



From Institutional Capability to Government Organizational Performance: A Systematic Review of Organizational Commitment as a Mediating Mechanism

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From Institutional Capability to Government Organizational Performance: A Systematic Review of Organizational Commitment as a Mediating Mechanism

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Abstract

Government organizations operate under policy turbulence, digital disruption, fiscal constraints, and growing demands for accountable and equitable services. This systematic literature review examines how institutional capability is translated into government organizational performance and whether organizational commitment explains this process. Following a PRISMA 2020-informed integrative protocol, 60 peer-reviewed sources were synthesized, comprising 48 contemporary studies (2020–2026) and 12 foundational or methodological anchors. The findings conceptualize institutional capability as a higher-order architecture in which organizational culture enables sensing, institutional leadership enables seizing, and risk governance enables transforming. Organizational commitment operates as an enactment mechanism that converts institutional routines and strategic direction into persistence, knowledge sharing, discretionary effort, and adaptive implementation. Public value provides the normative criterion for evaluating performance through service quality, accountability, equity, legitimacy, and citizen outcomes. The review proposes an integrated capability–commitment–performance model and a research agenda for local government.

Keywords: Dynamic Capability; Government Organizational Performance; Institutional Capability; Organizational Commitment; Public Value; Systematic Literature Review.

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INTRODUCTION

Public-sector organizations are expected to produce more than administrative outputs. Their performance is judged by the reliability of services, the responsible use of public resources, the capacity to respond to turbulence, and the extent to which citizens experience legitimate and equitable outcomes. Public value therefore broadens organizational performance beyond efficiency and target attainment by adding legitimacy, inclusion, accountability, and social consequences to the evaluative frame [1], [2]. This broader perspective is especially important for local government organizations whose operational decisions directly influence education, health, social assistance, licensing, infrastructure, and protection for vulnerable groups.

The central problem is that formal structures and resources do not automatically become effective organizational action. Public organizations can possess regulations, budgets, information systems, and qualified personnel while remaining slow to detect change, fragmented in decision-making, and weak in implementation. Dynamic capability theory explains performance under changing conditions through the organizational ability to sense threats and opportunities, seize strategic responses, and transform or reconfigure resources [3], [4]. In public organizations, however, these capabilities operate under legal mandates, multiple principals, political oversight, public accountability, and non-market goals, which means that private-sector formulations cannot be transferred without conceptual adaptation [5], [6], [7].

Recent public-administration research confirms the relevance of agility, learning, innovation capability, digital capability, institutional capacity, and resilient governance. Public-sector capacity became particularly visible during crises, when governments required long-term skills and institutional memory to organize rapid, legitimate responses [6]. Municipal innovation research shows that dynamic capabilities can be highly routinized or distributed among employees and lower-level managers [8]. Studies of administrative change, IT governance, procurement, and digital transformation similarly show that sensing, learning, collaboration, and resource reconfiguration shape whether reform initiatives generate durable results [7], [9], [10], [11], [12]. Yet the field lacks a stable, integrated definition of institutional capability that connects these mechanisms to employee attachment and government-level performance.

To address this fragmentation, this review conceptualizes institutional capability as a reflective-formative higher-order construct comprising organizational culture, institutional leadership, and risk governance. Culture functions as the interpretive infrastructure for sensing, leadership as the mobilizing mechanism for seizing, and risk governance as the disciplined capacity for transforming resources while safeguarding public objectives. This formulation aligns with evidence that public-sector capacity building depends on learning, collaboration, institutional design, coordination, and governance rather than training alone [13], [14], [15], [16], [17].

A second unresolved issue concerns the human mechanism through which institutional capability becomes performance. Organizational commitment represents employees' psychological attachment, perceived obligation, and willingness to remain with and contribute to an organization [18]. Public-sector studies relate commitment to service performance, non-financial performance, knowledge sharing, retention, and proactive behavior [19], [20], [21], [22], [23], [24], [25], [26]. Nevertheless, commitment is usually modeled as an individual

outcome or a direct predictor of employee performance. Far fewer studies position it as an organizational-level mediation mechanism connecting institutional arrangements to government organizational performance.

