

Interactive Governance in Local Livelihood Programs: Evidence from DOLE Interventions in Isabela City, Basilan Province, Philippines

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Livelihood governance; interactive governance; Department of Labor and Employment; Basilan; multi-actor coordination; program evaluation; livelihood sustainability; fragile contexts; public administration; Philippines

ABSTRACT

This study evaluates the design, implementation, and economic outcomes of local livelihood programs implemented by the Department of Labor and Employment (DOLE) in Isabela City, Basilan Province, Philippines. Anchored in Jan Kooiman's Interactive Governance Theory, the research examines how national policy directives are translated into local livelihood interventions through the coordinated actions of DOLE, accredited co-partners (ACPs), barangay councils, the Public Employment Service Office (PESO), and beneficiaries. The study responds to three questions: how DOLE designs and allocates livelihood support, how these programs are implemented through local partnerships, and what economic outcomes emerge from these interventions. Using a descriptive-evaluative case study design, the research integrates qualitative and quantitative methods. Primary data were gathered through key informant interviews, structured beneficiary interviews, and field observations, while secondary data were drawn from DOLE administrative reports, co-partner documents, barangay records, and national program benchmarks. Findings reveal that DOLE's livelihood programs in Isabela City operate through a multi-actor governance model that combines hierarchical, co-governance, and self-governance modes. ACP-led projects demonstrated higher training intensity and slightly better asset utilization, while barangay-led projects showed stronger local ownership and faster implementation. Results indicate that most beneficiaries experienced modest income improvement, with 67% reporting increased income six months after participation. However, the sustainability of outcomes is constrained by delayed fund disbursement, weak post-intervention monitoring, limited income tracking, and security-related implementation challenges. The study concludes that livelihood governance in fragile, conflict-affected settings depends not only on resource allocation but also on adaptive coordination, institutional trust, and continuous feedback among governance actors. It recommends strengthening multi-actor coordination, institutionalizing outcome-based monitoring, enhancing barangay-level capacity, and integrating complementary financial and market support. The study contributes to public administration and development policy by demonstrating how interactive governance shapes livelihood outcomes in decentralized and post-conflict environments.

1. INTRODUCTION

Livelihood programs have become a central instrument of public policy in addressing poverty, unemployment, and socioeconomic vulnerability, particularly in communities where access to stable employment remains limited. Governments increasingly use such interventions not only to provide immediate

economic relief but also to build long-term resilience, strengthen household income security, and promote inclusive local development. In the Philippines, the Department of Labor and Employment (DOLE) advances this mandate through the DOLE Integrated Livelihood Program (DILP), a flagship initiative designed to support vulnerable and marginalized sectors through the provision of financial grants, livelihood

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tools, and capacity-building interventions. In Isabela City, Basilan, this program serves as an important mechanism for empowering individuals in the informal sector who remain exposed to persistent economic insecurity, including parents of child laborers, persons with disabilities (PWDs), indigenous peoples (IPs), senior citizens, and skilled informal workers.

By combining material assistance with technical training, DILP seeks to enable beneficiaries to initiate or expand small-scale enterprises, improve household earning capacity, and reduce dependence on precarious or irregular forms of work. Beyond its welfare function, however, the program also reflects a broader governance challenge: how national policy intentions are translated into meaningful and sustainable local economic outcomes. In this context, the effectiveness of livelihood programs depends not only on the adequacy of resources provided, but also on the quality of program design, the efficiency of implementation mechanisms, and the strength of coordination among government agencies, local institutions, and community actors.

This study examines the governance of DOLE livelihood initiatives in Isabela City by analyzing three interrelated dimensions: program design and allocation, implementation through partnerships and local government structures, and the economic outcomes generated at both local and broader levels. It situates local evidence within regional and national program performance by integrating funding data, beneficiary counts, and comparative figures from Mindanao and the Philippines more broadly. In doing so, the study identifies both enabling factors and operational constraints, including policy clarity, resource allocation efficiency, administrative delays, and limitations in monitoring and follow-up systems.

