

Public Administration as a Catalyst for Sustainable Development: Institutional Transformation, Governance Capacity, and Socioeconomic Progress

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Abstract

This study explored public administration's role as a catalyst for sustainable development by examining how institutional transformation and state capacity affect socioeconomic progress. The study used a qualitative-quantitative research design and a cross-sectional survey. Primary data were gathered from public sector officials and administrative professionals who answered a structured questionnaire rated on a five-point Likert scale. The collected data were analyzed through descriptive statistics, Pearson correlation, multiple regression, reliability analysis, and multicollinearity diagnostics using SPSS. The descriptive results showed positive perceptions of Institutional Transformation, Governance Capacity, and Sustainable Development. There was a significant positive correlation between Institutional Transformation and Sustainable Development, Governance Capacity and Sustainable Development, and Institutional Transformation and Governance Capacity. Multiple regression analysis revealed that Institutional Transformation and Governance Capacity had significant positive effects on Sustainable Development, and the model accounted for a substantial proportion of the total variance. Reliability analysis indicated excellent internal consistency. The study found that improved institutional transformation and governance capacity contributed to sustainable development and long-term socioeconomic development through good governance. The results have implications for policymakers interested in promoting better governance, effective institutions, and sustainable development for their nation.

Keywords: Governance Capacity, Institutional Transformation, Public Administration, Socioeconomic Progress, Sustainable Development, Transparency

1. Introduction

The struggle for sustainable development was primarily about civil society and the public; today it is more about public administration and how we govern, coordinate institutions in a good way, and make policies based on the best available evidence. If development goals were to be met that would be necessary in the future to take on the growing complexity of global economic, environmental, and social problems; then governments had to create efficient administrative systems which could deliver efficient and responsive public services. There was a strengthened demand for improved policy coherence with accountability, transparency, and citizen engagement

in public institutions for inclusive development in the context of SDG adoption. Recent studies show that institutional aspects, administrative innovation, and collaborative governance played a significant role in the effectiveness of sustainable development in developed and developing countries, respectively (Knox & Sharipova, 2023; Allen et al., 2023).

The role of institutional transformation was still much contested as it meant that one of the foundations of modern public administration needs to be strengthened in order to deal with factors such as policy-making uncertainty, technological shocks, and expectations of the populace for transparent governance. Prioritize administrative reforms to build organization flexibility, management, establish policies, and build socio-economic shock-proof institutions. The reforms also have contributed to innovations, digitalization, and intergovernmental cooperation that brought in improved governance and public value creation. Recurring problems and the need for change promoted studies that gave attention to adaptive institutions, that is, to improve administrative processes, such as strategic planning, financial responsibility, human resource formation, and shared decision-making, so that they would be more sustainable. This institutional change boosted governance capability and helped achieve better implementation of sustainable development policies (Sinervo et al. 2026; Knox & Sharipova 2023).

More and more research was given to the linkage between the capacity of governance and socioeconomic development, whereby excellent governance institutions provided the enabling conditions for economic productivity, social inclusion, environmental protection and public trust. Countries with more administrative capacity can more effectively create policies backed by evidence and use public funding effectively and efficiently to leverage partnerships across multiple sectors needed to achieve outcomes of sustainable development. Finally, local governments' participatory governance features and responsible public service delivery aspects were identified as factors that translate national sustainability strategies into actionable practices at the bottom, at the local level. Public administration thus could act as a strategic lever for the realization of sustainable development and was designed to enhance the resilience and performance of the institutions involved as well as socioeconomic well-being in various policy areas.

1.1 Background of the Study

The concept of sustainable development was progressively moved from agenda to governance framework, shifting the focus from economic security, social inclusion, institutional efficacy, and democracy to responsible and accountable public governance. Governments realised that sustainable development depended on the capacity of the government's own administration to effectively implement policies, as well as the soundness of the policies themselves. As a result, public administration became more willing to embrace institutional change using strategic planning and digital governance mechanisms and effectively implement performance management systems to achieve the policy impact and strengthen citizens' confidence. More recent research from Meijer & Hekkert (2024) and García-Vegas (2024) focused on adaptive governance and the institutional capacity that facilitated the development of better public institutions that could respond to increasingly complex sustainability problems for long-term socioeconomic benefits.

Many governments throughout the world have introduced measures to improve governance through modernisation (sector modernisation), to make governance more effective, more decentralised, more capable of utilising information and technology innovations, and more based on evidence of change. The reforms focused on institutional coordination, managerial responsibility, increased citizens' participation and improved delivery of services, some of these sector-specific. Public organizations also played a role in scaling up collaborative governance arrangements by actively involving actors from other sectors (such as government, civil and private sectors) in development planning. Contemporary evidence showed the importance of effective public institutions, having organizational resources, leadership capacity, and policy

coordination systems to effectively put sustainable development strategies into practice (Köhler et al., 2024; Altamirano et al., 2025).