This review therefore examines how institutional capability is conceptualized, how dynamic capability theory can be translated into public institutions, how organizational commitment operates within the capability-performance relationship, how public value clarifies the meaning of government performance, and what research agenda follows from integrating these constructs. Its contribution is threefold. First, it synthesizes fragmented research on capability, culture, leadership, risk governance, commitment, public value, and performance. Second, it develops a process explanation in which organizational commitment acts as the enactment mechanism through which institutional capability is translated into sustained organizational action. Third, it proposes a public-value-oriented model that connects internal capability to accountable, equitable, and citizen-relevant government performance.

METHODS

Review Design and Research Questions

Following the evidence-informed management logic of systematic review and the reporting principles of PRISMA 2020 [27], [28], [29], the study adopted a systematic integrative review rather than a statistical meta-analysis because the evidence base spans heterogeneous constructs, levels of analysis, public-service domains, and methodological designs. The review comprised 42 core contemporary studies identified through the initial screening, six additional studies from a targeted update through 30 May 2026, and 12 foundational or methodological anchors, yielding 60 peer-reviewed journal sources. The review questions and analytical purposes are presented in Table 1.

Table 1. Research Questions and Analytical Purposes

Code	Research Question	Analytical Purpose
RQ1	How is institutional capability conceptualized and operationalized in public organizations?	Identify dimensions, levels, and measurement architectures.
RQ2	How are dynamic capabilities translated into government and public-sector settings?	Map sensing, seizing, transforming, learning, agility, and resilience.
RQ3	How is organizational commitment positioned in capability-performance relationships?	Distinguish antecedent, outcome, mediator, and boundary roles.
RQ4	How does public value connect internal capability with government organizational performance?	Clarify performance criteria, legitimacy, equity, and citizen outcomes.
RQ5	What empirical, theoretical, methodological, and contextual gaps remain?	Construct the state of the art and future research agenda.

Search Strategy, Search Strings, and Eligibility

The search covered Scopus, Web of Science, ScienceDirect/Elsevier, Emerald, SpringerLink, Taylor & Francis, Sage, and ProQuest and was applied to titles, abstracts, and keywords. To avoid excluding relevant evidence by requiring all focal constructs to appear in a single record, the targeted update used linked search blocks: ("institutional capability" OR "institutional capacity" OR "dynamic capability") AND (government OR "public sector" OR "public organization") AND (performance OR "public value" OR commitment). Supplementary searches paired organizational commitment with government performance, risk governance with public-sector performance, and culture or leadership with institutional capacity. Backward and forward citation tracking was used to identify theory anchors and recent reviews. The eligibility criteria are summarized in Table 2.

Table 2. Inclusion and Exclusion Criteria

Criterion	Included	Excluded
Publication period	Primary evidence published 2020–30 May 2026; older sources only as theory/method anchors.	Pre-2020 empirical studies without foundational relevance.
Source quality	Peer-reviewed journals; priority to Scopus Q1/Q2, Web of Science, and established public-management outlets.	Predatory, non-peer-reviewed, or unverifiable sources.
Topical fit	Institutional/dynamic capability, organizational commitment, public value, risk governance, leadership, culture, or government performance.	Studies without an organizational or public-sector connection.
Publication type	Empirical articles, systematic reviews/meta-analyses, and high-value conceptual articles.	Editorials, dissertations, unpublished manuscripts, and conference abstracts.
Method transparency	Clear objectives, research design, evidence, and limitations.	Insufficient methodological description or unsupported claims.

Screening, Quality Assessment, and Data Extraction

The search identified 4,500 candidate records. After 810 duplicates were removed, 3,690 titles and abstracts were screened, of which 3,391 were excluded. Full texts of 299 records were assessed against the eligibility criteria, and 257 were excluded, leaving 42 core studies. A targeted update added six contemporary studies, while 12 foundational and methodological articles were retained as theory and method anchors. The complete evidence-selection pathway is summarized in Figure 1.