The analysis is anchored in Jan Kooiman's interactive governance theory, which conceptualizes governance as a dynamic process of co-production among state and non-state actors. Rather than viewing public programs as purely top-down interventions, the framework emphasizes negotiation, shared responsibility, and interdependence among institutions and communities in achieving policy outcomes. Applied to the case of DOLE livelihood programs, this perspective provides a useful lens for understanding how the interactions among DOLE, local government units (LGUs), accredited co-partners, barangay institutions, and beneficiaries shape the delivery and effectiveness of livelihood assistance.

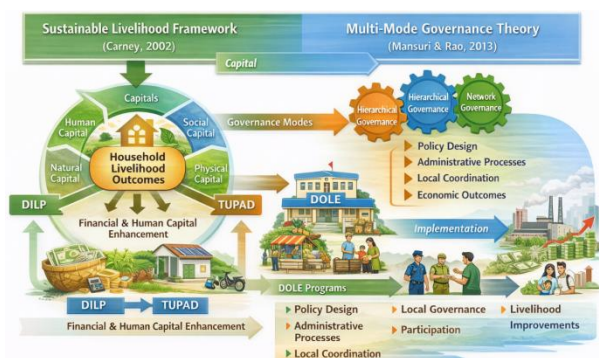
Guided by this perspective, the study addresses three key questions: first, how DOLE designs and allocates livelihood support at the local level; second, how these programs are implemented through partnerships and local government mechanisms; and third, what economic outcomes emerge from these interventions within Isabela City and in relation to broader program trends. Using official documents from DOLE Regional

Office IX, Philippine Information Agency (PIA) reports, and related press releases, the study provides an evidence-based assessment of livelihood governance in a conflict-affected setting within the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

This research contributes to the field of public administration by showing how decentralized livelihood governance operates in fragile and institutionally complex environments. More specifically, it demonstrates that livelihood interventions are not merely economic assistance programs, but governance processes shaped by coordination, trust, and shared institutional action. By examining the co-productive relationship between government and community actors, the study offers practical insights for improving program implementation, strengthening accountability, and enhancing the long-term sustainability of livelihood outcomes in Isabela City and in similarly situated contexts.

2. THEORETICAL FRAMEWORK: INTERACTIVE GOVERNANCE IN LIVELIHOOD POLICY

Livelihood governance involves more than top-down resource allocation. It requires policy institutions, local actors, and end beneficiaries to collaborate in shaping and delivering interventions that align with social and economic realities. To analyze the livelihood programs implemented by the Department of Labor and Employment (DOLE) in Isabela City, this study applies Interactive Governance Theory developed by Jan Kooiman.



Kooiman (1993) defines governance as the result of dynamic interactions among public, private, and civic actors who engage in problem-solving, decision-making, and resource mobilization. This theory emerges from a recognition that the state alone cannot address complex societal issues. Instead, it must work with semi-autonomous organizations and communities through co-governance or co-production models. Kooiman (2003) frames interactive governance as a response to increasing complexity, diversity, and dynamism in public affairs. These characteristics are especially evident in fragmented or post-conflict regions

like Basilan, where formal institutions interact with informal actors, civil society, and indigenous structures.

2.1. Three Modes of Governance

Livelihood governance operates through hierarchical, market, and network modes. Hierarchical governance relies on top-down directives, exemplified by DOLE's issuance of DILEEP guidelines to LGUs, ensuring policy compliance. Market governance emphasizes incentives and competition, evident in grants that enable beneficiaries to pursue self-employment and entrepreneurial activities. Network governance fosters collaboration among government agencies, LGUs, and civil society, facilitating local adaptation of national programs. In Isabela City, hierarchical directives establish program structure, market mechanisms drive income diversification, and network interactions enhance resource allocation and problem-solving. Integrating these modes strengthens program responsiveness and economic outcomes.