Governance reforms have been made at various levels, but there remain governments with institutional weaknesses, weak administrative capacity, low efficiency of regulators, and poor execution for sustainable economic and social development. The various challenges were most keenly felt in the developing countries with relatively weak institutional frameworks inhibiting the impact of policy and the pace of sustainable development goals achievement. The new studies implied that good governance institutions with institutional improvements such as administrative innovations, moving towards digitalization, cooperation, and accountability of state institutions had a positive impact on the design and effective implementation of government policies and their results. The role of public administration in promoting public SD was considered a conversation starter rather than the last resort to SD, which continued to slowly develop in different ways, such as by building institutional resilience and providing effective governance and inclusive socioeconomic development (Syed et al, 2024; Al-Mekhlafi et al, 2024).

1.2 Research Objectives

1. To analyse the impact of institutional change on sustainable development.
2. To assess how well the governance system is functioning in respect of its impact on sustainable development.
3. To explore the contribution of public administration to socioeconomic development in an effective and sustainable manner.

1.3 Research Questions

1. Which impact did institutional change have on sustainable development?
2. What were the impacts of governance capacity on Sustainable Development?
3. What part played public administration in achieving sustainable development of socioeconomic progress?

1.4 Significance of the Study

The study's findings helped advance the knowledge of public administration and sustainable development by elucidating the effect of institutional change on socioeconomic development and on the capacity of government. The findings supported empirical evidence to policy makers, government agencies and Public-Private Sector administrators who wanted to enhance governance systems and policy implementation. The study also provided pragmatic recommendations for development agencies and public institutions on administrative reform, institutional modernization and building capacity in governance to support sustainable development goals. The research provided a useful reference for future research and academics, it enriched the body of literature on governance, institutional effectiveness, sustainable public administration and enhanced the areas requiring further research in various national and regional context.

2. Literature Review

2.1 Institutional Transformation and Sustainable Development

The acceleration of the transformation of institutions is a key driver for sustainable development to help governments overcome new economic, social and environmental challenges. There is a need for greater transparency and accountability, for capabilities to sustain and integrate policy

development across sectors and for robustness. The United Nations (2015) emphasizes that good institutional performance is essential to the SDGs, and SDG 16 has institutions for peace, justice and strong institutions. The institutional transformation means the strengthening of institutional effectiveness, digital governance, decentralization, including policy coherence and public participation which are addressed by the institutional reform. These changes improve the ability of governments to deliver quality public services, socio-economic growth, the protection of the environment and equity. The literature indicates that the performance of a policy depends on the quality of the institutions it is applied to: institutions influence resource allocation and enforcement of institutional rules and norms, as well as citizens' trust in institutions (North, 1990; Acemoglu & Robinson, 2012).

The literature recently highlights the need for the institutional change, which goes beyond structural change to also include a change in the organizational culture, administrative innovations, and technology modernization. It has brought about positive changes in the performance of institutions through transparency in institutional functions and through E-government, which are less citizen-unfriendly, less bureaucratic and more transparent. (Mergel et al., 2019). Some evidence of a positive link between increased institutional change with accountability and participatory governance and more effective policy delivery and more public trust in policies (OECD, 2020). Other research suggests that institutional change is also a factor in sustainable development, by integrating policies in various sectors such as education, health, environmental protection and economic planning (World Bank, 2022).

Evidence is unanimously available that the promotion of institutional transformation would have a positive impact on sustainable development indicators. Evidence suggests that clear policies and good institutions regarding transparency, decentralization, regulatory quality and administrative efficiency have significant impacts on inclusive economic growth, poverty reduction, and environmental protection (Kaufmann, Kraay, & Mastruzzi, 2011; Rodrik, Subramanian, & Trebbi, 2004). Institutional change can also improve governments' investment potential by providing greater certainty of the regulatory environment and by lowering the risk of corruption. In addition, adaptive institutions allow innovation and knowledge sharing, ensuring that policies based on evidence are put in place and in line with sustainability goals.

2.2 Sustainable Governance, Development Governance, Governance for Sustainable Development

Governance Capacity is the government and/or public institutions' ability to design effective policies, implement, coordinate and evaluate them in order to address society's needs. The importance of good governance in the sustainable development of the nation is well established, and establishes the capacity of governments to manage available resources efficiently, hold them accountable and ensure quality public services. The United Nations Development Programme (UNDP, 2021) notes that governance capacity consists of governance leadership, institutional coordination, regulations quality, implementation of regulations and involvement of stakeholders. Good governance plays a facilitative part in reaching a balance between the economic development, the environmental sustainability and the social inclusion of the governments. "Successful government" is the criterion used to define development, though according to Fukuyama (2013) state capacity is key since it facilitates the implementation of any policy in an effective and efficient way. Consequently, the High-Performance capacity of government is a developing question in the area of sustainable development performance all over the world.

