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Organizational Innovation and Performance: The Mediating Role of Faculty Affective Commitment in a Philippine Public Higher Education Institution

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Abstract

This study investigates the mediating role of affective commitment in the relationship between organizational innovation and organizational performance within a public higher education institution in the Philippines. Utilizing a predictive-causal research design, data were collected from 331 faculty members from a higher education institution and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The findings revealed that organizational innovation significantly and positively influences both organizational performance and affective commitment. Likewise, affective commitment demonstrated a significant direct effect on performance, indicating that emotionally invested faculty members contribute meaningfully to institutional outcomes. However, the mediating role of affective commitment in the link between innovation and performance was not supported, suggesting that innovation drives performance directly rather than through emotional bonds. This result diverges from prior literature emphasizing the mediating influence of commitment and points to a context-specific mechanism where structural and operational innovations independently enhance institutional outcomes. The study underscores the strategic importance of fostering innovation in public HEIs and calls for further exploration into alternative psychological or structural mediators that may better capture the innovation-performance dynamic in Philippine higher education.

Keywords: *organizational innovation, affective commitment, organizational performance, PLS-SEM, HEI.*

Introduction

Organizational performance in higher education institutions (HEIs) is increasingly driven by the adoption of innovative practices that respond to the demands of a dynamic and competitive academic environment. In the Philippine context, public HEIs face the challenge of delivering quality education and research outputs while adapting to evolving educational standards, technological changes, and stakeholder expectations. Public HEIs face significant challenges, with prolonged resource constraints, lack of infrastructure, and the directive to expand equitable access in the presence of rising enrollment (Albert et al., 2023; Mendoza, 2022). Addressing these challenges while continuing organizational performance requires organizational innovation which is defined as the implementation of new processes, technologies, curriculum, or administrative practices to improve institutional effectiveness, responsiveness, and sustainability (Damanpour & Aravind, 2012; OECD, 2005). In this context, organizational innovation—defined as the implementation of new ideas, processes, products, or procedures aimed at improving institutional effectiveness—has become a critical determinant of organizational performance (Damanpour & Aravind, 2012; OECD, 2005).

Organizational innovation in HEIs can manifest through curriculum redesign, integration of digital technologies, new administrative practices, and strategic partnerships that promote efficiency and academic excellence. In public HEIs, innovation manifests through curriculum redesign, digital integration, administrative reforms, and strategic partnerships. Evidence based on observation confirms that such innovation directly strengthens organizational performance through improving service delivery, stakeholder engagement, resource allocation, and long-term sustainability (Baregheh et al., 2009; Jiménez-Jiménez & Sanz-Valle, 2011; Walker et al., 2011).

However, the effectiveness of innovation is based crucially on human factors. Affective commitment—an employee's psychological attachment to, identification with, and involvement in the organization (Meyer &

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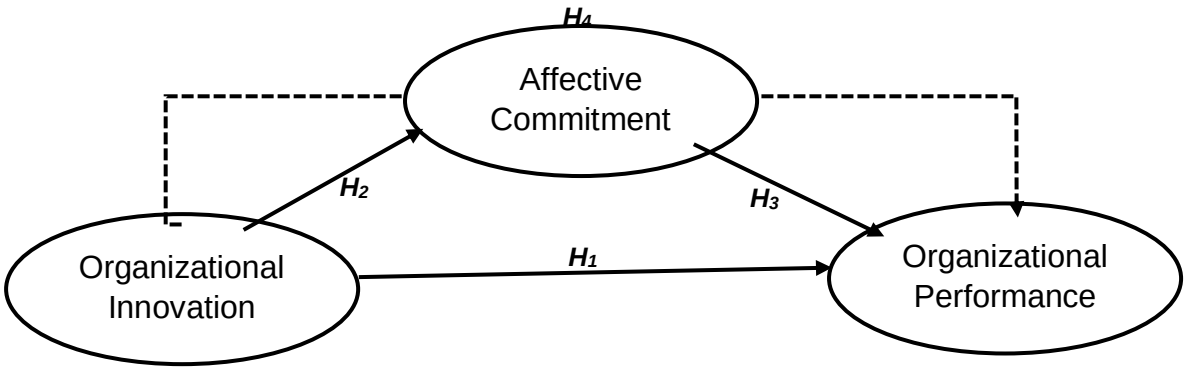
Allen, 1991)—is crucial. Employees with high affective commitment are more likely to adopt innovations, identifying themselves as fundamental to institutional success. Innovation initiatives, through indicating organizational progress and support, can strengthen this emotional bond (Rhoades et al., 2001). Therefore, organizational innovation is asserted to significantly improve affective commitment

Furthermore, affective commitment is a proven indicator of performance outcomes. Committed faculty and staff shows greater job satisfaction, reduced turnover, and elevated discretionary effort toward teaching, research, and service – foundational HEI performance indicators (Riketta, 2002; Zehir et al., 2012). This underscores that affective commitment directly strengthens Organizational Performance.