Kooiman classifies governance interactions into three modes:

1. **Hierarchical governance** – State-centric control, where government agencies issue directives and implement programs through formal chains of command.
2. **Co-governance** – Collaborative arrangements, where state and societal actors jointly formulate and execute policies through negotiation and shared accountability.
3. **Self-governance** – Community-led action, where non-state actors organize themselves independently of the state to solve public problems.

DOLE's livelihood programs operate through a co-governance model. National and regional DOLE offices design policies and allocate resources, but implementation involves Accredited Co-Partners (ACPs), local government units (LGUs), barangays, and the beneficiaries themselves. This layered governance structure supports interactive dynamics among formal institutions and informal actors. The DOLE Field Office coordinates with local actors, including Barangay Tabiawan and Public Employment Service Offices (PESOs), to identify, target, and deliver interventions. These actors function as intermediaries in the program's implementation chain.

2.2. Characteristics of Interactive Governance

Interactive governance emphasizes collaboration, negotiation, and shared responsibility among government actors, local institutions, and beneficiaries. It operates on principles of mutual trust, transparency, and feedback loops, enabling policies to adapt to local contexts. In Isabela City, DOLE's livelihood programs illustrate interactive governance through LGU

coordination, community consultations, and beneficiary participation in planning and monitoring. This approach enhances program relevance, ensures efficient resource use, and increases compliance. Interactive governance strengthens accountability by fostering continuous dialogue between national and local actors, linking policy design with ground-level realities, and promoting ownership among stakeholders, which improves the sustainability of livelihood outcomes.

Interactive governance includes several defining features:

- **Plurality of actors** – Governance occurs in a space shared by government, non-governmental organizations, cooperatives, local communities, and individuals. DOLE engages ACPs like the United Workers Agrarian Reform Beneficiaries Multi-Purpose Cooperative (UWARBMPC) and Nagdilaab Foundation, Inc. (NFI) to implement specific projects on the ground.
- **Interdependence** – Actors depend on one another for legitimacy, knowledge, and capacity. DOLE relies on barangays and PESO officers to mobilize target beneficiaries. Co-partners depend on DOLE for funding and policy direction. Beneficiaries depend on partners for access to training and tools.
- **Shared responsibility** – Implementation is not a unidirectional activity. Actors participate in planning, delivery, and—ideally—in monitoring. While DOLE provides resources, ACPs identify community needs and organize beneficiaries. Barangay and municipal governments offer local validation and logistical support.
- **Communication and negotiation** – Stakeholders engage in formal and informal exchanges to align objectives. The ceremonial turnover events and on-site kit distributions reflect symbolic and operational dimensions of communication. These events foster transparency, accountability, and visibility.

These characteristics show that livelihood governance in Isabela City aligns with the normative vision of interactive governance: one that embraces shared power, multiple rationalities, and contextual knowledge.

2.3. Adaptive Governance in Post-Conflict Regions

Basilan forms part of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), a historically marginalized and post-conflict region. In such contexts, governance functions often exceed state capacity. DOLE's livelihood programs must navigate fragmentation, insecurity, and under-resourced local bureaucracies. Kooiman's theory proves particularly useful here because it allows for adaptive governance—an evolving arrangement where multiple stakeholders continuously reconfigure roles and strategies in response to local realities (Kooiman et al., 2005).

Interactive governance becomes a strategy to rebuild institutional trust, empower communities, and restore service delivery mechanisms. Programs like the DOLE Integrated Livelihood Program (DILP) serve not only as economic interventions but also as governance instruments that link national policy with local agency. Co-partners like NFI often possess contextual expertise, social capital, and credibility in communities where the formal state's presence is limited or mistrusted.

2.4. Governance Effectiveness and Limitations

Governance effectiveness in livelihood programs depends on policy clarity, administrative capacity, and coordination. DOLE's national frameworks provide structured guidance, ensuring consistency and broad coverage, while LGU involvement facilitates local adaptation. Effectiveness manifests in timely resource delivery, beneficiary outreach, and measurable employment support. Limitations arise from bureaucratic delays, uneven LGU capacity, and insufficient monitoring, which constrain program responsiveness. In Isabela City, challenges include delayed grant distribution and limited follow-up support. These gaps hinder optimal economic outcomes despite robust national program design. Strengthening administrative efficiency, capacity-building, and data-driven evaluation can enhance governance performance and improve sustainable livelihood results.

