementation were not related to the extent of governance innovation in the implementation of a Public-Private Partnership among the local government units in Iloilo province.  
  
Emerging theme #12 "Unfavorable Market Factor" provides a deeper discussion for clarity of understanding of such a phenomenon.
14. Perceived promoters such as market factors, institutional environment, and government support were not related to the extent of governance innovation in PPP implementation in terms of local resource generation, environmental management, social welfare, health services, people's participation and empowerment, productivity improvement, and management innovation.

15. Perceived deterrents of PPP implementation in terms of lack of policies and guidelines, lack of financial resources, low degree of marketization, lack of transparency, and lack of political skills were not generally related to the extent of governance innovation in PPP implementation in terms of local resource generation, environmental management, social welfare, and health services, people's participation and empowerment, productivity improvement.

## **Conclusion**

Based on the major findings of this study, the following conclusions were drawn:

1. Most local government units in Iloilo province are dependent on national tax allocations rather than on locally generated revenues, hence, PPP is ideal.
2. Only a few local government units in the Province of Iloilo have engaged with the private sector in terms of Public-Private Partnership as governance innovation.
3. With only two (2) out of 43 local government units with an approved ordinance on Public-Private Partnership and PPP projects implemented, there is low compliance with MC NO. 2016-120 "DILG Guidelines for the Implementation of Public-Private Partnership" among local government units in Iloilo province.

4. Good governance practices of governmental institutions among local government units are ideal for PPP implementation to succeed. Leadership is vital in governance as well as in the effective implementation of engagement with the private sector, and the close coordination and cooperation among the executive and legislative departments at the local level, its absence may impede governance reforms and innovation
5. A visionary executive is essential in the positive reform and transformation of the LGUs, indeed, the real gem of good governance.
6. The cooperative behavior and coordinated effort among the local leaders in the executive and legislative departments can bring governance to the limelight of development and progress, its dissociation may result otherwise.
7. Local government units with a competitive advantage in terms of favorable market, sustainable demands, high profitability, desirable institutional environment, and politically stable government are becoming more attractive to private sector investment.
8. The lack of a PPP ordinance, lack of political skills, and transparency may result in the anti-developmental efforts of the local government units.
9. The lack of collaboration and competence among the powerful institutions of local government units such as the executive and the legislative departments may result in bad governance and politics,

the reasons why broad economic intervention strategies are unable to trickle down and effect positive changes in the quality of life of the people. Hence, there should be an established mechanism of accountability, ethics, equity in governance, and wider participation of people and NGOs, people's organizations, and the private sector for effective, efficient, transparent, innovative, and transformative local government units.

10. Most of the LGUs were reliant on their local and national funds in terms of infrastructure development and provision of public services as they were rated innovative only when it comes to local resource generation, there was a less engagement with the private sector.
11. LGUs now are becoming conscious of advancing development efforts as to the promotion and preservation of the environment, but such progress is not yet significant as they were rated innovative-active only in this area, which is described that they had plans developed for sound environmental management but with little diffusion. Hence, it remains a challenge and still a "work in progress" among LGUS in consonance with the promotion of sustainable development, specifically on encouraging LGUs to become smart and innovative communities in all phases of development.
12. LGUs were rated innovative only in terms of the extent of governance innovation in productivity improvement and management innovation, hence, there were only a few LGUs that have embarked on technological innovation in this 4<sup>th</sup> era of the industrial revolution as a new and emerging kind of governance innovation due to the lack of financial resources, and facilities to speed up technological innovation for a more

transparent, accountable, effective and efficient administration of local affairs.

13. The delivery of social welfare and health services to people remains to be a challenge among LGUs with the private sector engagement as they were rated only innovative in this area, which means they had plans but not converted and diffused, despite the promotion of human development in the context of 2030 sustainable development goals.
14. Most of the local government units in the province recognized the importance of people's participation in governance as an effective mechanism for good governance, as they were rated innovative-active in that area, but such should be institutionalized in all local government units for more inclusive participation at the local level.
15. LGUs were rated innovative-active only in terms of their overall extent of governance innovation in PPP implementation may be due to lack of knowledge of Public-Private Partnership, local politics that deters progress such as political accommodation, or may be attributed to a certain degree of conservatism of local leaders.

The inherent resources of the LGUs such as relatively vast land along with other potential resources such as labor, capital, and infrastructures needed for growth and development must be efficiently allocated, utilized, and disposed of to their utmost and best use and not be tainted with bad politics.

The development options of the local government units in partnership with the private sector must be categorized and ranked according to priorities along with the support facilities and strategies that are essential in the implementation.



16. The local government must examine and evaluate its capacities for partnership with the private sector in terms of its geographical and topographical advantages and maybe its demographical components, with the aid of the Comprehensive Land Use Plan and Comprehensive Development Plan.
17. Income classification of the LGUs and the lack of financial resources to engage in Public-Private Partnership were generally related, therefore, LGUs with inadequate resources are more interested in PPP than those economically stable LGUs.
18. The LGUs in the Province of Iloilo most likely prioritize programs and projects that promote the health and well-being of their constituents as there was a relationship noted between social welfare and services as governance innovation and the kind of PPP projects initiated.
19. The positive mindset of local leaders today for a more open, collaborative, and accountable governance is a driver of innovation as results showed that even without the PPP ordinance and regardless of their income categories some LGUs in Iloilo province were able to implement PPP projects.
20. To steer governance innovation and positive reforms through Public-Private Partnership at the local level, good governance practices should be viewed from two perspectives. First, that there is a growth-promoting governance where local government unit provides assurance of the availability of resources needed for market efficiency. Second, that there should be a growth enhancing governance, where LGUs are expected to maintain political stability with strong political will amidst the

vulnerabilities to local politics such as patron-client relationship or political accommodation for the protection of the interest of the private sector.