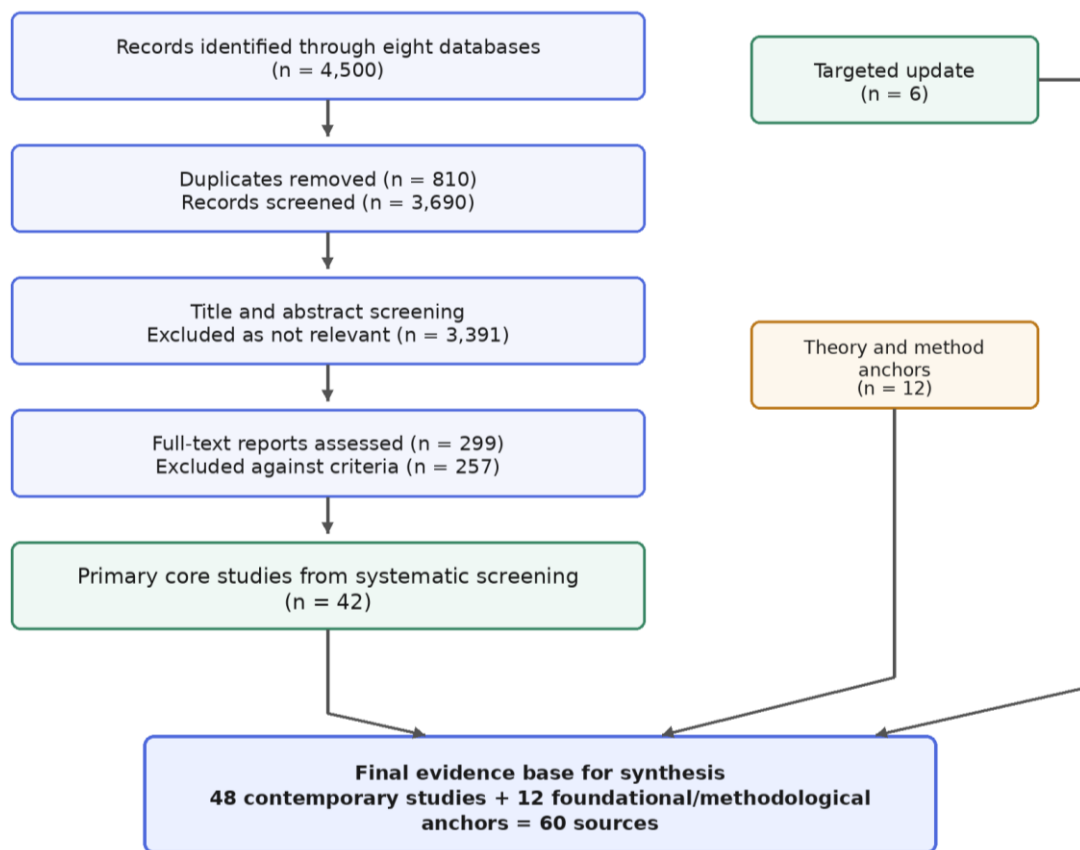


Figure 1. PRISMA-Informed Evidence Selection and Updating

Quality assessment used seven binary criteria: clarity of objectives, explicit theoretical foundation, appropriate design and method, transparent sample or unit of analysis, evidence of validity/reliability or triangulation, consistency between evidence and conclusions, and clear contribution/limitations. The core set averaged 6.0 of 7. Data extraction recorded publication year, country and sector, theory, constructs, level of analysis, method, sample, measurement, principal findings, limitations, and relevance to the institutional-capability model. Synthesis combined descriptive mapping with thematic coding, constant comparison, and attention to negative cases. The final batch of seven core studies produced no additional themes, indicating thematic saturation.

RESULTS AND DISCUSSION

Results

Profile of the Evidence Base

The 42-study core was dominated by quantitative explanatory research: 27 studies (64%) used surveys and PLS-SEM, CB-SEM, or regression; eight studies (19%) were systematic reviews or meta-analyses; and seven (17%) were conceptual or theory-building contributions. The targeted update added evidence on dynamic capability reviews, institutional capacity for AI-enabled government, public-sector crisis adaptation, risk governance, and project sustainability [9], [30], [31], [32], [33], [34], [35], [36], [37]. This mix provides breadth but also reveals a

strong cross-sectional and perception-based bias. The evidence profile is summarized in Table 3.

Table 3. Composition and Quality Profile of the Review Evidence

Evidence Group	N	Role in Synthesis	Quality/Recency Note
Quantitative explanatory core	27	Tests direct, mediated, and contextual relationships.	64% of the 42-study core; generally high quality.
Systematic review/meta-analysis core	8	Provides cumulative patterns and construct maps.	19% of core; high average quality.
Conceptual/theoretical core	7	Clarifies public value, capability, and governance mechanisms.	17% of core; moderate-to-high quality.
Targeted 2024–2026 update	6	Updates dynamic capability, AI-government, risk, and resilience evidence.	Contemporary extension through 30 May 2026.
Foundational/methodological anchors	12	Defines theories, systematic-review standards, and HOC measurement.	Retained despite age because of canonical status.
Total evidence base	60	Integrated narrative and conceptual synthesis.	48 contemporary sources and 12 anchors.