While interactive governance promises inclusivity and responsiveness, it also presents governance risks:

- **Asymmetry of power** – Even within partnerships, state agencies may dominate decisions. Beneficiaries and grassroots actors may have limited say in program design.
- **Capacity gaps** – Co-partners and local offices often face logistical, technical, and staffing constraints that hinder effective delivery.
- **Fragmented accountability** – With many actors involved, tracing responsibility becomes difficult. Monitoring and evaluation mechanisms remain weak at local levels, especially in the DOLE implementation model.

These limitations emerge in DOLE's operations. While co-partners distribute starter kits and coordinate training, the lack of long-term income tracking and weak feedback loops suggest incomplete co-production. Beneficiaries often remain recipients rather than co-owners of programs. As Kooiman notes, interactive governance requires iterative learning—continuous cycles of planning, feedback, and adaptation.

2.5. Application to DOLE Livelihood Programs

DOLE livelihood programs operationalize governance principles by combining hierarchical directives, market incentives, and interactive collaboration. National policies establish program

structure and eligibility, while grants and livelihood kits provide financial and material support that stimulate local enterprise. LGUs facilitate implementation, coordinate training, and engage beneficiaries, reflecting interactive governance in practice. Programs like DILP and TUPAD illustrate how governance modes shape economic outcomes, linking policy design with household income diversification. In Isabela City, this integration ensures that national objectives meet local needs, enhancing employment opportunities and promoting sustainable livelihoods, while highlighting areas for improving coordination, monitoring, and follow-up mechanisms.

The interactive governance framework offers a lens to evaluate three key components of DOLE's programs in Isabela City:

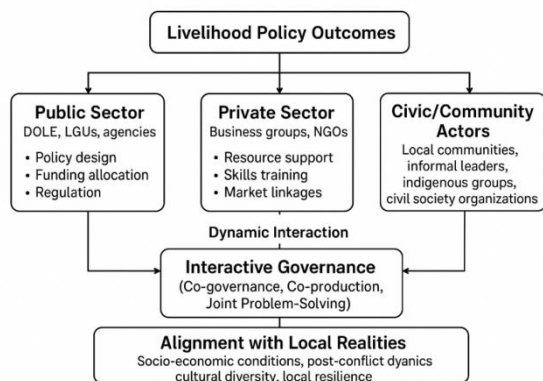
- **Design:** DOLE initiates project planning, but aligns its strategy with partner proposals, community profiling, and barangay inputs. The segmentation of beneficiaries (e.g., parents of child laborers, PWDs, NERS workers) reflects negotiated priorities.
- **Implementation:** Co-partners, LGUs, and barangays operationalize project delivery. This includes kit distribution, ceremonial events, and site validation. Beneficiaries receive assets in a relational process, mediated by trust and logistical coordination.
- **Outcomes:** While asset delivery is evident, sustained economic empowerment remains under-measured. This gap underscores the need for governance arrangements that institutionalize **evaluation and adaptive feedback**.

The theory clarifies that livelihood programs function not just as welfare policies but as spaces of governance. These spaces rely on interaction, negotiation, and learning. In the case of DOLE, governance quality improves when power and responsibility are truly shared, and when policy actors incorporate learning from implementation into future design.

Theoretical Framework

This study applies the Sustainable Livelihood Framework (SLF) and multi-mode governance theory to evaluate DOLE livelihood programs in Isabela City. The SLF conceptualizes household livelihood outcomes as the result of interactions among human, social, financial, physical, and natural capital (Carney, 2002). Programs like DILP and TUPAD function as interventions that enhance financial and human capital, enabling beneficiaries to diversify income and stabilize employment. Multi-mode governance theory identifies hierarchical, market, and network governance modes as mediators between national program design and local implementation (Mansuri & Rao, 2013). Together, these frameworks guide analysis of policy design, administrative processes, local coordination, and economic outcomes, linking program inputs to tangible

livelihood improvements and highlighting governance mechanisms that influence subnational effectiveness.