21. With only few LGUs that had previous and ongoing engagement with the private sector, it failed to significantly affect their level of governance innovation in terms of PPP implementation, such remain to be a challenge to further examine the capabilities and readiness of the local level to venture on this kind of engagement. Without sound development management, the local government units may fall short in their poverty reduction efforts and in their quest for economic and human development.

Planning is very critical to be able to spur development in the LGUs. A well-placed plan results in effective and efficient use of resources.

Spatial development strategies must be in place that must come along with social cost-benefit analysis and land suitability evaluation.

22. Innovative and transformative local government units depend on good and strong local governance, rational use of land resources and infrastructures, and enhanced capacities and capacity development of human resources.

23. Awareness and education campaign among local leaders as to factors that would deter governance innovation should be heightened for them to become more relevant, creative, and responsive leaders to a more innovative and transformative governance.

## **Recommendations**

From the findings and conclusions drawn, the following are recommended:

### **A. Local Policymakers**

- (a) A policy continuity should be implemented to protect the interest of both parties involved in the partnership, that of the government, the private sector, and the public in general, considering the changing patterns of leadership every 3 years at the local level.
- (b) Holding regular dialogues between the local executive and Legislative departments to address the problems and concerns that impede the LGU to adopt governance innovation in PPP implementation to encourage open communication and close coordination.
- (c) To update and upgrade their level of knowledge and skills in the importance, processes, and complexities of the very nature of their function as local legislators which is vital in good governance.
- (d) They can benchmark with other local legislative assemblies to craft their own PPP ordinance.

### **B. Public-Private Partnership Center (PPPC)-**

- (a) make their presence visible to the local level by initiating fora on governance innovation and sharing of best practices of other LGUs proven to have developed an effective mechanism for replication of other LGUs. Documenting and sharing innovations in public administration is a very

important tool in fostering innovation in government and promoting development.

- (b) Collaborate with the DILG field offices to reorient and reeducate the local officials and employees on the nature and modalities of PPP, its advantages, and its impact on the economy
- (c) PPPC may also initiate policy reform to better improve the processes of PPP engagement from their learned experiences of a previous engagement.
- (d) In this 21st century, characterized by innovation and technological advancement, it is recommended that PPPC may also create a transparency portal for better access to information and promote public awareness, and if possible, the portal is linked through the portal of LGUs with best practices on PPPP implementation.

### ***C. Department of the Interior and Local Government***

- (a) The Provincial and Regional DILG should assist the local government officials in equipping them with the knowledge and skills they needed to maximize their full potential for development at the local level through the holding of conferences, and webinars on what is Public- Private Partnerships with the ideals of good governance as its core, hence, reform in governance today should not only be anchored anymore on the 3 Es (Efficiency, Economy, Effectiveness) of traditional public administration but on the new governance reform framework with 5Es and 1A, adding ethics, equity, and accountability in the new framework. The DILG should also

assess past and current interventions and approaches in promoting PPP to local governments to determine its effectiveness and make necessary adjustments as needed. In terms of national policy, DILG central through its concerned bureaus should fine tune existing policies and issuances to ensure that the distinct characteristics and contexts of local governments in different regions are fully considered.

- (b) Sharing of best practices on PPP engagement in collaboration with the PPP Center is also encouraged to motivate other LGUs, especially the non-performing ones.
- (c) Require all local government units to have their updated Comprehensive Land Use Plan and Comprehensive Development Plan to tailor possible programs, projects, and activities with the private sector based on these two mandated plans under the Local Government Code of the Philippines (to avoid waste of resources and the spillover effect of policies).
- (d) A local governance institute partnering with the academe using the “town and gown” approach may also be considered to develop phronetic leaders essential to development and progress.
- (e) Assign competitive and knowledgeable MLGOOs (Municipal Local Government Operation Officers) and CLGOOs (City Local Government Operation Officers) who may have expertise in governance and local legislation to assist the local government officials to draft important legislation to propel development at the local level,

***D. Local Government Units in Iloilo Province***

- (a) Conduct reorientation and re-education of the mission and vision of their LGUs to align with their development agenda and priorities.
- (b) If a certain LGU has resorted to innovative-active- successful programs in PPP implementation it should be institutionalized. Though we know that an effective leader is critical to innovation for the sustainability of the program/ project such should be institutionalized. Hence, if an innovation is based on a leader and is not institutionalized, the innovation will die as soon as there is a change in leadership. The role of an effective leader is thus to build capacity and devolve responsibility and authority so that the innovation introduced can survive his/her departure.
- (c) Develop strong linkage with the Non- Government Organizations, Civil Society Organizations, People's Organizations, Academe, and Private Sector. To build the capacity for adaptation of best practices or governance innovation, it is necessary to promote self-sufficient institutions that are rich in social capital and human capability and to integrate participatory democratic practices in the initiation and implementation procedures to ensure ownership and commitment.
- (d) Provide an ideal institutional environment and government support for PPP to flourish, such as safe locations, tax incentives, and subsidies, for the private sector and the creation and implementation of an ordinance to officially materialize the said partnership and to protect its interests respectively.
- (e) Prioritize the provision of training and capacity of its human resources especially in this digital age to make them relevant and updated.

- (f) Appoint a PPP focal person who can focus on the potential of the LGU in partnering with the private sector for a more engaging, efficient, and effective governance.

#### ***E. Iloilo Provincial Government***

It has a critical role in taking the lead to promote the municipalities and component city to potential investors within the PPP framework, a consolidated effort at the provincial level in investment programming and marketing may also be considered. Thus, the province should be more aware of the strength, competitiveness, and opportunities of the municipalities and component city within its jurisdiction. A realistic investment programming is possible when LGUs have their updated CLUP and CDP to determine the market efficiency or the growth-promoting indicators of good governance, which is more of providing a hospitable and favorable investment climate to the private sector.