Affective commitment serves as the critical psychological mechanism through which organizational innovation translates into performance outcomes. When employees are emotionally aligned with institutional objectives, innovation initiatives achieve greater effectiveness. This mediation role is grounded in social exchange theory (Blau, 1964), whereby supportive and innovative organizational environments foster reciprocal positive attitudes: institutions that invest in innovation signal commitment to progress, and employees reciprocate through heightened emotional attachment, ultimately driving performance. Thus, affective commitment functions as the pivotal link between strategic innovation and institutional results.

Taken together, this study investigates the mediating role of affective commitment in the relationship between organizational innovation and performance in a public higher education institution in the Philippines. By doing so, it contributes to the literature on organizational behavior and innovation management in academic settings, particularly in the context of public institutions in developing countries. Understanding these relationships is essential for institutional leaders aiming to enhance innovation outcomes through supportive and emotionally engaging work environments.

Figure 1.
Research Framework and hypotheses



H₁ *Organizational Innovation significantly influence Organizational Performance;*
H₂ *Organizational Innovation significantly influence Affective Commitment;*
H₃ *Affective Commitment significantly influence Organizational Performance;*
H₄ *Affective Commitment mediates the influence of Organizational Innovation on Organizational Performance.*

Methods

Research Respondents

The present study adopted a predictive-causal research design to test the hypothesized relationships among organizational innovation, affective commitment, and organizational performance.

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The research was conducted at a public higher education institution (HEI) in the Philippines, selected for its active engagement in institutional innovation and organizational reforms. As a developing public university, it provided a relevant context for examining the drivers of organizational performance.

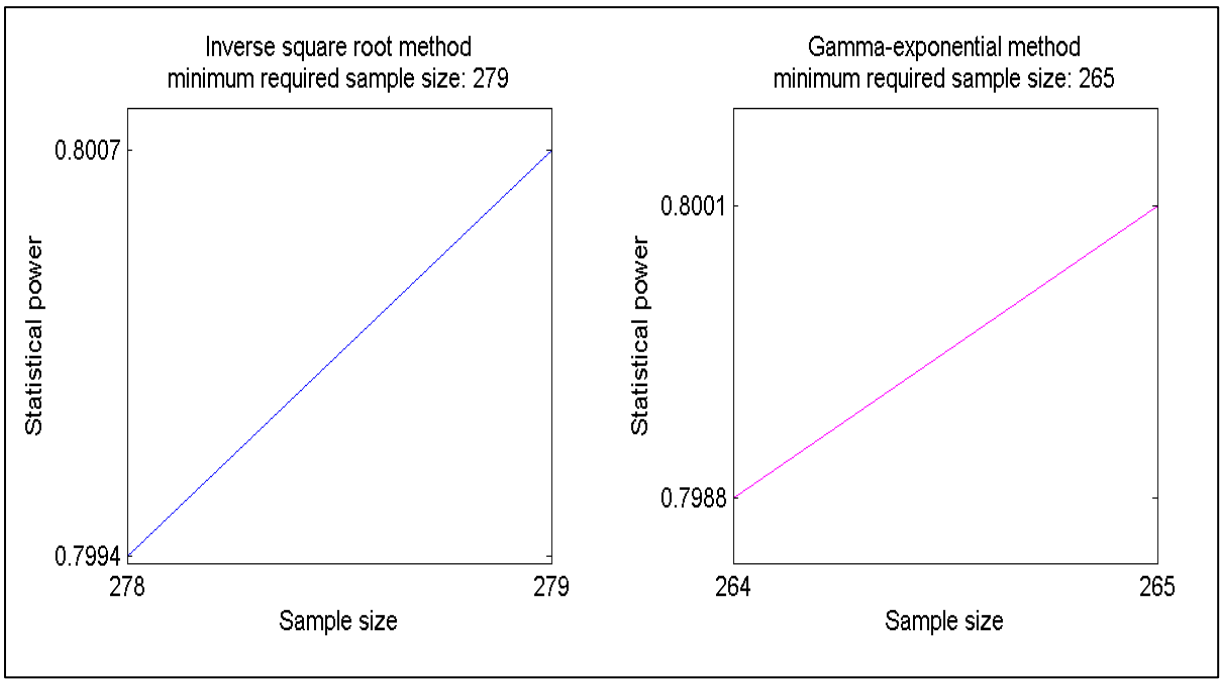
The study's respondents were chosen through purposive sampling and consisted of faculty members from a higher education institution recognized as a state university by the Commission on Higher Education. Of the 350 distributed survey questionnaires, 331 were fully and accurately completed by the respondents, resulting in a response rate of 94.57%. The questionnaires were distributed in January 2025, and the completed instruments were collected in March 2025.