2.6. Conceptual Framework: Interactive Governance and Livelihood Outcomes

This study constructs its conceptual framework based on Jan Kooiman’s Interactive Governance Theory, applied to the design, implementation, and performance of local livelihood programs. It positions the Department of Labor and Employment (DOLE), its accredited co-partners (ACPs), local government units (LGUs), barangays, and beneficiaries as interdependent governance actors. These actors shape livelihood interventions through shared decision-making, co-production, and negotiated accountability.

A. Governance as a System of Interactions

Interactive governance conceptualizes livelihood programs as products of inter-organizational collaboration. Unlike hierarchical models that assume unilateral policy control, this approach frames program delivery as a multilevel process involving state and non-state actors who influence outcomes at each stage—design, implementation, and benefit realization.

Three dimensions anchor the conceptual framework:

1. **Governance Structure** – Institutions involved in program planning and delivery: DOLE regional office, co-partners (NFI, UWARBMPC), PESO, barangays.
2. **Governance Process** – Coordination mechanisms, resource flows, and actor relationships that determine how policies are translated into actions.
3. **Governance Outputs and Outcomes** – Delivery of kits, trainings, and income-generating assets; longer-term impacts on household economic status.

The framework assesses how institutional interaction—rather than institutional separation—drives livelihood governance performance. It assumes that effective coordination improves resource efficiency, beneficiary targeting, and policy legitimacy.

B. Variables and Relationships

The study examines the relationships among program inputs, governance mechanisms, program outputs, and economic outcomes in DOLE livelihood initiatives. Independent variables include program inputs—grants, livelihood kits, and training sessions—and governance mechanisms, categorized as hierarchical, market, and network modes. Dependent variables comprise program outputs (e.g., completed training, kit distribution, project implementation) and economic outcomes (household employment continuity, income diversification, and asset accumulation). Moderating variables include beneficiary characteristics such as age, vulnerability type, and skill level, which influence program responsiveness. Feedback mechanisms act as mediating variables, enabling adaptive program adjustments that strengthen the link between governance processes and economic outcomes. These relationships underpin the conceptual framework, illustrating how national directives translate into local impacts through governance dynamics.

The framework identifies the following key variables:

Variable Type	Variable Name	Indicator(s)
Independent	Governance Interaction Quality	Frequency of coordination meetings, actor participation, local validation
Intervening	Implementation Mechanisms	Mode of delivery (direct vs. partner), barangay role, ceremonial turnover
Dependent	Livelihood Program Outcomes	Number of beneficiaries, type of support, presence of monitoring systems
Moderating	Institutional Capacity	Staff training, logistical support, technical expertise at LGU or co-partner
Control	Local Context	Conflict status, geography, infrastructure, community trust

The framework posits that stronger interaction quality, when coupled with capable implementation mechanisms, leads to better outcomes. It also recognizes the moderating role of institutional capacity and contextual constraints (e.g., Basilan’s history of conflict and weak infrastructure).

C. Conceptual Framework

The study conceptualizes livelihood governance in Isabela City as a system where **program inputs**, **governance processes**, and **local economic outcomes** interact. Drawing on the **Sustainable Livelihood Framework (SLF)** and **multi-mode governance theory**, the framework identifies how DOLE’s livelihood programs—DILP and TUPAD—enhance household capital and income diversification.