In this sense, there is an emerging trend today in building the governance capacity in terms of evidence-based decision making, collaborative policy making, transparency and Information and communication Technology Governance. Digital technologies, open government, and performance management systems have been increasingly seen as instruments that can be

leveraged to deliver better services and enhance accountability on government actions (OECD, 2023). The importance of collaborative governance approaches between public agencies, private organisations, civil society and local community is also becoming more prominent in the form of approaches to complex sustainability challenges (Ansell & Gash, 2008). These partnerships provide opportunities for the exchange of knowledge, increase policy legitimacy and help increase effectiveness in implementing policy. Governance capability is also important to enhance environmental sustainability which enable governments to develop a robust environmental regulation framework and coordinate environmental adaptations strategies as well as proper management of environmental resources (World Bank, 2023).

In developed and developing nation, it has been concluded by so many empirical research studies that the effective governance has a significant effect on achievement of sustainable development goals. Better health care systems, educational quality, infrastructure, environment and economic competitiveness are associated with increased effectiveness of governance (Kaufmann et al., 2011). Effective governance also lowers corruption levels, strengthens public financial management and bolster investor confidence leading to economic stability in the long term (Acemoglu & Robinson, 2012). In many cases people suffer when the governance capacity is weak that results in inconsistent policies, poor policy implementation, weak institutionalization, poor utilization of resources, and indirectly affects sustainable development work. Institutional learning, building human capital, digital innovation, and continuous administrative reforms remain important drivers for the effective strengthening of governance capability for achieving inclusive national development and the Sustainable Development Goals, researchers say.

2.3 Socio-Economic Development And Public Order

The role of public administration is at the core of contributing to the socioeconomic development through designing and enacting policies contributing to the improved citizens' quality of life and sustainable economic development. The spectrum of modern public administration does not stop at the framework and ideology of the 19th century rigid bureaucracy, but extends to strategic governance, innovation, service delivery towards the citizen, and the co-construction of policies. While administrative processes do need to be managed in the service to citizens and citizens' interests, in today's public administration, it is essential that public value is created and democratic governance enhanced (Denhardt and Denhardt, 2015). Public Administration plays a critical role in socioeconomic development which will ensure equal access to education, health, infrastructure and social protection/responsibilities and employment opportunities. UN (2019) also highlights the role of good public institutions in reducing inequality and promoting inclusive development. In recent years, public administration has gone through tremendous development, particularly in terms of information technologies and digitalisation, performance management and innovation of the public sector, as evident in the literature. The development of e-government, big data analytics and digital public services has improved the administration's performance, elevated transparency and citizens' satisfaction (Mergel et al., 2019). Four challenges affecting the public sector - urbanisation, climate change, unemployment and demographic change (OECD, 2023) - are complex socio-economic challenges, which call for innovation in the public sector, so as to be able to better resolve the challenges.

New Public Governance challenges focuses on building partnerships between the different parts of government, between the private sector and civil society, to improve policy effectiveness and service delivery (Osborne, 2010). There is a robust empirical evidence which shows that strong public administration has a positive impact on socioeconomic development through enhanced governance quality, trust in institutions and inclusive economic opportunities. Good public administration correlates with improved economic productivity, reduced poverty, better human development and social cohesion (World Bank 2022; Kaufmann et al. 2011; Fukuyama 2013).

3. Research Methodology

3.1 Research Design

This study used a Quantitative research design to determine the effect of Institutional transformation and governance capacity constraints on sustainable development and socioeconomic development. A quantitative approach was used, giving a systematic method for collecting numerical data and enabling a statistical analysis of the relationships between the study variables. The design of the research was a cross-sectional type of the survey design, with data being collected from the respondents at one point in time. This design was suitable because it allowed the perceptions of institutional changes, capacity of governance, and sustainability to be measured together and to be analyzed in an objective manner.

3.2 Target Population

The respondents were public sector officials, administrative officers, policy makers, local government officials, and public administration professionals in government institutions constituting the target population. These were individuals who had a good knowledge of governance practices and professional experience in institutional reform and implementing SD initiatives. They provided good information to discuss the role of Public Administration in achieving sustainable socioeconomic development.

3.3 Sample Size and Sampling Technique

This study was based on 350 respondents from different public sector organizations. The sample size was enough to statistically support the descriptive statistics, correlation analysis, reliability analysis, and multiple regression analysis. To ensure equal opportunity among all eligible participants, a simple random sampling technique was used. This technique of sampling reduced the bias of selection and increased representative data in the sample.

3.4 Data Collection Method

Primary data were used in this study and collected using a structured questionnaire. The items asked in the questionnaire were closed-ended with a five-point Likert scale from Strongly Disagree (1) to Strongly Agree (5). Items to measure institutional transformation, governance capacity, and sustainable development were included in the instrument. The respondents were contacted via an electronic mailing, and a questionnaire was sent to respondents with the necessary institutional clearances. All participants filled out the survey anonymously and provided their consent.

3.5 Research Instrument

There were two parts to this questionnaire. Demographic data such as gender, age, educational qualification, professional experience, and organizational position were collected in the first section. The second part was the measurement of the study constructs, which were already developed in existing literature and adopted to the present study. 8 items were used to measure Institutional Transformation, 8 to measure Governance Capacity, and 10 to measure Sustainable Development. Minor wording changes were made to enhance clarity with no alterations to the

meaning of each construct.