Thematic Findings

Five dominant thematic clusters emerged. Organizational culture appeared in 82% of the core articles, leadership in 78%, organizational commitment in 75%, organizational capability in 60%, and risk governance in 43%. These percentages are non-exclusive because individual studies often addressed more than one construct. Table 4 synthesizes the direction and unresolved issue within each cluster.

Table 4. Thematic Synthesis of the 42 Core Studies

Theme	Coverage	Dominant Synthesis	Unresolved Issue
Organizational culture	82%	Shared values and learning norms shape commitment, coordination, innovation, service quality, and effectiveness [2], [38], [39], [40].	Culture is usually treated as a direct antecedent, not as a sensing component of a higher-order capability.
Institutional/public leadership	78%	Leadership clarifies priorities, mobilizes collaboration, adjusts institutional design, and supports performance [41], [42], [43], [44], [45].	Leadership is rarely integrated with culture and risk governance in one formative capability architecture.
Organizational commitment	75%	Commitment supports service performance, persistence, retention, knowledge sharing,	Most evidence is individual-level and cross-sectional;

Theme	Coverage	Dominant Synthesis	Unresolved Issue
		work engagement, and proactive behavior [19], [20], [21], [24], [25], [26], [46], [47], [48].	mediation toward organizational performance is underdeveloped.
Institutional/dynamic capability	60%	Sensing, learning, agility, innovation, and reconfiguration improve adaptation and reform effectiveness [6], [8], [9], [10], [11], [12], [49], [50].	Definitions and measures vary, and public-sector constraints are often treated as background rather than theory.
Risk governance	43%	Risk information, coordination, and strategic ERM support resilience, resource protection, and decision quality [32], [51], [52], [53], [54].	Risk is commonly operationalized as compliance/control, not as an adaptive transforming capability.

Institutional Capability as a Higher-Order Architecture

The synthesis supports a higher-order interpretation of institutional capability. Organizational culture provides shared interpretive schemes that determine what signals are noticed, how problems are framed, and whether learning is legitimate. This is a public-sector form of sensing. Institutional leadership converts interpretation into strategic choice by clarifying goals, building coalitions, adapting rules, and allocating attention and resources; it therefore represents seizing. Risk governance supplies routines for anticipation, deliberation, escalation, accountability, and reconfiguration under uncertainty, corresponding to transforming. Because the three dimensions are non-interchangeable and jointly define the domain, their relationship to Institutional Capability is formative rather than reflective [55], [56], [57]. The resulting mediation architecture is depicted in Figure 2.