To assess the adequacy of the sample size for testing a structural model, the inverse square root and gamma exponential approaches were employed. The inverse square root approach uses the inverse square root of the sample size to estimate the standard error. The gamma exponential approach employs gamma and exponential smoothing function adjustments to estimate standard error. The inverse square and gamma exponential approaches replicate Monte Carlo experiments, yielding estimates identical to those generated by the Monte Carlo method (Kock & Hadaya, 2018). The gamma exponential method yields more accurate estimates than the inverse square root method, which can occasionally overestimate the minimum necessary sample size; thus, both results should be reported to guarantee that the study's achieved power level exceeds the required threshold (Kock, 2017).

The lowest absolute significant path coefficient in the structural model is 0.149, with a significance level of 0.05 and a statistical power of 0.800; hence, the minimum required sample sizes are as follows: 265 for the gamma exponential technique and 279 for the inverse square root (refer to Figure 2). The requisite minimum sample size must range from 265 to 279; therefore, the actual sample size of 331 is adequate to elucidate the results of the structural model. Both assessments were evaluated utilizing WarpPLS 8.0.

The minimal absolute significant path coefficient is valued at 0.149, as seen in the findings of the mediation model presented in Table 3. A statistical power level of 0.8 indicates that the likelihood of committing a Type II error is exceedingly low. A statistical power of 0.8 is the standard acceptable threshold (Kock & Hadaya, 2018). The utilization of 331 samples in this investigation provides substantial proof that the outcomes of the structural model are extremely acceptable.

Figure 2.
Results of the inverse square root and gamma-exponential methods



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The demographic profile of the 331 respondents offers a snapshot of faculty composition in a public higher education institution. The majority (49.25%) are aged 35–50, indicating a mature and experienced workforce, while 36.25% are under 35, suggesting a strong presence of younger, potentially more innovative educators. Only 14.50% are over 50. Gender distribution is nearly balanced, with females comprising 52.87% and males 47.13% of the sample.

In terms of academic qualifications, most hold advanced degrees: 35.35% are Master's degree holders, 26.59% have units in doctoral studies, and 18.73% already hold a doctorate. Additionally, 14.80% have units in a master's program, and only 4.53% hold only a baccalaureate degree, reflecting a highly educated academic body committed to professional development.

Regarding academic rank, instructors make up the largest group (34.74%), followed by contract of service faculty (24.77%). Assistant and Associate Professors are almost equally represented (18.13% and 18.43%, respectively), while Professors account for just 3.93%, highlighting the limited number of faculty at the highest academic rank. Overall, the data suggest a diverse and academically engaged faculty, with ongoing transitions toward higher qualifications and professional advancement.

Table 1
Profile of Respondents

Variables	F	%
Age		
Under 35 years old	120	36.25
35 – 50 years old	163	49.25
Over 50 years old	48	14.50
Total	331	100
Sex		
Male	156	47.13
Female	175	52.87
Total	331	100
Academic Qualifications		
Doctorate Degree Holder	62	18.73
With Units in Doctorate Degree	88	26.59
Master's Degree Holder	117	35.35
With Units in Master Degree	49	14.80
Baccalaureate Degree Holder	15	4.53
Total	331	100
Academic Rank		
Professor	13	3.93
Associate Professor	61	18.43
Assistant Professor	60	18.13
Instructor	115	34.74
Contract of Service	82	24.77
Total	331	100

Research Instruments

The research instrument utilized in the study was a questionnaire. It consisted of two parts—demographic factors and the constructs on organizational innovation, affective commitment, and organizational performance. The demographic characteristics include the respondent's age, sex, academic qualification, and academic rank. On the other hand, OI was measured using 12 items from Kim (2023) and Sciarelli, Gheith, and Tani (2020); AC was assessed using six items from Meyer and Allen's (2004) TCM scale; and OP was measured using 19 items from Gede and Huluka (2024), Sciarelli et al. (2020), and DBM-GAA (2024). OI and OP used 5-point Likert scales, while AC used a 7-point scale.

Data Analysis

Partial Least Squares–Structural Equation Modeling (PLS-SEM) was utilized as the primary analytical approach, executed using WarpPLS version 8.0 (Kock, 2020). This technique was appropriate given the model's complexity, inclusion of mediation analysis, and use of latent variables (Ali et al., 2018). Data analysis involved a two-step approach: measurement model evaluation using reliability and validity tests, followed by structural model assessment including path coefficients, R^2, and mediation analysis. Bootstrapping (5,000 samples) tested the significance of effects (Hair et al., 2019; Kock, 2015, 2017).

Results

The research employed PLS-SEM to examine the interrelations among three variables: Organizational Innovation (OI), Affective Commitment (AC), and Organizational Performance (OP). The assessment of the path model in PLS-SEM comprises two parts (Hulland, 1999). During the initial phase, the measurement model underwent evaluation. During this step, the reliability and validity of the variables are assessed. In the subsequent phase, the structural model is undergoing evaluation, wherein the proposed correlations among variables are evaluated (Hulland, 1999; Dimaunahan & Amora, 2016).