In this regard, the provincial government should encourage LGUs to update these mandated plans and may deliberately require them to craft their own PPP ordinance. Also, to make necessary alignment of the investment code of the province and the municipalities and its component city for a sustainable, attractive, profitable, and secured investments.

#### ***F. Academe***

- (a) Through a partnership with the DILG, the academe could become a delivering institution for training and capacity building among local officials and employees. Thus, another critical factor for the development and diffusion of innovation in public service delivery is well-educated and well-

trained public sector employees. Public officials should be trained to embrace a culture of learning.

- (b) Further, subjects on executive leadership and decision-making should be incorporated into the curricula of academic institutions. The academe remains to be a powerful institution in encouraging students to enter public service by highlighting that it is an honorable and noble profession that is challenging, stimulating, and rewarding and initiates positive reforms in the future.

### ***G. Constituents***

Public-Private Partnership may seem political in nature. It is affected by political accommodations or local politics, hence, it is recommended to the constituents use their power to choose their leaders effectively, for leadership is critical in governance innovation. They should demand a transparent and accountable government, by seeking membership as part of the local development council, a platform secured through the local government code so that people coming from different sectors may be heard, and whose concerns may be integrated into the development agenda of the LGU.

### ***H. Investors***

Based on the findings of the study, the private sector can demand from the partner institution, the government, a stable policy framework to protect their interest, a bureaucracy imbued with professional ethos, and an executive arm of the government accountable for its actions. Thus, higher accountability on the government



side should be institutionalized for investors to be more willing to put up their investments, a sound investment code is ideal.

### ***I. Future Researchers***

For future researchers who would like to undertake the same study, it is recommended that they study LGUs in different provinces of the Philippines to generalize the findings of the study to include a bigger population, for it is only when a study involved a bigger scope (i.e., nationwide) that could truly affect the policy process of the national government. Also, to include other variables to determine other factors that may impact governance innovation in PPP implementation, especially in this 4<sup>th</sup> era of industrial revolution where government innovation is classified as the revolution of Technology.

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## Appendix A

### Research Instrument

#### Perceived Promoters and Deterrents in the Implementation of Public- Private Partnership as Governance Innovation Among Local Government Units in the Province of Iloilo

#### I. Local Government Unit Profile

**Instruction: Kindly fill- out and check the item corresponding your answer.**

Name ( Optional)	
Name of Local Government Unit (LGU)	
Income Classification of LGU	1 <sup>st</sup> class (    ) 55 million or more 2 <sup>nd</sup> class (    ) 45 million or more 3 <sup>rd</sup> class (    ) 35 million or more 4 <sup>th</sup> class (    ) 35 million or more 5 <sup>th</sup> class (    ) 15 million or more 6 <sup>th</sup> class (    ) below 15 million
Income Classification of City	1 <sup>st</sup> class (    ) P400 million or more 2 <sup>nd</sup> class (    ) P320 million or more 3 <sup>rd</sup> class (    ) P240 million or more 4 <sup>th</sup> class (    ) P160 million or more 5 <sup>th</sup> class (    ) P80 million or more 6 <sup>th</sup> class (    ) below 80 million
Existence of ordinance on Public-Private Partnership /Do you have a PPP or similar ordinance in your LGU?	Yes (    ) No (    )
Existence of PPP Project/ Do you have existing projects or are you currently implementing projects in PPP mode?	Yes (    ) No (    )

## II. Perceived Promoters and Deterrents in the Implementation of Public- Private Partnership as Governance Innovation

*Instruction:* Check the letter which corresponds to your honest appraisal on the promoters and deterrents in the implementation of public-private partnership as governance innovation. Please do not leave any item blank. Response categories are as follows:

<b>SCORE</b>	<b>DESCRIPTION</b>	<b>SCORE</b>	<b>DESCRIPTION</b>
5	Strongly Agree (SA)	2	Disagree (D)
4	Agree (A)	1	Strongly Disagree (SD)
3	Neutral (N)		

### Promoters in the Implementation of Public- Private Partnership

#### A. Good Governance Practices of LGU Public- Private Partnership

<b>A. Effective, Efficient, and Responsive</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>SD</b>
The LGU Public- Private Partnership.....					
1. reduces LGU cost and the need for public borrowing.					
2. addresses a pressing and urgent or critical public need.					
3. accelerates the implementation of local projects.					
4. minimizes the risk in project management.					
5. avoids lengthy and complex contract negotiations.					
6. prioritizes the hiring of local labor.					
7. improves the quality-of-service delivery.					
8. implements feasible projects demonstrating commercial viability.					
<b>B. Transparency</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>SD</b>	<b>D</b>
The LGU Public – Private Partnership facilitates.					
9. open, fair, honest, and competitive bidding process.					

10. open contracting with the private sector in the presence of the local chief executive and the sanggunian.					
11. full public disclosure of the local government unit of all its transaction involving public interest.					
<b>C. Leadership and Participation</b> <b>The LGU Public- Private Partnership...</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>SD</b>	<b>D</b>
12. must be consistent with the vision and mission of the local government unit.					
13. ensures that programs and projects are openly discussed and participated by all stakeholders					
14. considers the rule of majority rather than the rule of the privilege few in making decisions regarding the PPP venture.					
15. ensures active participation of the private sector in local governance.					
<b>D) Accountability</b> <b>The LGU Public- Private Partnership...</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>SD</b>	<b>D</b>
16. clearly delineates the roles and responsibilities of municipal/ city personnel, identified key contract deliverables and schedules among others.					
17. implements a post contract review mechanism, which includes financial audit, evaluation and reporting of Private Sector Proponent's performance thereby promoting higher accountability.					