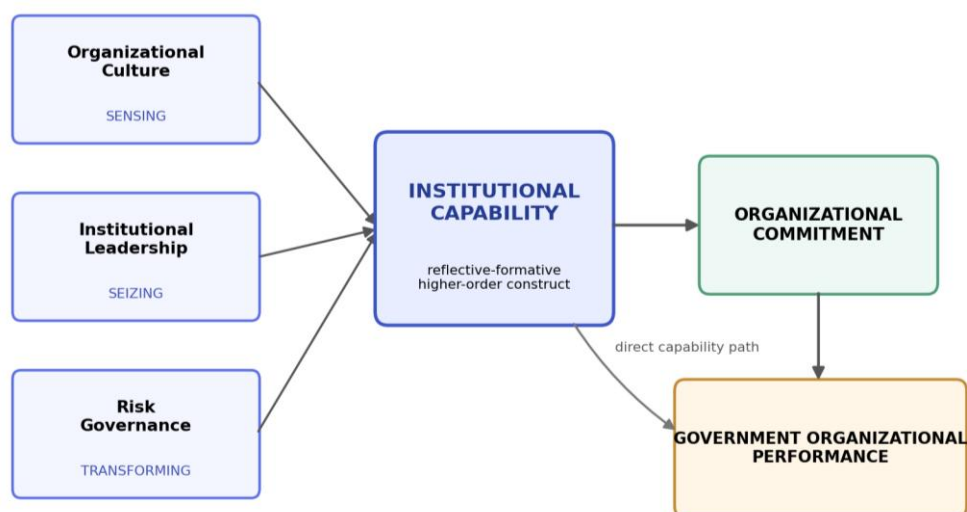


Figure 2. Integrated Institutional Capability–Commitment–Performance Model

Organizational Commitment as the Conversion Mechanism

Capability is organizational only when it is enacted by members. Culture, leadership, and risk routines can remain ceremonial if employees do not identify with organizational purposes, accept responsibility, and invest effort in implementation. Affective commitment is particularly relevant because it reflects identification and emotional attachment; normative commitment adds felt obligation, whereas continuance commitment may retain employees without necessarily stimulating adaptive or discretionary behavior [18]. The mediation logic therefore operates through four mechanisms: institutional meaning makes change intelligible; leadership strengthens goal clarity and perceived support; fair risk governance reduces uncertainty and defensive behavior; and commitment converts these conditions into sustained implementation. Evidence from local government, public organizations, and public-sector HR studies supports parts of this pathway, although few studies test the entire chain [19], [20], [21], [22], [24], [25], [26], [46].

Public Value and Government Organizational Performance

Government organizational performance is multidimensional. Efficiency and target achievement remain relevant, but they are insufficient where outputs are produced without legitimacy, fairness, citizen trust, or substantive social outcomes. Public-sector restructuring may improve efficiency but can also create organizational and psychological costs, reinforcing the need for a multidimensional performance criterion [58]. Public value functions as the criterion that disciplines the capability-performance relationship: sensing should identify socially consequential needs, seizing should select legitimate and feasible responses, transforming should protect continuity and accountability, and commitment should support responsible implementation. This framing is consistent with public-value management and with empirical evidence showing that capabilities in procurement, digitalization, institutional capacity, and service delivery are valuable when they improve citizen-facing outcomes [1], [2], [11], [14], [15], [16], [17], [59].

Discussion

The synthesis shifts the unit of explanation from isolated organizational practices to an integrated capability architecture. Culture can create cohesion without strategic mobilization; leadership can generate episodic action without institutional memory; and risk governance can become compliance-oriented when detached from learning and adaptation. Their integration helps explain why government organizations with comparable formal resources may differ in their capacity to detect change, mobilize responses, and sustain implementation. This architecture also clarifies the distinction between institutional capacity and dynamic capability: capacity concerns the availability and quality of resources, systems, and authority, whereas dynamic capability concerns the patterned ability to renew how those resources are deployed. Institutional capability, as proposed here, connects both by locating dynamic renewal within culturally, politically, and legally constituted public institutions.

Positioning organizational commitment as a mediator avoids the deterministic assumption that formal capability automatically produces performance. Public organizations frequently experience decoupling, in which plans, risk registers, performance systems, and digital platforms exist formally but exert limited influence on everyday action. Commitment

helps explain whether institutional arrangements become enacted routines. However, commitment should not be treated as a uniformly positive composite: high continuance commitment may coexist with passivity, whereas affective and normative commitment are more plausibly associated with extra-role behavior and adaptive implementation. Future empirical models should therefore compare an overall commitment construct with its differentiated components.

The public-value layer specifies the boundary of desirable performance. Dynamic capability in government cannot be evaluated solely through speed, innovation counts, or budget absorption because rapid or efficient action can still generate exclusion, administrative burden, or unequal access. For social-welfare and education agencies, capability should also be assessed against distributional outcomes, including whether women, persons with disabilities, low-income households, and remote communities can access services safely and meaningfully. This extends the proposed model beyond internal effectiveness by positioning equity, legitimacy, and citizen consequences as constitutive criteria of public value.

Methodologically, the synthesis supports modeling Institutional Capability as a reflective-formative higher-order construct. Indicators reflect each lower-order construct, while culture, leadership, and risk governance form the higher-order capability. Misclassifying this architecture as reflective would imply that the dimensions are interchangeable, which contradicts the theory and can bias structural estimates [55], [56], [57]. A disjoint two-stage PLS-SEM approach is appropriate when the lower-order constructs have numerous indicators and the structural model includes mediation, provided formative validity, collinearity, and outer weights are examined carefully [60]. Common-method controls, multi-informant aggregation, and objective performance indicators are also necessary because many existing studies rely on single-source perceptions.

Research Gap

The synthesis identifies four interdependent gaps that explain why the relationship between institutional capability and government organizational performance remains incompletely understood. Table 5 consolidates the recurring empirical, theoretical, methodological, and contextual limitations in the reviewed evidence and links each limitation to a corresponding research requirement. Together, these gaps provide the rationale for the integrated capability-commitment-performance model.