Model Fit and Quality Indices

The model fit and quality indices presented in Table 2 indicate that the structural model employed in the study meets the established statistical and theoretical standards for acceptability. The Average Path Coefficient (APC) was recorded at 0.272 with a p-value of less than 0.001, indicating that the relationships among the latent variables in the model are statistically significant. Likewise, the Average R-squared (ARS) value of 0.173 and the Average Adjusted R-squared (AARS) value of 0.169, both with p-values less than 0.001, suggest a moderate yet significant explanatory power of the model. These findings validate the proposed mediating relationship between organizational innovation, affective commitment, and institutional performance within public higher education institutions in the Philippines.

Furthermore, the model demonstrated strong internal validity with an Average Block Variance Inflation Factor (VIF) of 1.053 and an Average Full Collinearity VIF (AFVIF) of 1.265. These values are well within the acceptable threshold of ≤5 and ideally ≤3.3, indicating the absence of multicollinearity among predictors. The Tenenhaus Goodness of Fit (GoF) index was recorded at 0.341, which falls within the "large" category, signifying a strong overall model fit. Additionally, the Standardized Root Mean Square Residual (SRMR) and the Standardized Mean Absolute Residual (SMAR) values were 0.082 and 0.066, respectively. Both fall below the threshold of 0.10, suggesting that the residual differences between the observed and predicted values are minimal, thereby further supporting the model's adequacy.

These indices collectively confirm that the structural model is both reliable and valid in assessing the mediating role of affective commitment in the influence of organizational innovation on institutional performance. The criteria used for evaluating the model were based on the standards outlined by Kock (2024), thereby ensuring adherence to current methodological benchmarks in partial least squares structural equation modeling (PLS-SEM).

Table 2.
Model fit and quality indices

	Value	P-value	Criteria*	Remark
Average path coefficient (APC)	0.272	<0.001	P should be less than .05	Acceptable since P value is significant.
Average R Squared	0.173	<0.001		Acceptable since P value is significant.
Average adjusted R-squared (AARS)	0.169	<0.001	P should be less than .05	Acceptable since P value is significant.

Average block VIF	1.053	NA	Acceptable if <= 5; ideally <= 3.3	Acceptable
Average full collinearity VIF (AFVIF)	1.265	NA	Acceptable if <= 5; ideally <= 3.3	Ideal
Tenenhaus GoF (GoF)	0.341	NA	small >= 0.1, medium >= 0.25, large >= 0.36	Medium
Standardized Root Mean Squared Residual (SRMR)	0.082	NA	Acceptable if <=.10	Acceptable
Standardized Mean Absolute Residual (SMAR)	0.066	NA	Acceptable if <=.10	Acceptable

***Note**: *The criteria are taken from Kock (2024).*

Measurement Model Evaluation

The measurement model aims to validate and ensure the reliability of construct measurements, confirming their appropriateness within the PLS path model (Hair et al., 2017). To assess convergent validity, Cronbach's alpha (CA), composite reliability (CR), and average variance extracted (AVE) were utilized. Also, to evaluate discriminant validity, the Fornell-Larcker criterion and the Heterotrait-Monotrait (HTMT) ratio were applied through the outer measurement model (Henseler et al., 2009).

Convergent Validity. Table 3 presents the results of the convergent validity and internal consistency reliability, which includes indicator loadings, average variance extracted, P-values, composite reliability (CR), and Cronbach's alpha, for each construct and indicators. In Table 3, the reflective latent variables used were subjected to internal consistency using composite reliability (CR) and Cronbach's alpha (CA). A conservative criterion discussed in Kock (2024) states that either composite reliability or Cronbach's alpha coefficients should be 0.70 or higher. Likewise, to ensure data reliability, both composite reliability (CR) and Cronbach's alpha must be above the threshold of 0.70 (Fornell and Larcker, 1981; Nunnally and Bernstein, 1994). Further, according to Hair et al. (2013), CR scores ranging from 0.6 to 0.7 are deemed acceptable, but values between 0.7 and 0.9 are considered as suitable (Henseler et al., 2009).

Table 3.

Convergent Validity Statistics: Indicator Loadings, Cross Loadings and AVEs

Constructs/Items	Item Loadings	P-Value	AVE	CR	CA
Organizational Innovation					
OI1	0.736	<0.001			
OI2	0.709	<0.001			
OI3	0.774	<0.001			
OI4	0.825	<0.001			
OI5	0.805	<0.001			
OI6	0.834	<0.001	0.601	0.95	0.94
OI7	0.752	<0.001			
OI8	0.778	<0.001			
OI9	0.808	<0.001			
OI10	0.740	<0.001			
OI11	0.811	<0.001			
OI12	0.716	<0.001			
Affective Commitment					
AC3	0.961	<0.001	0.916	0.97	0.95
AC4	0.953	<0.001			
AC5	0.957	<0.001			

Organizational Performance					
OP2	0.575	<0.001			
OP3	0.635	<0.001			
OP4	0.525	<0.001			
OP5	0.658	<0.001			
OP6	0.730	<0.001			
OP7	0.573	<0.001			
OP8	0.648	<0.001			
OP9	0.732	<0.001			
OP10	0.560	<0.001	0.523	0.95	0.94
OP11	0.791	<0.001			
OP12	0.775	<0.001			
OP13	0.744	<0.001			
OP14	0.750	<0.001			
OP15	0.743	<0.001			
OP16	0.811	<0.001			
OP17	0.793	<0.001			
OP18	0.782	<0.001			
OP19	0.778	<0.001			

Notes. All items' indicators are significant at 0.001 ($p<0.001$), AVE = average variance extracted; VIF = variance inflation factor; CR = composite reliability; CA = Cronbach's alpha.