3.6 Data Analysis Techniques

The data were collected and then analysed using a Statistical Package for the Social Sciences (SPSS) Version 29. Demographic characteristics of the respondents were summarized using descriptive statistics in terms of frequencies and percentages, means, and standard deviations of the distribution of the study variables. The strength and direction of the relationships among the variables were tested using Pearson correlation analysis. Multiple linear regression was used to analyze the contribution of institutional transformation and Governance capabilities to sustainable development. The internal consistency of the measurement scales was assessed by reliability analysis by cronbach alpha. Variance Inflation Factor (VIF) was used to check the problem of multicollinearity, and the tolerance values were used to identify the independence of predictor variables. The level of significance did not change from 0.05 to 0.02 for any inferential tests.

4. Results And Analysis

4.1 Respondents: Demographic Profile

Demographic descriptions reflected the demographics of those who responded to the study. Data on gender, age, educational qualification and experience showed the over-view, and graduation data showed that the respondents were public sector employees who were from different professional areas.

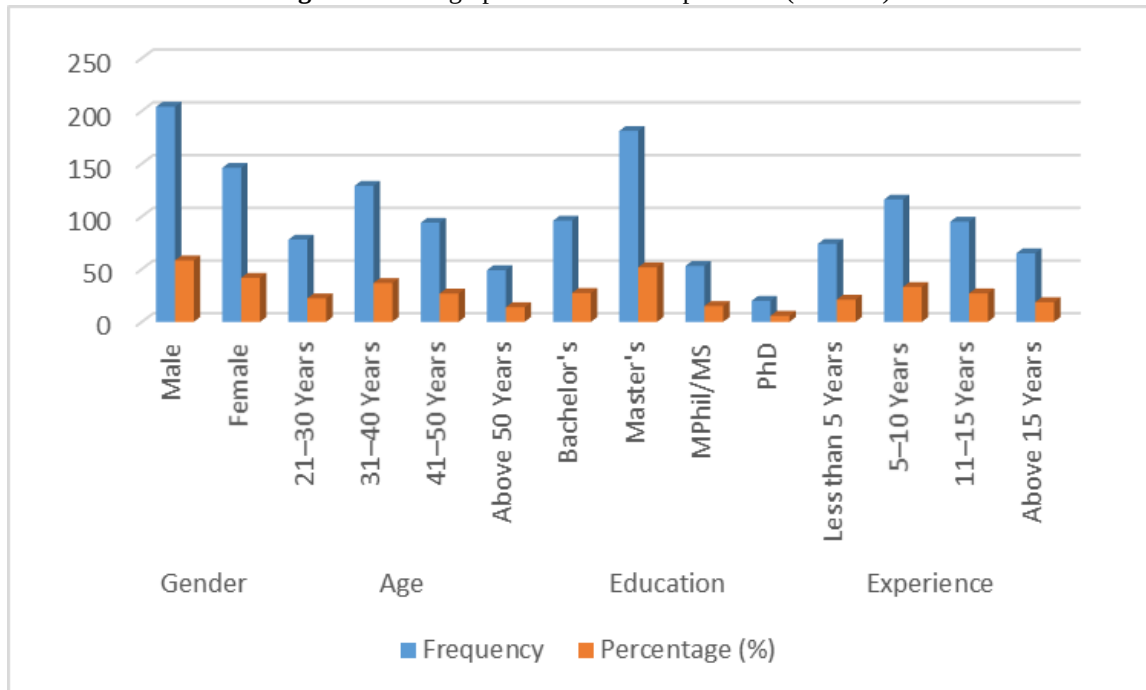
Table 1. Demographic Profile of Respondents (N = 350)

Variable	Category	Frequency	Percentage (%)
Gender	Male	204	58.3
	Female	146	41.7
Age	21–30 Years	78	22.3
	31–40 Years	129	36.9
	41–50 Years	94	26.9
	Above 50 Years	49	14.0
Education	Bachelor's	96	27.4
	Master's	181	51.7
	MPhil/MS	53	15.1
	PhD	20	5.8
Experience	Less than 5 Years	74	21.1
	5–10 Years	116	33.1
	11–15 Years	95	27.1
	Above 15 Years	65	18.7

Demographic characteristics of the respondents were provided in table 1 The findings showed that 58.3% of the respondents were male while 41.7% were female. The distribution proposed frequency distribution for participation of both the genders was even, but the participation of male was comparatively more. The age distribution showed that, third most was the respondents aged 31–40 years (36.9%), second most was the respondents aged 41–50 years (26.9%) and third most

was the respondents aged 21–30 years (22.3%). There were 14.0 percent greater than 50 years. The results showed that most of them were professionally mature and were also experienced in their administrative practice which allowed them to give informed responses on governance practices and institutional transformation. An educationally highly educated sample was highlighted. Over one half (51.7%) of respondents held master's degrees and 27.4% had a bachelor's degree. The distribution of respondents who have MPhil/MS qualification was 15.1% and 5.8% for those who have PhD qualification. Professional experience was also highly varied and showed the highest percentage (33.1%) having 5-10 years.