Table 5. Explicit Research Gaps Identified by the Review

Gap Type	Evidence From The Literature	Required Response
Empirical gap	Culture, leadership, and risk governance are repeatedly linked to performance, but usually in separate models. Commitment is more often an antecedent of employee outcomes than a mediator toward government organizational performance.	Test the simultaneous direct and indirect effects of an integrated institutional-capability construct.
Theoretical gap	Dynamic capability theory remains private-sector dominated; public-sector studies use inconsistent labels and rarely explain how institutional constraints and	Develop a public-institutional capability theory in which public value is the normative

Gap Type	Evidence From The Literature	Required Response
	public value reshape sensing, seizing, and transforming.	criterion and commitment is the enactment mechanism.
Methodological gap	Cross-sectional, single-informant surveys and perceptual performance measures dominate. Reflective-formative HOC models and longitudinal mediation tests are scarce.	Use multi-informant, longitudinal or time-lagged designs; objective-perceptual performance triangulation; PLS-SEM HOC, multilevel SEM, and configurational methods.
Contextual gap	Evidence is concentrated in private organizations, national administrations, or advanced countries. Local government organizations in Indonesia and risk governance in routine public services remain underexamined.	Test the model across OPDs, municipalities, and social-welfare service domains, with explicit analysis of institutional and regulatory context.

First, the empirical gap is fragmentation. Culture, leadership, risk governance, commitment, and performance are commonly tested in separate models, so the evidence cannot show whether they operate as one institutional architecture or whether commitment transmits their joint effect. This gap justifies testing both the direct Institutional Capability–performance path and the indirect path through Organizational Commitment in a single model [19], [20], [24], [46].

Second, the theoretical gap concerns transferability. Dynamic capability theory was developed largely for competitive firms; in public organizations, sensing, seizing, and transforming are constrained and enabled by law, political accountability, legitimacy, and multiple stakeholder claims. The required theoretical response is not a simple transplantation of private-sector concepts, but a public-institutional reformulation in which public value specifies the desired outcome and commitment explains collective enactment [1], [6], [8], [9], [10].

Third, the methodological gap arises because cross-sectional, single-source designs cannot establish temporal mediation and are vulnerable to common-method bias. Table 5 therefore calls for multi-informant and time-lagged data, objective-perceptual performance triangulation, and reflective-formative higher-order modeling. These choices are necessary because culture, leadership, and risk governance are non-interchangeable components that form Institutional Capability rather than reflective manifestations of an identical latent trait [55], [56], [57], [60].

Fourth, the contextual gap shows that findings from firms, national agencies, or advanced administrative systems cannot be assumed to generalize to Indonesian local government. OPDs operate under dense regulation, interdependence, political oversight, and direct citizen-service obligations. Testing the model in municipalities and social-welfare services is therefore essential to establish contextual validity and to examine whether capability creates equitable public value, not merely internal efficiency [50], [53], [59].

State of the Art

The state of the art lies in integrating research streams that have typically developed in parallel. Table 6 contrasts the dominant prior approach with the position advanced by this review across construct architecture, human mechanism, performance criterion, theory transfer, measurement, and context. The novelty is therefore cumulative: institutional capability is modeled as a higher-order architecture, organizational commitment as an enactment mechanism, and public value as the criterion that defines desirable government performance.

Table 6. State of the Art of the Proposed Model

Dimension	Dominant Prior Approach	Integrated State-Of-The-Art Position
Capability construct	Single capability, resource, or practice examined independently.	Institutional Capability as a reflective-formative HOC composed of culture/sensing, leadership/seizing, and risk governance/transforming.
Human mechanism	Commitment treated as a direct individual predictor or outcome.	Organizational Commitment as the conversion mechanism between institutional capability and organizational performance.
Performance criterion	Efficiency, innovation, or perceived performance in isolation.	Government Organizational Performance combining effectiveness, efficiency, accountability, adaptability, service quality, and public value.
Theory transfer	Private-sector dynamic capability applied with limited contextual adaptation.	Public-sector translation that incorporates law, legitimacy, multiple stakeholders, political accountability, and equity.
Measurement	First-order reflective constructs and single-source surveys.	Two-stage PLS-SEM HOC, multi-informant aggregation, and objective-perceptual indicator triangulation.
Context	Private firms, projects, or central government organizations.	Local government/OPD context, including social-welfare and citizen-facing service organizations.