### B. The Market Factor

<b>Statement</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>SD</b>	<b>D</b>
18. PPP engagement is more profitable to both the public and private sectors					
19. Local government units with larger infrastructure shortages are more likely to initiate PPP projects.					
20. Strict economic feasibility studies are requirements to determine the appropriateness of the PPP projects					
21. Big or small investments do not matter in PPP projects.					

22. The Sustainability of the PPP project is important.					
23. Any PPP project must pass the value-for-money (VFM) evaluation and fiscal affordability assessment.					
24. A higher possibility of recovering investment costs motivates the Private sector to engage in PPP.					

#### C. The Institutional Environment

Statement	SA	A	N	SD	D
25. The conduct of citizen assemblies for public consultation explaining PPP projects promotes higher PPP engagement.					
26. Close monitoring and posting of updates regarding ongoing projects and its implementation is desirable.					
27. A local government with limited financial resources tend to have a stronger liking for PPP.					
28. PPP is prevalent in local government units with a high level of political-administrative autonomy.					
29. The presence of multi-sectoral development plan promotes Public- Private Partnership.					

#### D. Government Support

Statement	SA	A	N	SD	D
30. Adoption of PPP legislation/ordinance heightens partnership between public and private sectors.					
31. Provision of incentives, rewards, and recognition to private sector partner by the LGU is commendable.					
32. The granting of subsidies, cost sharing/ counterparting between the local government unit and the private sector partner is laudable.					
33. Good locational factors such as, good business climate, tax incentives, and stable peace and order situation increase the attractiveness of the LGU for private investments					

## Deterrents in the Implementation of Public- Private Partnership

### A. Lack of PPP Policies and Guidelines

Statement	SA	A	N	SD	D
1. The absence of a policy on PPP discourages the private sector to invest in the economy.					
2. The unclear roles and responsibilities among both parties (public and private) may lead to a disconnect between them.					
3. The lack of sound policies and guidelines on PPP may increase the financial risk of private sector and undermine efficiency of investments.					

### B. Lack of Financial Resources

Statement	SA	A	N	SD	D
4. Insufficient budget for PPP projects may lead to termination of engagement.					
5. The lack of financial resources of local businessmen may hinder them to engage in huge investment due to high financing cost or high pre- contract negotiation.					

### C. Low Degree of Marketization

Statement	SA	A	N	SD	D
6. Public- Private Partnership does not thrive in local governments with low demand and low profitability.					
7. Small investments and vague output are detrimental to the success of Public-Private Partnership.					

**D. Lack of Transparency**

<b>Statement</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>SD</b>	<b>D</b>
8. The lack of open contracting or competitive bidding process undermines the success of Public-Private Partnership					
9. PPP Projects that are not properly monitored by the local government unit and are disclosed to the public are unlikely to succeed.					

**E. Lack of Political Skills**

<b>Statement</b>	<b>SA</b>	<b>A</b>	<b>N</b>	<b>SD</b>	<b>D</b>
10. Local government units with poor collaboration/linkages with key sectors in the community would hardly get PPP project.					
11. Public- Private Partnership is unlikely to happen when local leaders are not competent on their job.					
12. Parties involve in PPP should present new ideas/ changes in a win-win perspective					
13. Lack of constituents' support on PPP projects is detrimental to the success of PPP engagement.					

### III. Extent of Governance Innovation in the Implementation of Public Private Partnership

#### a. Local Resource Generation

The Local Government Unit...	YES	NO
1. has built its public market stalls through any variation of the Build- Operate- Transfer and joint venture arrangement.		
2. has acquired an equipment pool through a partnership with the private sector and other agencies to meet its own infrastructure needs and even rent them out to neighboring municipalities.		
3. has established a multi-purpose transportation terminal and commercial complex through a joint venture arrangement.		
4. Gathers knowledge from its linkages, i.e., private sector, and civil society, and can learn from success and failures.		
5. Has entered a joint venture arrangement with a private sector consortium to improve water supply services to its constituents.		
6. has engaged in power distribution with private sector partners.		
7. has been earning revenues from the operation of the wet public market, as well as business taxes, licenses, and fees paid by the lessees of the commercial establishments with private sector partners.		
8. has improved local revenue collection from the operation of multi-purpose transportation terminals and commercial complexes through private sector partnerships.		

#### b. Environmental Management

The Local Government Unit through Public- Private Partnership...	YES	NO
9. has established an agro-industrial center and the development and installation of an eco-tourism program.		
10. has implemented Tree Planting Programs, and established tree parks, greenbelts, etc.		



11. has initiated an Eco-Walk for the Environment or similar projects to promote environmental awareness involving many sectors of society.		
12. has effectively instituted a solid waste management system with through massive information, education, and communication campaign, community capability building, training, and volunteering in the observance of 3R's, Reduce, Reuse, Recycle.		
13. has created and implemented with a comprehensive environmental management plan related to hygiene and sanitation, i.e., master drainage plans, operation of its own dump site, etc.		

**c. Social Welfare and Health Services**

<b>The Local Government Unit</b>	<b>YES</b>	<b>NO</b>
14. has provided affordable, essential, and quality medicines to its constituents by operating a pharmacy with a private sector partner under a joint venture arrangement.		
15. has launched a primary health care program or similar program that promotes community awareness of health and allows the community, and private sector participation in program implementation.		
16. has provided opportunities for low-cost housing to families in partnership with the private sector, civil society, or national and international agencies.		
17. has built and installed with a private sector partner a communal water system administered by community water associations to promote and develop health and sanitation practices and rehabilitated existing water systems.		
18. has incorporated food security efforts by conducting training on bio-intensive home gardening and providing starter vegetable seeds in partnership with the non-government organization, private sector.		