Figure 1. Demographic Profile of Respondents (N = 350)



4.2 Descriptive Statistics

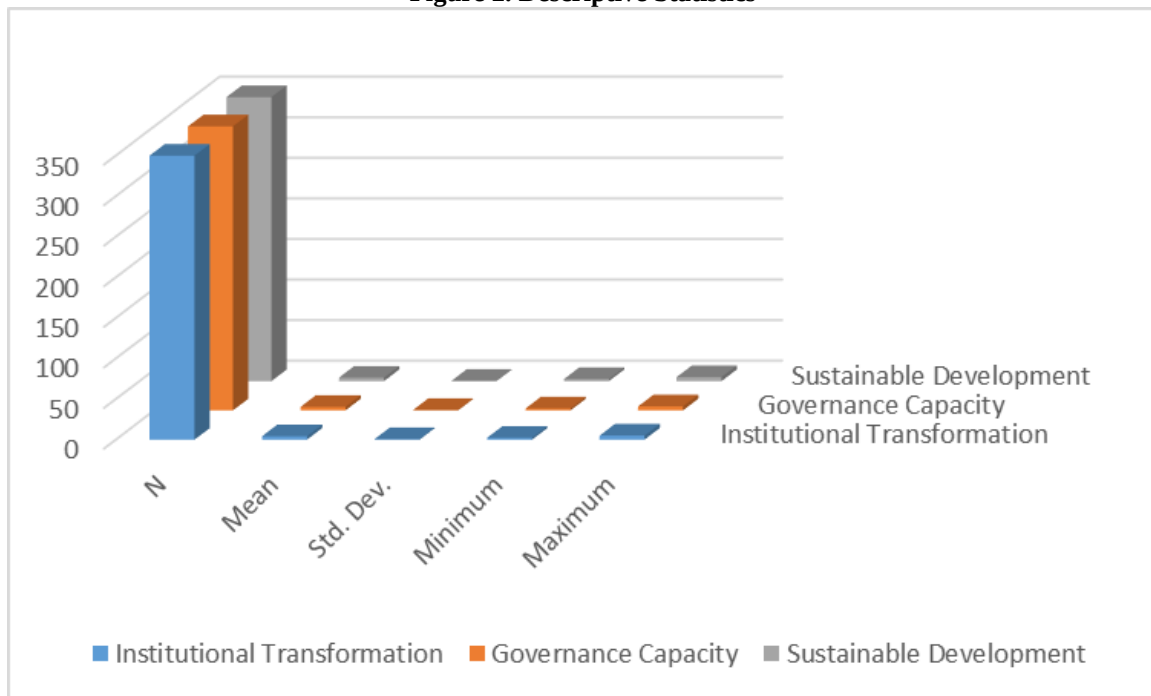
Table 2. Descriptive Statistics

Variable	N	Mean	Std. Dev.	Minimum	Maximum
Institutional Transformation	350	4.18	0.56	2.31	5.00
Governance Capacity	350	4.25	0.52	2.44	5.00
Sustainable Development	350	4.29	0.49	2.63	5.00

Overall positive perceptions were reported for all study variables, based on the descriptive statistics. The highest mean value ($M = 4.29$) was for Sustainable Development, followed by Governance Capacity ($M = 4.25$), and Institutional Transformation ($M = 4.18$). This indicated that respondents were largely in agreement that good governance, which builds positive institutions, fosters sustainable practices in public sector organisations. The standard deviations varied from 0.49 to 0.56 showing relatively low variation among the opinions of the respondents. The small dispersion showed consistency in responses and indicated that the individuals had a comparable

experience and perception of administrative reform, governance effectiveness and sustainable development initiatives.