At the construct level, Table 6 shifts the analysis from isolated practices to a reflective-formative higher-order capability. Culture supplies sensing, leadership supplies seizing, and risk governance supplies transforming; no component can be removed without changing the meaning of the construct. This is a stronger theoretical position than treating each dimension as an interchangeable indicator [6], [8], [9], [55], [56], [57].

At the mechanism level, Organizational Commitment is repositioned from a parallel employee attitude to the conversion process through which institutional arrangements become sustained behavior. The model therefore explains not only whether capability is associated with performance, but how strategic meaning, leadership support, and governance routines are translated into persistence, knowledge sharing, discretionary effort, and adaptive implementation [18], [19], [20], [21], [24], [46].

At the outcome and theory-transfer levels, the table broadens performance from efficiency or innovation alone to a multidimensional government result that includes effectiveness, accountability, adaptability, service quality, legitimacy, equity, and public value. This prevents private-sector dynamic-capability logic from being imported without modification and makes publicness—law, political accountability, multiple stakeholders, and distributive consequences—a constitutive part of the theory [1], [2], [6], [10], [11], [14], [15], [16], [17].

Finally, the measurement and contextual rows convert the conceptual contribution into a testable empirical design. A disjoint two-stage PLS-SEM approach can estimate the higher-order construct, while multi-informant aggregation and objective-perceptual triangulation reduce single-source bias. Applying the design to OPDs and citizen-facing service organizations extends the evidence base to a setting where organizational capability must be both administratively effective and socially legitimate [49], [50], [55], [56], [57], [60].

Future Research Agenda

Future research should be cumulative rather than a collection of disconnected recommendations. Figure 3 presents five stages, and Table 7 translates each stage into a researchable question and an appropriate design. The sequence begins with construct validity, proceeds to causal mediation and objective performance, then examines contextual configurations, and finally evaluates whether capability produces equitable public value. Each later stage depends on the credibility of the earlier stages.

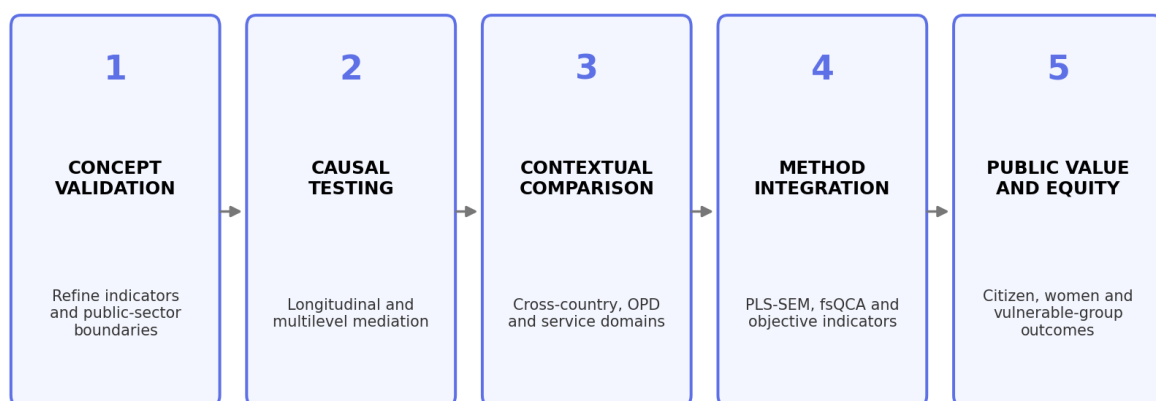


Figure 3. Future Research Roadmap for Institutional Capability

Figure 3 presents a cumulative rather than strictly linear research roadmap. Concept validation establishes what the institutional-capability construct represents; causal testing determines whether and when organizational commitment transmits its effects; contextual comparison identifies boundary conditions; method integration strengthens inference; and the public-value stage evaluates who benefits from improved capability. The endpoint is therefore not merely a statistically significant model but a validated explanation of administrative performance and equitable service outcomes.

Table 7 operationalizes the roadmap by linking each research priority to a specific question and a design capable of producing the minimum evidence needed for credible inference.