19. has achieved zero malnutrition status of children through health programs initiated in partnership with the private sector or civil society.		
20. Has assigned community health volunteer to assist the rural midwife in primary health care with private sector participation.		
21. has provided crisis centers for women and children with the participation of the private sector.		
22. Has provided facilities to barangay health stations to better health services with private sector engagement i.e, those located in the hinterlands/ island barangays are provided with solar illumination and ventilation units, etc.		

#### d. People's Participation and Empowerment

The Local Government Unit..	YES	NO
23. regularly holds "People's Congress" with private sector and civil society to discuss pressing local issues and concerns, and to chart out common strategies to address them.		
24. has implemented a Local Government Code provision on sectoral representation. Thus, the LGU has a strong, functional people's council.		
25. has launched a "Constituent Responsive Governance" project or similar program in partnership with private sector or civil society that conducts comprehensive survey to measure the awareness level of the community and gather feedback on the proposed projects of LGU.		
26. has implemented a "People Empowerment Program" or similar program that provides inclusivity in governance, i.e., the empowerment of Person's with Disability (PWD) program in Nueva Vizcaya which has organized PWD into a federation, and Naga City's People Empowerment program.		
27. has launched a volunteerism program or similar project as disaster response mechanism by involving the people and the private sector		

as active partners for rehabilitation and generation of livelihood projects.		
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**e. Productivity Improvement and Management Innovations**

<b>The Local Government Unit ..</b>	<b>YES</b>	<b>NO</b>
28. adopts a Transparency portal manifesting open budgeting, procurement, and decision-making with private sector participation.		
29. has set up its geographic information system (GIS) with private sector participation to enhance the regulatory, collection, and revenue-generating functions of the municipality/ city and to streamline operations through a computerized system.		
30. has developed and installed Administrative and Office Automation Systems with private sector engagement.		
31. Has allocated budget for trainings and seminars, webinars for employees to equip them with knowledge on how to utilize the digital infrastructure being introduced in partnership with the private sector.		
32. has implemented a comprehensive multi-sectoral development plan consistent with its infrastructure, development, investment, environmental and governance framework.		
33. has initiated and implemented a reorganization plan through a resolution to establish an accountable, efficient organizational structure and operating mechanisms, for the effective implementation of its development's plans and programs, staffing patterns, and spending.		
34. has created a regulatory authority committee to oversee and administer legal Public -Private Partnership (PPP) contract.		
35. has developed a performance management plan and performance monitoring system on PPP engagement.		

**Guide Questions for the Qualitative Phase**

- e. Why are you promoting Public-Private Partnership?
- f. Why are you reluctant to engage in Public-Private Partnership?
- g. What factors do government leaders identify as important in promoting Public- Private Partnership?
- h. What factors do private sector leaders identify as important in promoting Public- Private Partnership?
- i. What does this imply about strategies pursued by local government?
- j. What factors do government leaders identify that deter in the implementation of Public- Private Partnership?
- k. What factors do private sector leaders identify that deter in the implementation of Public- Private Partnership?
- l. What does this imply about strategies pursued by local government?
- m. What are the issues and challenges have you encountered in initiating PPP initiatives?
- n. What insights and learning experience have you learned?

**Appendix B****CENTRAL PHILIPPINE UNIVERSITY**  
**School of Graduate Studies**  
**Jaro, Iloilo City**

March 1, 2022

**JOY G. RASO, PhD**  
**Chair, CPU Research Ethics Committee**  
**This University**

**Dear Dr. Raso:**

Christian Greetings!

The undersigned is currently conducting a study titled **“Promoters and Deterrents in the Implementation of Public-Private Partnership among Local Government Units in the Province of Iloilo”** as an academic requirement for the degree Doctor of Management major in Public Management (DMPM) at Central Philippine University-School of Graduate Studies.

In this regard, I would like to submit my research proposal for review and evaluation of the CPU Research Ethics Committee (CPU-REC) to determine if it is compliant with the ethical standards and norms set by law as well as the protocol implemented by the CPU-REC.

For further concerns, herewith is my email address and mobile number that you may contact: [rfdelapena@cpu.edu.ph](mailto:rfdelapena@cpu.edu.ph)/ 09182849689.

Hoping for your positive response regarding this request.

Thank you very much and may God richly bless your heart!

Truly yours,

A handwritten signature in black ink, appearing to read 'Renia F. de la Pena'.

RENIA F. DE LA PENA, MPA  
Researcher, DM-PM Candidate

Noted by:

A handwritten signature in black ink, appearing to read 'Irving Domingo L. Rio'.

IRVING DOMINGO L. RIO, DM  
Adviser

## Appendix C



CENTRAL PHILIPPINE UNIVERSITY  
Jaro, Iloilo City                      Philippines

SCHOOL OF GRADUATE STUDIES

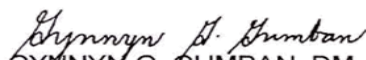
### CERTIFICATION

February 23, 2022

To Whom It May Concern:


This is to certify that RENIA F. DE LA PEÑA has successfully defended, and the panelists approved her dissertation proposal titled "Promoters and Deterrents in the Implementation of Public-Private Partnership as Governance Innovation among Local Government Units in the Province of Iloilo" last December 21, 2021.

This certification is issued upon the request of RENIA F. DE LA PEÑA for the purpose of her dissertation undergoing ethics review.