Based on the results, all latent variables, Organizational Innovation OI (CR=0.95, CA = 0.94), Affective Commitment AC (CR=0.97, CA = 0.95), and Organizational Performance OP (CR=0.95, CA = 0.94) are within the acceptable threshold values for internal consistency.

Moreover, this study adhered to the loadings-approach criteria for assessing convergent validity as outlined in Amora (2021). This involved: a) the indicator loadings should be .50 or above, b) the associated P-values should be below .05, and c) the cross-loadings should be significantly lower than indicator loadings.

Indicators failing to meet these standards should be excluded from the study. In this study, AC1, C2, AC6, and OP1 were excluded from the analysis because these items violated both criteria a and b. As presented in the previous table, the loadings of all indicators ranged between the lowest 0.525 (OP4) and the highest 0.961 (AC3). This threshold ensures that each item significantly contributes to measuring its intended latent variable, reinforcing the validity and reliability of the measurement model.

Furthermore, convergent validity can also be evaluated using the average variance extracted AVE, with values of .50 or higher indicating evidence of convergent validity (Fornell & Larcker, 1981; Kock & Lynn, 2012; Hair et al., 2013; Kock, 2024). As presented in the immediately preceding table, the Average Variance Extracted (AVE) for all variables exceeds 0.50, demonstrating strong convergent validity.

Discriminant Validity. Table 4 presents the discriminant validity of the constructs, assessed using the Heterotrait-Monotrait Ratio (HTMT) and its improved version, HTMT2 (Roemer et al., 2021). HTMT is a widely accepted method for evaluating discriminant validity, introduced by Henseler et al. (2015), assuming tau-equivalent measurement models. In contrast, HTMT2 provides a consistent measure for congeneric models (Roemer et al., 2021). Both approaches assess linear dependency through correlations, but HTMT2 uses the geometric mean of indicator correlations, making it more suitable for reflective measurement models where loadings are multiplicative. This refinement ensures greater precision in assessing discriminant validity. As suggested by Henseler et al. (2015), a threshold value of 0.85 is considered a conservative benchmark, while 0.90 is viewed as a more liberal cutoff. These values serve as criteria for establishing acceptable discriminant validity among constructs measured in the instrument.

Table 4.
Discriminant validity statistics: HTMT2

	OI	AC	OP

OI		
AC	0.043	
OP	0.567	0.074

Note. *HTMT2: 0.85 and below = conservative benchmark; 0.90 and below more liberal cutoff (Roemer et al., 2021; Henseler et al., 2015)*

According to Kock (2024), a measurement instrument has good discriminant validity if the question-statements associated with each latent variable are not confused by the respondents, in terms of their meaning, with the question-statements associated with other latent variables. The values presented in Table 4 represent HTMT2. As demonstrated, the latent variables in this study exhibit discriminant validity, as the HTMT2 values for each pair of latent variables are below the recommended threshold of 0.90 (Roemer et al., 2021; Henseler et al., 2015). This confirms that the discriminant validity of the latent variables is successfully established.

Structural Model Evaluation

Following the recommendations of Hair et al. (2023), the structural model was evaluated after confirming the internal consistency reliability and convergent and discriminant validity of the reflective measurement model. In this study, the evaluation of the structural model in PLS-SEM involved the following steps: (i) collinearity assessment, (ii) analysis of structural model path coefficients and effect size, (iii) assessment of the coefficient of determination, and (iv) evaluation of predictive relevance.

Collinearity Assessment. Kock and Lynn (2012) introduced the full collinearity test as a method for assessing both vertical and lateral collinearity simultaneously. This test, fully automated in WarpPLS software, generated Variance Inflation Factors (VIFs) for all latent variables in the model. Multicollinearity occurs when two or more predictor variables are highly correlated, which can distort statistical estimates and reduce the reliability of the model. Meanwhile, common method bias (CMB) arises when data is collected using a single method, particularly through self-reported surveys, as respondents may unintentionally inflate or bias their responses. Since this study relied solely on faculty perceptions of the university's OI practices, AC of faculty members, OP collected through self-reported surveys, assessing the presence of CMB was essential. To detect these issues, VIF values were computed for all measurement items. A VIF value exceeding 3.3 is considered an indication of multicollinearity and a potential sign of common method bias (Kock, 2015). However, as shown in Table 5, all VIF values ranged from 1.004 to 1.398, remaining below the critical threshold. Since all VIF values fell within the acceptable range, the results confirmed that the model was free from common method bias, and there was no indication of multicollinearity among the measurement items.