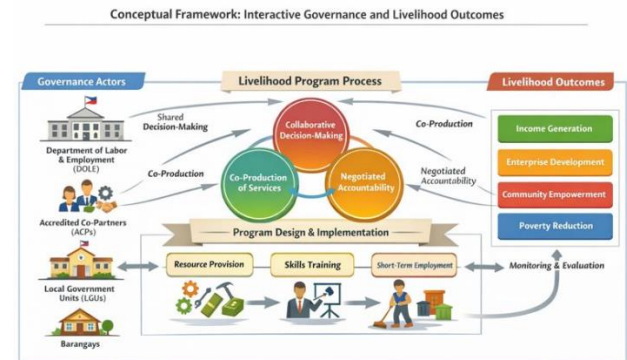
Program inputs include financial grants, livelihood kits, and technical training provided by DOLE. **Governance processes** operate through hierarchical (policy directives), market (incentives for enterprise), and network (LGU coordination and community participation) mechanisms. These processes shape **program outputs**, which affect **economic outcomes** such as employment continuity, income stabilization, and asset accumulation. **Feedback loops** allow lessons from local implementation to inform program adjustments, strengthening governance effectiveness and sustainability.

Table 1 illustrates how DOLE livelihood programs translate national resources into local economic outcomes through governance mechanisms. Program inputs provide financial, material, and training support. Governance mechanisms—hierarchical, market, and network—mediate program delivery, shaping efficiency and responsiveness. Program outputs capture tangible service delivery and training completion, while economic outcomes reflect employment continuity, income diversification, and asset accumulation. Feedback mechanisms enable adaptive learning, informing policy and program adjustments. Together, these components highlight the dynamic interplay between national directives, local execution, and household-level impact, emphasizing governance as the critical link ensuring sustainable livelihood outcomes.

Table 1. Conceptual Framework Components

Component	Description	Indicators	Data Source
Program Inputs	National grants, livelihood kits, training	Grant size, kits distributed, training sessions	DOLE administrative reports
Governance Mechanisms	Hierarchical, market, network governance	Coordination frequency, beneficiary engagement	Interviews, focus groups
Program Outputs	Delivered services, completed training, kit turnover	Number of beneficiaries, projects completed	DOLE reports, LGU documentation
Economic Outcomes	Employment continuity, income diversification, asset accumulation	Employment status, income proxies	PSA statistics, DOLE beneficiary counts
Feedback Mechanisms	Adaptive learning from local implementation	Adjustments to program design, policy updates	Key informant interviews, LGU reports

This framework guides the evaluation by linking **national program design** with **local execution and measurable livelihood outcomes**, emphasizing governance as the mediating factor between policy and subnational economic impact.



D. Theoretical Assumptions

- Co-production enhances effectiveness:** When DOLE collaborates with local actors and co-partners, the targeting, relevance, and execution of livelihood projects improve.
- Institutional trust mediates implementation:** Communities accept interventions more readily when delivery involves trusted actors such as barangay councils or local cooperatives.
- Lack of feedback mechanisms limits outcomes:** Without structured monitoring and evaluation systems, it becomes difficult to track the real economic benefits or adapt programs responsively.
- Decentralization requires capacity:** Delegating implementation to LGUs or non-government actors does not ensure success unless they possess the capacity and incentives to manage funds, engage beneficiaries, and report outcomes transparently.
- Governance shapes equity:** The ability of actors to negotiate priorities—such as inclusion of PWDs, parents of child laborers, or indigenous peoples—depends on how inclusive and accountable governance processes are.

E. Application to DOLE Programs

DOLE livelihood programs operationalize governance concepts by linking national directives with local implementation. The DOLE Integrated Livelihood Program (DILP) and TUPAD provide financial grants, livelihood kits, and training to vulnerable populations in Isabela City, including PWDs, senior citizens, and parents of child laborers. Hierarchical governance ensures policy compliance, market mechanisms stimulate entrepreneurial activity, and network governance promotes LGU coordination and community engagement. These mechanisms produce tangible outputs—completed training, kit distribution, and small enterprise initiation—which translate into

economic outcomes such as income diversification, employment continuity, and asset accumulation. Feedback loops allow program adjustments, improving responsiveness and sustainability.