Figure 2. Descriptive Statistics



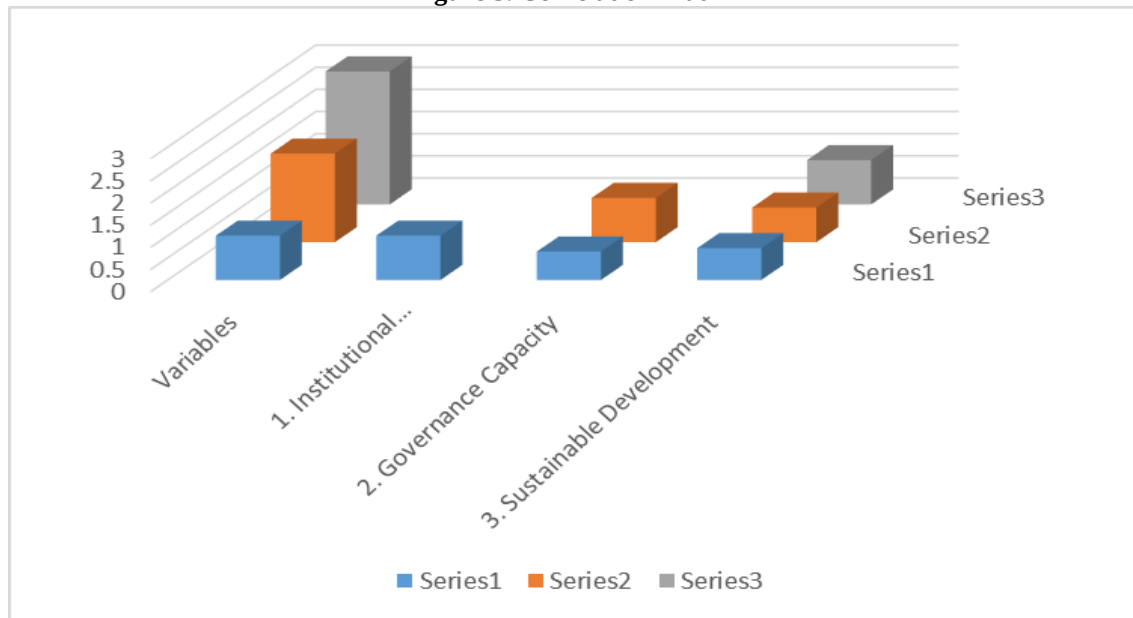
4.3 Correlation Analysis

Table 3. Correlation Matrix

Variables	1	2	3
1. Institutional Transformation	1		
2. Governance Capacity	.642	1	
3. Sustainable Development	.718	.782	1

The Pearson's correlation coefficient between the study variables are presented in table 3. The findings showed that the Institutional Transformation and Sustainable Development were positively related and had strong correlation ($r = .718$ and $p < .01$). A positive indicator showed that the increase in institutional transformation was correlated with the sustainable development increase. This relationship revealed that the administrative modernization, policy innovation and institutional reform emphasized that positively affected sustainable development objectives in public sector organizations. This correlation is strongest found in the study between Governance Capacity and Sustainable Development, which was $r = .782$ ($p < .01$). The findings indicated that the better the governance capability of the organizations, the more capable they are in terms of sustainable development performance. There was a moderate positive correlation between Institutional Transformation and Governance Capacity ($r = .642$ ($p < .01$)). The coefficient implies that institutions that put a greater effort in implementing institutional reforms tended to exhibit higher governance capacity.

Figure 3. Correlation Matrix



4.4 Multiple Regression Analysis

Table 5. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error
1	.816	.666	.664	.287

Table 6. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	57.624	2	28.812	349.538	.000
Residual	28.602	347	0.082		
Total	86.226	349			

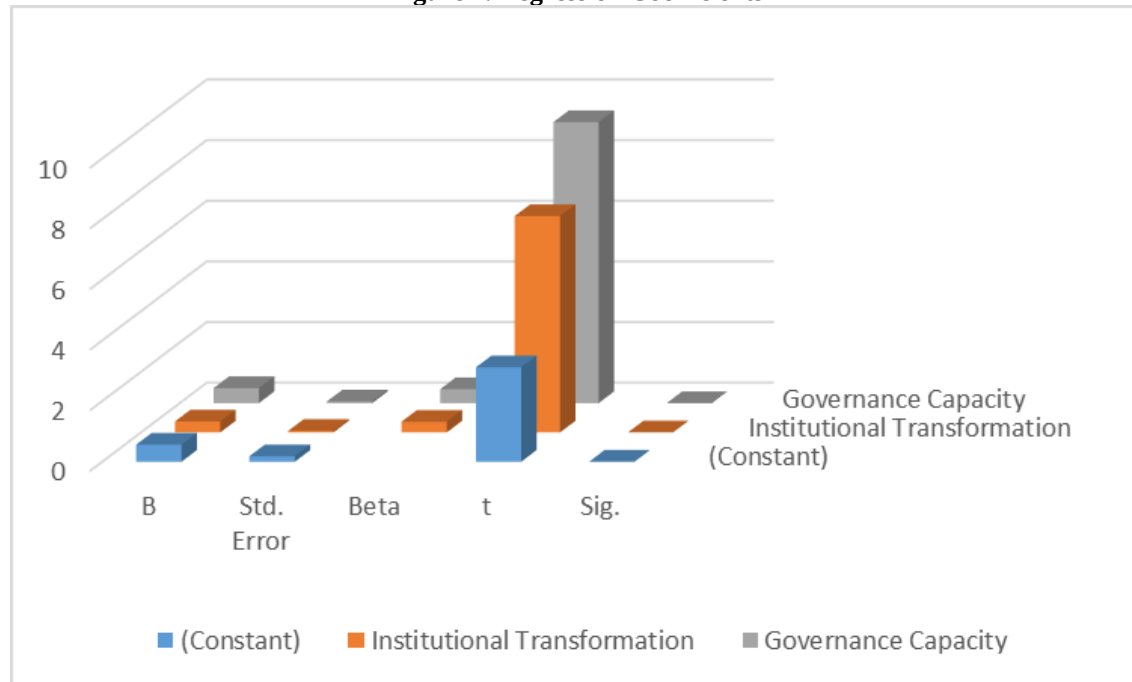
Table 7. Regression Coefficients

Variables	B	Std. Error	Beta	t	Sig.
(Constant)	0.564	0.181		3.116	.002
Institutional Transformation	0.364	0.051	.352	7.137	.000
Governance Capacity	0.497	0.054	.461	9.272	.000

Table 8 showed that regression model obtained R value of .816 which indicate that there is strong relationship between independent variables and Sustainable Development. These results showed that two factors of Institutional Transformation+Governance Capacity explained 66.6% of the variance in Sustainable development, as detailed by the R^2 value. The Adjusted R^2 of .664 indicated the model's explanatory power did not vary significantly from the number of predictor variables.