Table 5.
Full Collinearity VIF

Construct	Full Collinearity VIFs
OI	1.394
AC	1.004
OP	1.398

Note*: Common method bias can be assessed using full collinearity VIF (Kock, 2024; Kock, 2015; Kock & Lynn, 2012). Full collinearity VIFs of 3.3 or lower suggest the existence of no common method bias (Kock, 2015; Kock & Lynn, 2012).*

Structural Model Path Coefficients and Effect Size. Supported by the above empirical tests, the succeeding tables present the results of the hypothesis test for each variable under study.

Figure 3 illustrates the Structural Model of Latent Variables with Beta Coefficients, depicting the relationships. The path between organizational innovation (OI) and affective commitment (AC) is significant ($\beta=0.15$, $p<0.01$), and the path between affective commitment (AC) and organizational performance is also

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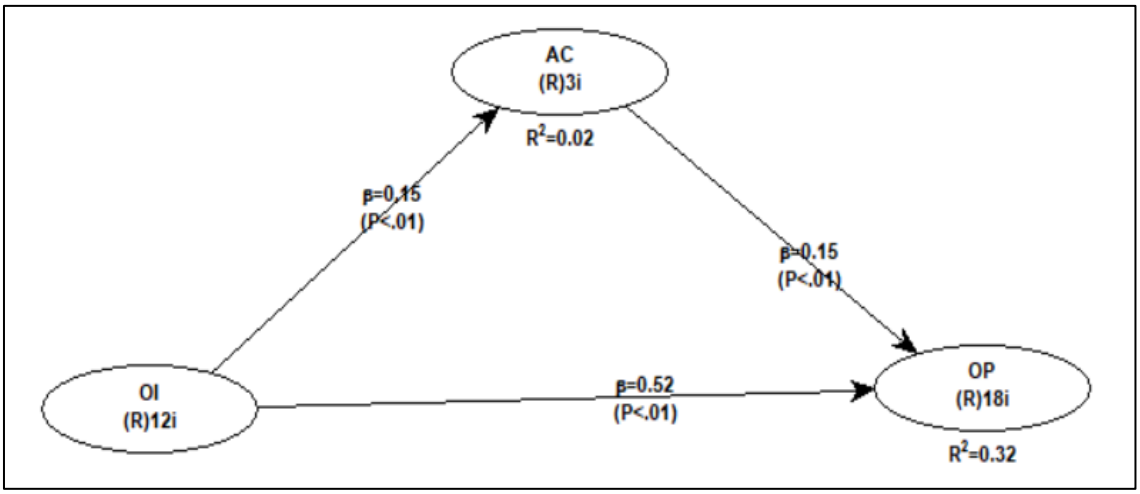
significant (OP) (β=0.15, p<0.01). Additionally, the path between organizational innovation (OI) and organizational performance is likewise significant (β=0.52, p<0.01).

Figure 3.
The mediation model with parameter estimates



Note: *Significant at 0.05 (p<0.05)*

The first hypothesis (H1) tested the direct effect of Organizational Innovation (OI) on Organizational Performance (OP). The path coefficient is β = 0.516 with a standard error (SE) of 0.051, and a p-value < 0.001, indicating a highly significant and positive relationship. The corresponding effect size (f^2 = 0.283) suggests a moderate to large effect. This finding implies that innovative practices in public higher education institutions—such as adopting new pedagogical methods, technological integration, or structural reforms—directly enhance institutional performance. This supports the idea that fostering a culture of innovation can lead to measurable improvements in efficiency, effectiveness, and outcomes. Thus, H1 is supported.

The second hypothesis (H2) examined the direct influence of Organizational Innovation on Affective Commitment. The path coefficient is β = 0.152, SE = 0.054, and the p-value is 0.002, indicating a significant positive relationship. The effect size (f^2 = 0.023) is small but meaningful. This suggests that innovation within the institution positively contributes to faculty members' emotional attachment and identification with the organization. Faculty are more likely to feel valued and committed when they perceive their institution as progressive and responsive to change. Thus, H2 is supported.

Table 6
Direct and Indirect Effects of the PLS path model

	β	SE	P-Value	f^2	Remarks
Direct Effects					
H1: OI → OP	0.516	0.051	<0.001	0.283	Supported
H2: OI → AC	0.152	0.054	0.002	0.023	Supported
H3: AC → OP	0.149	0.054	0.003	0.039	Supported
Indirect Effects					
H4: OI → AC→ OP	0.023	0.039	0.279	0.012	Not Supported

Notes: f 2 is the Cohen's (1988) effect size: 0.02=small, 0.15=medium, 0.35=large; SE = standard error, β=standardized path coefficient.