  
GYNNYN G. GUMBAN, DM  
Chairman, Evaluation Committee

  
REYNANILDO N. DUSARAN, DM  
Panel Member

  
VELMA JANE LAO  
Panel Member

  
ROWENA M. LIBO-ON, D.M.  
Dean, School of Graduate Studies

## Appendix D



CENTRAL PHILIPPINE UNIVERSITY  
Jaro, Iloilo City Philippines

SCHOOL OF GRADUATE STUDIES

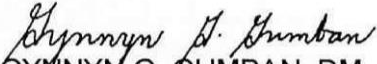
### CERTIFICATION OF VALIDATION


February 23, 2022


To Whom It May Concern:

This is to certify that the research instrument for the study titled **“Promoters and Deterrents in the Implementation of Public-Private Partnership as Governance Innovation among Local Government Units in the Province of Iloilo”** by Renia F. De la Pena, DMPM Candidate of CPU- School of Graduate Studies, has undergone content validation by the members of the panel of experts whose names and e-signatures appear below.

This certification is issued upon the request of RENIA F. DE LA PENA for the purpose of her dissertation undergoing ethics review.

  
GYNNYM G. GUMBAN, DM  
Chairman, Evaluation Committee

  
VELMA JANE LAO  
Panel Member

  
REYNANLDO N. DUSARAN, DM  
Panel Member

## Appendix E



Research Ethics Committee  
Central Philippine University

### **INFORMED CONSENT FORM (ICF)** (VERSION No. 01-2021)

#### **1. KEY INFORMATION ABOUT THE RESEARCHERS AND THEIR STUDY**

Title of the Study: **Promoters and Deterrents in the Implementation of Public-Private Partnership as Governance Innovation Among Local Government Units in the Province of Iloilo**

Name of Researcher: Renia F. De la Pena

Research Adviser: Dr. Irving Domingo L. Rio

Department/College: School of Graduate Studies

Institution: Central Philippine University

#### **2. INTRODUCTION**

I am Renia F. De la Pena, a Doctor of Management major in Public Management candidate of Central Philippine University- School of Graduate Studies. I am currently conducting a study on Promoters and Deterrents in the Implementation of Public-Private Partnership as Governance Innovation Among Local Government Units in the Province of Iloilo. I am giving you information regarding this study as an invitation to participate in this study.



### **3. BACKGROUND AND PURPOSE OF THE STUDY**

The goal of Public-Private Partnership (PPP) is to encourage and boost local economic development which will eventually contribute to national growth and the creation of more jobs. However, despite this importance, out of the 42 municipalities and one component city in the Province of Iloilo, only three have fully implemented PPP, and forty municipalities have not implemented Public-Private Partnership as a governance innovation.

The purpose of the study is to determine and explore the promoters and deterrents of Public-Private Partnership and their relationship with the extent of governance innovation in PPP implementation. The respondents of this study are the Local Chief Executives and the Municipal Planning and Development Coordinators (MPDC) among the forty-two municipalities and one component city in the province. The results of this study will benefit the Department of the Interior and Local Government, the Philippine Public-Private Partnership Center, the local government units in the creation of policies/ ordinances and programs that would promote sustainable PPP engagement, and how to institutionalize governance innovation at the local level.

### **4. PROCEDURE OF THE STUDY**

Before you decide to participate in this study, you will be given enough time to read and understand the contents of the informed consent. Your questions will be answered to your satisfaction. The study will begin once the informed consent form has been signed. This research will utilize a researcher-made questionnaire to collect quantitative data for this study. It is divided into three parts. Part I includes a profile of the municipalities, Part II pertains to promoters and deterrents of Public-Private Partnership (PPP) implementation (PPP) as governance innovation, there are 33

statements about promoters of PPP, 13 statements for deterrents, and Part III includes the 35 statements on the extent of governance innovation among the local government units in the Province of Iloilo. The name of the Participants will not be written or included in the forms that will be filled in by the researcher. The researcher will observe proper coordination with the agencies, units of the government involved prior to its conduct.

A face-to-face setup is highly preferred during data gathering, however, due to the current Covid- 19 pandemic, an online data gathering via google form will be an option by sending the questionnaire to the e-mail addresses of the respondents. The respondents will be given ample time to answer the questionnaire from the time they voluntarily decided to participate in the study.

For the qualitative phase in a face-to-face set up, the researcher will strictly observe the Covid 19 health protocols such as wearing a mask and physical distancing. On the other hand, an online interview may be considered upon the pleasure of the participants and for safety purposes which may be done either in Zoom or Google Meet. The discussion throughout the session will be Zoom or Google Meet recorded as agreed upon. The researcher will see to it that the interview duration per participant will be good for 45 minutes or more to be able to explore and gather information about the phenomenon of interest.

The above-mentioned procedure has been primarily made and intended for the purpose of this study. All information gathered during this study will be private and strictly confidential.

## **5. VOLUNTARINESS OF PARTICIPATION**

Your participation in this study is entirely voluntary. It is your choice whether to participate or not. If you choose not to participate or to withdraw from the study at any time, there will be no penalty or other consequences without the need to give any reason. If at any time you withdraw from the study, your data will be discarded properly.

## **6. RISKS AND INCONVENIENCES**

During the conduct of the study, you will be asked to read the entire consent form and by giving your consent you are directed to answer the questionnaire. The researcher expects your honest appraisal of the promoters and deterrents in the implementation of Public-Private Partnership and the extent of governance innovation in your respective local government unit. In the case of an online data gathering, you will be required to click the "I agree" button as a manifestation of giving your consent to participate in the study, from there, you will be directed to the main questionnaire. There are no untoward risks identified by the researcher in participating in this study, however, during the interview, if certain topics might come out which may cause you discomfort, distress, and agitation, you have the right not to respond or withdraw your participation in the study. The researcher will observe full responsibility and professionalism in the conduct of the interview.

Moreover, the researcher declares no conflict of interest upon the conduct of this study with the respondents and institutions involved.