The ANOVA results presented in Table 4.9 showed that the regression model was still statistically significant ($F = 349.538$, $p < .001$). Institutional Transformation reinforced with $\beta = .352$ ($t = 7.137$, $p < .001$) showed that the enhancement of the institutional modernization lead to increase in sustainable development. Governance Capacity had the highest $\beta = .461$ ($t = 9.272$, $p < .001$) indicating that governance effectiveness partly explained sustainable development the most.

Figure 4. Regression Coefficients



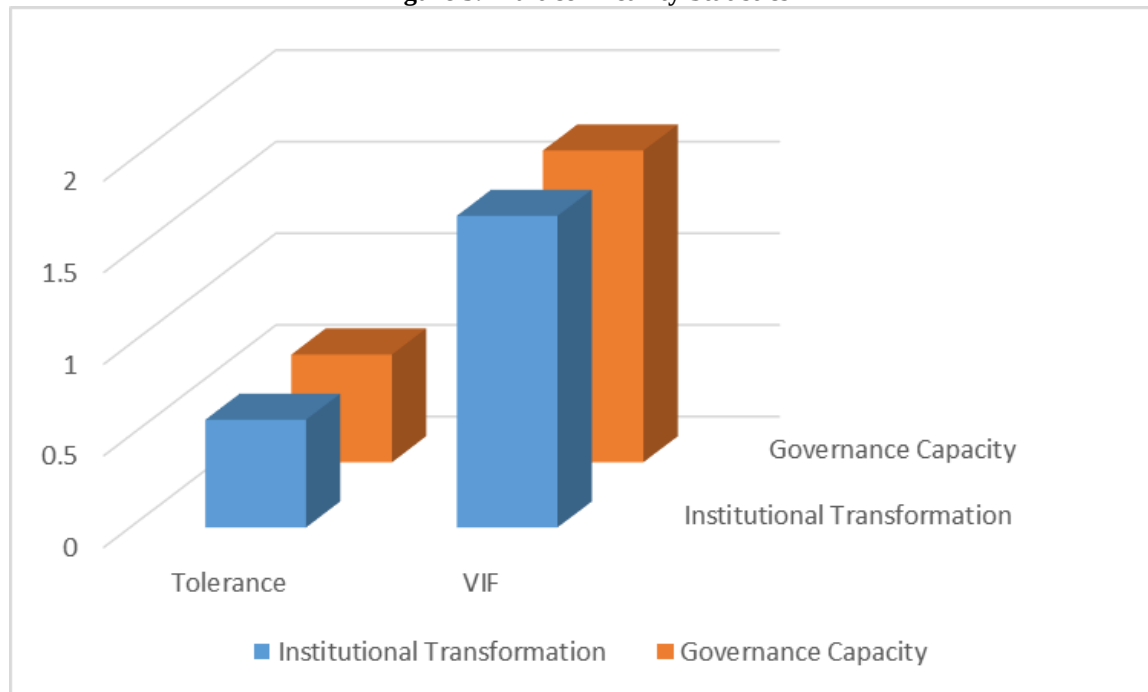
4.5 Multicollinearity Test

Table 9. Multicollinearity Statistics

Variable	Tolerance	VIF
Institutional Transformation	.588	1.701
Governance Capacity	.588	1.701

Table 9 showed the various multicollinearity diagnostics of the independent variables. The scores of Tolerance were both found to be at 0.588, and were still quite high compared to the recommended minimum of 0.10 for both categories of Institutional transformation and Governance capacity. These results showed that with regard to explanatory power of the regression model, each predictor variable kept the necessary independent explanatory power. Both variables' VIF values were 1.701, which is far less than 5.00 suggested. The VIF values were low which indicated that predictor variables did not have a high degree of intercorrelation.

Figure 5. Multicollinearity Statistics



5. Discussion

The results of this study showed that the benefits of institutional change were negative, which in turn indicated that it made a significant positive contribution to sustainable development in the public sector organizations of the research areas. From the regression analysis results, it was found that institutional transformation was positively influential on sustainable development; that is, governance reforms, institutional modernization, and the development of governance innovations in the type of digital governance were conducive to improving the performance of institutions as a positive contribution in achieving sustainable development in the long term. The relatively high mean score on institutional transformation also indicated that more than just current institutional reforms were perceived as positive; so were other institutional changes. The findings confirmed earlier findings of how adaptive institutions, institutional organisational capability for becoming adaptive, and modernization efforts were positively linked with effective government and capacity to implement sustainable development policies (Bryson et al., 2023; Meijer, 2023).