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The third hypothesis (H3) assessed the effect of Affective Commitment on Organizational Performance. The model shows a β = 0.149, SE = 0.054, and p-value = 0.003, indicating a statistically significant positive relationship. Although the effect size (f^2 = 0.039) is small, it is still meaningful. This result implies that faculty members who are emotionally committed to their institutions are more likely to contribute to performance outcomes—possibly through improved teaching quality, engagement in institutional initiatives, or alignment with organizational goals. Thus, H3 is supported.

The fourth hypothesis (H4) tested the indirect effect of Organizational Innovation on Performance via Affective Commitment. The path coefficient for the indirect effect is β = 0.023, SE = 0.039, and p-value = 0.279, which is not statistically significant. The effect size (f^2 = 0.012) is also very small. This indicates that affective commitment does not significantly mediate the relationship between innovation and performance in this model. Thus, H4 is not supported.

Coefficient of Determination (R2) and Predictive Relevance (Q2) of the Structural Model. The predictive power of the inner model is evaluated based on its ability to accurately predict estimates (Hair et al., 2014). The primary criteria for this assessment include the inner model's coefficient of determination (R^2) and cross-validated consistency (Q^2) (Hair et al., 2011, 2014; Henseler et al., 2009). The R^2 statistic measures the precision of model predictions, indicating the extent to which external variables influence internal variables (Sanchez, 2013). R^2 values are classified into three categories: high, moderate, and low. A value exceeding 0.6 is considered high, a range of 0.3 to 0.6 is deemed moderate, and a value below 0.3 is regarded as low (Hair et al., 2017). Table 7 presents the Coefficient of Determination (R^2) and Predictive Relevance (Q^2) for the endogenous variables in the structural model, specifically Affective Commitment (AC) and Organizational Performance (OP). The R^2 value for AC is 0.02, indicating that only 2% of the variance in affective commitment can be explained by organizational innovation. This reflects a very weak explanatory power, suggesting that other unmeasured variables may have a more substantial influence on affective commitment in this context. In contrast, the R^2 value for OP is 0.32, which implies that 32% of the variance in organizational performance is accounted for by the model. According to Cohen's (1988) guidelines, this represents a moderate level of explanatory power, demonstrating that organizational innovation and affective commitment jointly contribute meaningfully to the prediction of performance outcomes in the institution.

Another approach to evaluating the model's accuracy is through cross-validated redundancy (Q^2), which assesses the predictive relevance of the inner model. The Q^2 value is determined using the blindfolding method, where a value greater than zero (>0) indicates meaningful predictive relevance, (Hair et al., 2017).

Table 7.

Coefficient of Determination (R^2) and Predictive Relevance (Q^2)

Variable	Q^2	R^2
AC	0.024	0.02
OP	0.321	0.32

***Note*.** Q^2 Significant at 0.05 ($p<0.05$); R^2 = Coefficient of Determination; Q^2 Predictive Relevance.

More notably, the Q^2 value for OP is 0.321, reflecting strong predictive relevance. This supports the conclusion that the model is capable of predicting organizational performance with reasonable accuracy based on the included constructs. Overall, these findings affirm that while the model has limited utility in predicting affective commitment, it demonstrates moderate to strong capacity in explaining and forecasting organizational performance in the context of public higher education.

Discussion

Findings of the study revealed that organizational innovation has a significant influence on organizational performance. This result affirms that institutions embracing innovation—through enhanced pedagogical approaches, integration of digital technologies, and reorganization of institutional structures—tend

to experience improved performance outcomes, such as increased productivity, better service delivery, and heightened academic quality. This finding aligns with the broader body of literature suggesting that innovation is a vital determinant of organizational success. According to Damanpour and Aravind (2012), organizational innovation facilitates adaptation to changing environments, promotes operational efficiency, and enhances service quality, all of which are critical for the performance of educational institutions. Similarly, Azlin et al. (2021) assert that innovation in teaching, curriculum design, and institutional systems significantly influences the effectiveness and competitiveness of HEIs, particularly in developing countries where responsiveness to societal and technological change is essential. Moreover, in the context of higher education, organizational innovation fosters a proactive culture that supports experimentation, collaboration, and continuous improvement (Walker, 2016). This culture not only benefits academic and administrative processes but also enhances institutional responsiveness to student needs, accreditation demands, and global educational trends. As such, the current finding reinforces the strategic imperative for HEIs to invest in innovation as a central component of their development agenda to drive performance.