Table 7. Priority Future Research Questions

Priority	Research Question	Recommended Design
Construct validation	Do culture, leadership, and risk governance form a non-interchangeable higher-order institutional capability across public-service domains?	Expert panels, cognitive interviews, EFA/CFA, redundancy analysis, formative validity tests.
Causal mediation	Does organizational commitment transmit capability effects to performance over time, and which commitment component matters most?	Three-wave longitudinal survey; multilevel SEM or disjoint two-stage PLS-SEM.
Objective performance	Do capability and commitment predict objective accountability, service, audit, and citizen outcomes beyond common-method perceptions?	Multi-source data linkage and predictive validity analysis.
Context and configurations	Which combinations of capability dimensions work under different administrative traditions, turbulence, and resource constraints?	Cross-country comparison, fsQCA, multigroup analysis, and mixed methods.
Equity and welfare	When does institutional capability create equitable public value for women and vulnerable groups rather than only aggregate efficiency?	Distributional outcome analysis, gender-responsive service indicators, citizen co-production studies.

The first priority, construct validation, must determine whether culture, leadership, and risk governance are empirically distinct yet jointly formative across service domains. Expert review and cognitive interviewing establish content validity, whereas factor analysis, redundancy analysis, collinearity diagnostics, and formative weight assessment establish measurement validity [55], [56], [57], [60].

The second and third priorities address causal and criterion validity. A three-wave or time-lagged design can verify that capability precedes commitment and that commitment precedes performance, while multi-source linkage can test whether the model predicts audit results, accountability scores, service standards, citizen satisfaction, and other objective outcomes beyond self-reports. These steps are necessary before mediation claims can be interpreted as organizational processes rather than same-time perceptions [19], [20], [49], [50].

The fourth priority recognizes equifinality: different combinations of sensing, seizing, and transforming may produce performance under different levels of turbulence, resources, and administrative tradition. Comparative, multigroup, mixed-method, and fsQCA designs can identify both universal relationships and context-specific configurations [6], [8], [9], [10].

The fifth priority places equity and welfare at the end point of the agenda. Research should disaggregate outcomes by gender, disability, geography, income, and vulnerability, and should examine citizen co-production and access barriers. This priority ensures that

institutional capability is evaluated by the distribution of public value, not solely by aggregate efficiency or internal target achievement [1], [2], [11], [14], [15], [16], [17].

CONCLUSION

This systematic literature review conceptualizes institutional capability as a dynamic, socially enacted architecture rather than a static stock of resources. Organizational culture enables sensing, institutional leadership enables seizing, and risk governance enables transforming; together, these dimensions form a higher-order capability that is theoretically linked to government organizational performance both directly and through organizational commitment. Commitment provides the enactment mechanism that converts strategic direction and institutional routines into persistence, knowledge sharing, discretionary effort, and adaptive implementation. Public value defines the substantive criterion for this process by connecting internal capability to accountable, legitimate, equitable, and citizen-relevant outcomes. The review addresses four gaps: fragmented empirical testing, incomplete public-sector theorization of dynamic capability, limited treatment of higher-order and mediated relationships, and insufficient evidence from local government contexts. Future research should validate the model through longitudinal, multi-informant, and multi-source designs, particularly in citizen-facing government organizations.

LIMITATIONS

The review has four limitations. First, the 42-study core was generated through the initial systematic screening, whereas the six-study update was targeted rather than a complete rerun across all databases. Second, heterogeneity in constructs, levels of analysis, and outcomes precluded statistical meta-analysis. Third, journal indexation and quartile status can change over time and should be verified at the point of submission. Fourth, the synthesis is theory-building and does not establish causal effects. Longitudinal, multi-informant, and multi-source empirical testing is therefore required to validate the proposed mediation model and its boundary conditions.

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AUTHOR CONTRIBUTION

M.F. conceptualized the review, formulated the research questions, designed the review protocol, synthesized the literature, developed the institutional-capability model, and drafted the manuscript. I.A.A., A.R.P.B., D., and G.L.P. contributed to theoretical refinement, critical review, and manuscript revision. All authors read and approved the final manuscript.

CONFLICT OF INTEREST

The authors declare no conflict of interest.

DECLARATION OF USE OF AI IN SCIENTIFIC WRITING

Generative artificial intelligence was used as a language-editing and document-organization aid. The authors remain responsible for literature selection, verification, interpretation, argumentation, and the integrity of the final manuscript.

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