The study was also done to find the governance ability has also been found to be the most suitable choice among the remaining independent variables to explain Sustainable development. A positive regression coefficient indicated that the higher the score in the four fields of increased accountability, transparency, effectiveness of leadership, regulatory quality, and policy implementation, the higher the score for the field of sustainable development. Based on the perceptions of the respondents, the governance capacity and ability did not seem to be separated from public administration – the better the governance capacity, the more effective the policies were. This finding corroborates recent publications, which have shown that good governance improved institutional performance, citizens' trust and the progress of SDG outcomes via effective use of public resources and meaningful participation in decision-making (Pierre & Peters, 2023; Andrews et al., 2022).

The institutional transformation and governance capacity of sustainable development was also well correlated with institutional transformation and governance capacity, and the correlation was positive. The correlation coefficient was statistically significant, indicating that the higher

institutional transformation, the higher the ability of governance, and the positive relationship between institutional transformations and sustainable development. The results pointed to the fact that modernism of administrative organizations and the effectiveness of administration are complementary elements of the effective administration and can't be considered as separate organizational practices. A similar study has demonstrated that institutional change was a way to improve governance function and to facilitate better coordination of policies, administration of accountability, organizational learning, and strategic decision making to improve the sustainability efforts (Boin & Lodge, 2021; Cepiku & Mastrodascio, 2021).

A reliability analysis revealed high internal consistency for all scales, and multi-collinearity diagnostics were satisfactory and indicated high statistical independence of independent variables. These results showed a boost to the confidence in the empirical results obtained, where the instrument of measurement can always capture what respondents thought of the product, and the regression estimates did not change significantly. The findings revealed that this is not the case; institutional transformation, coupled with governance capacity, did not have estimation problems with statistics, so there is no multicollinearity. These results affirmed that there is a need for statistically significant tests and instruments for measuring the institutional performance and governance, as indicated in some public administration studies recently carried out (Hair et al., 2022; Kline, 2023). It also revealed that highly capable public institutions and their accountability, transparency, inclusion of different actors, and innovative management were very important for sustainable development. The study confirmed that one of the themes reaches a consensus all over the world – improving the role and quality of public administration in areas of resilient public institutions, inclusive socioeconomic development, and sustainable national development (Osborne et al., 2022; Farazmand, 2023).

5.1 Conclusion

It analyzed the role of the public administration as a catalyst for sustainable development, analyzing the influence of institutional transformation and governance capacity on sustainable development. The findings showed that both the institutional transformation and the capacity to provide governance made significant positive impacts on sustainable development, with the capacity to provide governance the strongest indicator. The correlation analysis also confirmed a high positive correlation between study variables, indicating that the better institutional reforms became, the better governance systems and better sustainable development outcomes. Apart from the fact that the variability in the variable SD was accounted for by the regression model, it implies that efficient public administration played a major role in the socioeconomic development. The reliability and multicollinearity analyses also indicated the robustness of the research instrument and statistical model and showed that the multicollinearity problem was not more problematic. Governments investing in administrative reform, governance strengthening, and institutional capacity development established a more robust infrastructure for more inclusive socioeconomic development, efficient public service, and long-term national development, the study found.

5.2 Recommendations

From the results of the research, the Public Sector organizations continue to develop institutional transformation through administrative modernization, digital governance, and organizational innovations to enhance policy implementation and service delivery. Government entities need to emphasize capacity building in governance to build good governance practices, which consist of an effective administration without corruption, helping to increase public trust in institutions and promote transparency and accountability, including good governance practices and evidence-based governance, that can support the effectiveness of government administration in carrying out

public policies. Education & training programs on CPD should be launched to enhance the knowledge and skills of Public officials responsible for implementing Sustainable Development policy. Also, governments should increase the cooperation and coordination of Ministries, Local Governments, Private organizations, Academic institutions, and civil society organizations for better policy coordination and utilization of resources. Additionally, planners must invest adequate budgets and technologies in institutional transformation and research and development to foster innovation, public management efficiency, and service delivery to the citizens. It should also be ensured the effective implementation of regular monitoring and performance evaluation systems is maintained to measure the governance effectiveness and to pursue sustainable development projects continuously through improvements.

5.3Future Directions

The findings of this study can be extended in further research by investigating future determinants of sustainable development such as digital transformation, the innovation of the public sector, organizational culture, inspirational and effective leadership, as well as citizen involvement. Comparative studies between countries, regions, or governance levels could broker wider learning about the effectiveness of institutional transformation and government capacity in a range of governance arrangements. Longitudinal research designs should also be used in future research to observe governance performance and sustainable development in the future. Use of advanced statistical methods such as SEM and mediation or moderation analysis may help to grapple with the complex relationships between the variables of governance. Qualitative and mixed-method research methods can also help to complement quantitative results and include the experiences and perceptions of policy makers, public administrators and citizens about institutional change and sustainable development. This type of study would add to a deeper knowledge of the contribution of effective public administration to resilient governance processes and sustainable socioeconomic development.

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