## **7. BENEFITS**

This study might help with the following;

***Policymakers*** –The results of this study will aid the policymakers in making laws relative to encouraging and institutionalizing innovation at the local level.

***Public-Private Partnership Center.*** The findings of this research will give information to the Public-Private Partnership Center in crafting training and development for the promotion of governance innovation at the local level.

***Department of the Interior and Local Government of Iloilo Province-*** results of this study may augment the limited data/ literature on innovation in the region which may be uploaded in the DILG portal for knowledge sharing and replication of other local government units which may have a low or no implementation on governance innovation.

***Local Government Units in Iloilo Province.*** The local chief executives and legislative bodies of the province may have awareness on how to effectively implement Public-Private Partnership which would become the basis in formulating policies, programs, ordinances, and major decisions about the long-term viability of the collaboration between the government and the private sector in the province.

***Academe.*** The results of this study will give information to the academic institutions for crafting relevant courses and syllabi detailing local governance innovation for academic and experiential learnings.

***Investors.*** Knowing how the political dynamics in the province with the assurance of strong engagement with the private sector because of their innovative and agile strategies, the results of the study may even attract investors in the province for potential investment.

***Constituents.*** The results of this study will give the people information as to the innovative public-private partnership initiative implemented in the province as

a manifestation of public accountability, transparency, participation, and innovation in consonance with the promotion of good governance.

***Future Researchers.*** They may use the data from this study as baseline information for further research.

## **8. COSTS AND COMPENSATION**

There is no amount that the participant needs to pay in joining this study.

There is also no compensation of any form that will be granted to the participant of this study

## **9. PROVISION OF INJURY OR RELATED ILLNESS**

During the conduct of the interview and by any chance there are topics that may cause discomfort, distress, and agitation, the participant may opt not to answer the question or may decide not to continue thereby withdrawing his/her participation, or if the participant expressed his/her desires to continue his/her participation but refuses to answer on a certain question, the researcher will proceed immediately to the next question and left that question unanswered.

## **10. PRIVACY AND CONFIDENTIALITY**

All the information gathered is solely for the purpose of this study. The identity of the participants will be kept private and confidential to the extent provided by law. Their information will be assigned an ID number. The data collected will be stored with utmost respect for their privacy and confidentiality. The electronic copy of the data will be kept in a computer that only the researcher has access to. Hard copies will be stored in a place

that only the researcher will have access to. The data collected will be stored for 6 months to one year and will be destroyed after that period. The results of this study

will be presented to the panel of experts/ evaluation committee of the School of Graduate Studies -Central Philippine University.

## 11. WHO TO CONTACT

If you have any questions or clarifications regarding your participation in the study, you may

contact the researcher:

**Principal Investigator: RENIA F. DE LA PENA**

**Address: Block 2, Lot 7, PRH, Parc Regency Residences, Ungka II, Pavia, Iloilo**

**Contact number: 09182849689**

**E-mail: rfdelapena@cpu.edu.ph/ rfdelapena712@gmail.com**

If you have questions pertaining to your rights as a participant, you may contact:

Chair, CPU Research Ethics Committee

Email: [researchethcs@cpu.edu.ph](mailto:researchethcs@cpu.edu.ph)

Phone: 329-1971 (local 3336)

## 12. CERTIFICATE OF CONSENT

I have read the foregoing information, or it has been read and explained to me in a language/dialect I know and understand. I have had the opportunity to ask questions about it and any questions I have been asked have been answered to my satisfaction. I consent voluntarily to be a participant in this study

**Print name of participant** \_\_\_\_\_

**Signature of participant** \_\_\_\_\_

**Date** \_\_\_\_\_

**day/month/year**

### ***Statement by the researcher/person taking consent (if applicable)***

I confirm that the participant was given an opportunity to ask questions about the study, and all the questions asked by the participant have been answered correctly and to the best of my ability. I confirm that the individual has not been coerced into giving consent, and the consent has been given freely and voluntarily. A copy of this ICF has been provided to the participant.

**Print Name of Researcher/person taking the consent** \_\_\_\_\_

**Signature of Researcher /person taking the consent** \_\_\_\_\_

**Date** \_\_\_\_\_

## Appendix F

 Central Philippine University	<b>RESEARCH ETHICS COMMITTEE</b>		
	<b>CERTIFICATION OF APPROVAL</b>	REC Form No.	07-2
		Version No.	00
		Effectivity Date	March 03, 2021

***This is to certify that the following protocol and related documents have been granted approval by the Central Philippine University Review Ethics Committee for implementation.***


REC Protocol No.	22-11-01-GS-DELA PENA	Sponsor Protocol No.	N/A
Principal Investigator/s	DELA PENA, RENIA F.		
Sponsor	N/A		
Title	Promoters and Deterrents in the Implementation of Public-Private Partnership as Governance Innovation Among Local Government Units in the Province of Iloilo		
Protocol Version No.	N/A	Version Date	N/A
Other Documents			

Type of review	<input checked="" type="checkbox"/> Expedited <input type="checkbox"/> Full board	Duration of Approval From (date): March 10, 2022  To: March 10, 2023	Frequency of continuing review:  1 YEAR
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Review Date: March 01, 2022

Investigator Responsibilities after Approval:

- Submit progress report during the conduct of the study as may be required by the CPU REC
- Submit a final report within 6 weeks after the completion of the study
- Report protocol deviation/violation
- Comply with all relevant international and national guidelines and regulations
- Abide by the principles of good clinical practice and ethical research

  
 Joy G. Raso, PhD.  
 Chair, CPU-REC

Date: March 10, 2022



**Appedix G****Central Philippine University****School of Graduate Studies****Jaro, Iloilo City**

Date

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Dear Respondent,

Greetings!