Furthermore, organizational innovation significantly influences affective commitment. Although the effect size is relatively small, it remains meaningful and indicates that innovation within the institution has a positive impact on faculty members' emotional attachment and identification with the organization. This finding suggests that faculty members are more likely to develop affective bonds and demonstrate commitment to their institution when they perceive it as innovative, adaptive, and forward-thinking. This result is supported by existing literature highlighting the psychosocial effects of innovation on employee attitudes. According to Meyer and Allen (1991), affective commitment is strengthened when individuals feel aligned with their organization's goals and values—conditions often cultivated in innovative environments. Similarly, Carmeli and Spreitzer (2009) argue that organizational innovation fosters a psychologically safe climate where individuals feel empowered, respected, and engaged, all of which enhance affective commitment. In the context of higher education, institutions that actively implement and communicate innovation—such as curriculum reform, technological upgrades, and participative governance—are perceived by faculty as dynamic and supportive of professional growth (Ng & Feldman, 2012). This perception enhances faculty members' sense of belonging and emotional investment in the institution, contributing to lower turnover intentions and increased organizational citizenship behaviors.

In terms of the direct effect of affective commitment on organizational performance. The results revealed a statistically significant and positive relationship. Although the effect size is considered small, it remains practically meaningful. This finding suggests that faculty members who are emotionally invested in their institutions are more likely to engage in behaviors that enhance organizational performance, such as demonstrating higher teaching effectiveness, participating in institutional development efforts, and aligning themselves with strategic goals. This result aligns with the framework proposed by Allen and Meyer (1990), which identifies affective commitment as a strong predictor of positive work outcomes, including performance and organizational citizenship behaviors. When faculty feel a deep emotional connection to their institution, they are more motivated to go beyond minimum job requirements and to actively support initiatives that advance institutional success. In the context of higher education, affective commitment can translate into increased faculty participation in research, curriculum development, accreditation efforts, and community engagement—factors that collectively contribute to the overall performance and reputation of the institution (Markwell, 2007). Moreover, committed faculty members are more likely to persist through institutional challenges and maintain high levels of morale and productivity (Kusku, 2003).

The mediation model revealed that affective commitment does not significantly mediates the relationships between organizational innovation and organizational performance. This result challenges several findings in the existing literature, which often emphasize the mediating role of affective commitment in linking positive organizational practices—such as innovation—to performance outcomes. For instance, studies by Meyer and Allen (1997) and Riketta (2002) argue that affective commitment is a key psychological mechanism through which organizational practices translate into improved employee behaviors and organizational results. Similarly, García-Morales et al. (2012) suggested that innovative climates positively affect performance through enhancing commitment and motivation among employees.

However, the current finding suggests that while innovation and affective commitment independently and positively influence performance as confirmed in this study, the commitment generated by innovation does not significantly explain the performance gains. This may point to a direct action-reaction mechanism in public higher education institutions in the Philippines, where innovative practices themselves—rather than the emotional attachment they may foster—lead to performance improvements.

Several contextual factors could explain this divergence from previous research. First, in public HEIs, institutional performance may be driven more by structural and operational innovations (e.g., digitization, policy reforms, resource allocation) than by affective or motivational factors. Second, faculty may recognize innovation efforts at an organizational level without necessarily internalizing them as part of their personal or emotional commitment to the institution. This may be due to bureaucratic cultures, weak change management strategies, or misalignment between innovation implementation and faculty involvement.

Therefore, the non-significant mediation effect observed in this study may indicate that while innovation and affective commitment are important, they function more as parallel contributors rather than as causally linked constructs in enhancing organizational performance. This insight contributes a nuanced perspective to existing literature and suggests the need for future research to explore alternative mediators (e.g., job satisfaction, psychological empowerment, leadership style) that might better explain the innovation–performance relationship in the context of public higher education.

Conclusion

This study investigated the mediating role of affective commitment in the relationship between organizational innovation and organizational performance in a public higher education institution in the Philippines. The results showed that organizational innovation has a strong and direct positive effect on institutional performance, highlighting the crucial role of innovative practices—such as curriculum enhancement, technological integration, and administrative reforms—in improving outcomes. Additionally, organizational innovation positively influences faculty members' affective commitment, though with a relatively small effect size. Affective commitment, in turn, significantly contributes to performance, suggesting that emotionally engaged faculty members support institutional success through improved teaching quality, institutional alignment, and sustained engagement.

However, the analysis confirmed that affective commitment does not significantly mediate the link between innovation and performance. This indicates that while both innovation and faculty commitment independently enhance performance, affective commitment does not function as the psychological mechanism that explains how innovation leads to improved outcomes.

For institutional leaders and policymakers, this finding underscores the importance of treating organizational innovation and faculty commitment as two distinct but complementary strategic priorities. Investing in innovation should remain a core focus for performance improvement. At the same time, efforts to build affective commitment—through recognition, shared governance, and professional development—should be pursued to strengthen faculty engagement and reduce turnover, even if it does not directly channel innovation into performance gains. Leaders may also need to explore additional organizational factors that better connect innovation initiatives to measurable improvements in institutional performance.

Given the absence of a significant mediating effect, future studies should consider other potential mediators, such as psychological empowerment, job satisfaction, organizational support, or leadership styles, to more deeply understand how innovation influences outcomes in higher education. Longitudinal and multi-institutional studies could also provide broader insights into how these dynamics unfold over time and across diverse educational settings.

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