The undersigned is currently conducting a study titled: Promoters and Deterrents in the Implementation of Public-Private Partnership among Local Government Units in the Province of Iloilo, as a requirement for the degree Doctor of Management- Public Management at Central Philippine University.

In this regard, I would like to request you to be one of my respondents for this study. Rest assured that your responses to this instrument will be kept confidential in accordance with RA 10173 or the Data Privacy Act of 2012.

Thank you for your cooperation and participation.

Truly yours,

RENIA F. DE LA PENA  
Researcher

Noted by:

IRVING DOMINGO L.RIO, DM  
Adviser/ Vice Pres. for Academic Affairs

## Appedix H



**CENTRAL PHILIPPINE UNIVERSITY**  
**School of Graduate Studies**  
**Jaro, Iloilo City**

March 7, 2022

**TEODORA P. SUMAGAYSAY, CESO V**  
 Provincial Director  
 DILG Iloilo Province

**Dear Dir. Sumagaysay:**

Christian Greetings!

I, the undersigned is a Doctor of Management major in Public Management (DMPM) student from Central Philippine University, Iloilo City, presently conducting a research titled "Promoters and Deterrents in the Implementation of Public-Private Partnership as Governance Innovation among Local Government Units in the Province of Iloilo" as an academic requirement for the said degree.

In this regard, I am respectfully seeking assistance from your office to administer my survey questionnaire via online using this google link <https://forms.gle/rB7wsgA6f1hfUB248>, to be accomplished by the Local Chief Executives or any of their representatives and the Municipal Planning and Development Coordinators of the forty-two (42) municipalities, and one component city (Passi City) in Iloilo Province, on or before March 23, 2022.

Also, may I humbly ask for a copy of the names of the Local Chief Executives and the Planning officers for reference in the conduct of this study. Rest assured that the data gathered will be treated with the utmost confidentiality.

Thank you very much for your support of this endeavor. May God richly bless your heart!

Sincerely,

RENIA F. DE LA PENA, MPA  
 Researcher

Noted by:

IRVING DOMINGO L. RIO, DM  
 Adviser

**Appendix I**

Republic of the Philippines  
**DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**  
**Regional Office 6 (Western Visayas)**  
**Province of Iloilo**

**PROVINCIAL ADVISORY**

**TO : ALL CITY/MUNICIPAL MAYORS**

**THRU : C/MLGOOs AND CLUSTERHEADS**

**SUBJECT : SURVEY ON “PROMOTERS AND DETERRENTS IN THE IMPLEMENTATION OF PUBLIC-PRIVATE PARTNERSHIP AS GOVERNANCE INNOVATION AMONG LOCAL GOVERNMENT UNITS IN THE PROVINCE OF ILOILO”.**

**DATE : MARCH 14, 2022**

This is in reference to the attached letter dated March 7, 2022 from Ms. Renia F. De La Pena, Researcher from the Central Philippine University (CPU).

She is currently conducting a research entitled “Promoters and Deterrents in the Implementation of Public-Private Partnership as Governance Innovation among Local Government Units in the Province of Iloilo” as one of the academic requirements in her degree.

Anent thereto, the following are requested to accomplish the survey on or before March 23, 2022:

1. Local Chief Executive/representative; and,
2. City/Municipal Planning and Development Officer

The questionnaire can be accessed through the link <https://forms.gle/rB7wsgA6f1hfUB248>.

For information and appropriate action.

  
TEODORA P. SUMAGAYSAY, CESO V  
Provincial Director

LGCDU: ALI/rfp

Copy furnish: Ms. Renia de la Pena



**“Matino, Mahusay at Maaasahan”**  
Gaisano ICC Mall, Benigno Aquino Avenue, Diversion Road,  
Mandurriao, Iloilo City  
Tel. No. (033) 335-41-83; TF (033) 336-08-18



## Appendix J

E-mail: [dilgr6.iloilo@gmail.com](mailto:dilgr6.iloilo@gmail.com)**REVIEW, CONTINUING EDUCATION and CONSULTANCY CENTER**

Central Philippine University

Jaro, Iloilo City

Tel. No. 329-1971 local 1008 email: [rceccsec@cpu.edu.ph](mailto:rceccsec@cpu.edu.ph)Website: [rcecc.cpu.edu.ph](http://rcecc.cpu.edu.ph)

February 22, 2022

**CERTIFICATION**

This is to certify that the research proposal entitled “PROMOTERS AND DETERRENTS IN THE IMPLEMENTATION OF PUBLIC-PRIVATE PARTNERSHIP AS GOVERNANCE INNOVATION AMONG LOCAL GOVERNMENT UNITS IN THE PROVINCE OF ILOILO” by PROF. DE LA PEÑA, RENIA F. has undergone Turnitin similarity checking and passed the requirements (Chapter 1-3).

Prepared by:

Handwritten signature of Pinky E. Lutero in black ink.

**PINKY E. LUTERO**  
Staff -in-charged

Approved by:

Handwritten signature of Lenny Rose P. Mucho in black ink.

**LENNY ROSE P. MUCHO, EdD.**  
Director, RCECC

**Appendix K**

CENTRAL PHILIPPINE UNIVERSITY  
University Senior High School  
Lopez Jaena St., Jaro, Iloilo City

**Certificate of Technical Editing****CERTIFICATION**

This is to certify that the dissertation “Perceived Promoters and Deterrents in the Implementation of Public- Private Partnership as Governance Innovation among Local Government Units in the Province of Iloilo, Philippines” by Professor RENIA F. DE LA PEÑA was checked for grammar, style, and other mechanics of writing.

Issued this 8<sup>th</sup> day of January 2023.

Signed:

A handwritten signature in black ink, appearing to read "E. Lee P. Galve".

ELLA LEE P. GALVE, Med

Faculty Member, CPU SHS