This conceptual framework allows researchers and policymakers to:

- Trace how coordination practices affect program delivery at barangay and city levels.
- Evaluate the distributional equity of livelihood programs by examining which population groups receive support and why.
- Understand variation in economic outcomes based on institutional configuration rather than just amount disbursed.
- Propose reforms in governance structures to strengthen feedback loops, participatory planning, and capacity building.

For example, in the Isabela City case, the ceremonial turnover conducted with barangay officials reflects strong implementation signaling, but the absence of longitudinal data on income improvement reveals a governance gap in outcome tracking. Likewise, the use of ACPs allows DOLE to access community-level knowledge and extend its operational reach, but their performance depends on their organizational capacity and accountability structures.

F. Policy Implication of the Framework

The conceptual framework highlights how governance mechanisms mediate program effectiveness, providing actionable insights for policy design. Hierarchical, market, and network modes ensure that national directives, financial incentives, and local coordination align to produce sustainable livelihood outcomes. Policymakers can use this framework to strengthen LGU capacities, streamline resource allocation, and institutionalize feedback mechanisms for adaptive program management. By linking program inputs to economic outcomes, the framework emphasizes evidence-based decision-making, enabling targeted interventions for vulnerable groups. It guides improvements in training delivery, grant distribution, and stakeholder engagement, enhancing DOLE's ability to foster income stability, employment continuity, and long-term community resilience.

This conceptual framework does not only support empirical evaluation. It also informs **future governance improvements**, suggesting that:

- Policies should define clear accountability maps across DOLE, ACPs, barangays, and beneficiaries.
- Monitoring systems should track both input and outcome indicators (e.g., asset delivery vs. income gains).
- Governance reforms should focus on enhancing institutional linkages, not just increasing funding.

In conflict-affected and low-capacity settings like Basilan, this model of interactive livelihood governance provides a scalable and adaptive governance architecture. It recognizes governance as a fluid, relational, and institutionally embedded process—one that must continuously evolve based on the actions and feedback of all stakeholders.

3. LITERATURE REVIEW

Existing literature emphasizes the role of governance in shaping livelihood program outcomes. Studies highlight hierarchical, market, and network modes as critical in translating national policies into local impact (Mansuri & Rao, 2013; Kooiman, 2003). Interactive governance fosters stakeholder collaboration, accountability, and adaptive learning, improving program responsiveness (Ansell & Gash, 2008). Evidence from the Philippines demonstrates that livelihood programs enhance income diversification, employment continuity, and social inclusion when governance mechanisms function effectively (DOLE, 2024). Challenges include bureaucratic delays, uneven LGU capacity, and limited monitoring, which constrain program effectiveness. Integrating multi-mode governance with local adaptive strategies strengthens sustainable livelihood outcomes.

3.1. Livelihood Governance in Public Policy

Livelihood programs represent strategic tools in public administration to reduce poverty, enhance resilience, and expand economic participation. Public policy institutions often design and implement such programs to support vulnerable populations, especially in low-income and conflict-affected regions (Ellis 2000; Chambers and Conway 1992). Livelihood interventions typically provide material support (tools, starter kits, grants) and capability-building (training, mentoring) to catalyze small-scale entrepreneurship.

Scholars of public administration frame livelihood governance as an intersection of service delivery, decentralization, and stakeholder collaboration (Rondinelli and Cheema 2003; Grindle 2007). Effective governance of these programs requires more than financial inputs; it involves institutional trust, inclusive targeting, and coordination mechanisms that align community needs with policy objectives (Mansuri and Rao 2013). Weak governance often results in leakages, underperformance, or exclusion of marginalized groups.

The Philippine government, through agencies like the Department of Labor and Employment (DOLE), uses livelihood programs to reach informal sector workers, displaced individuals, and socioeconomically disadvantaged groups. The DOLE Integrated Livelihood Program (DILP) and its sub-programs (Negokart, Kabuhayan Starter Kits, Pangkabuhayan sa Pagbangon at Ginhawa) form part of national strategies to promote inclusive economic growth and labor market

reintegration (DOLE 2024a).

3.2. Interactive Governance and Co-Production

Interactive governance theory, developed by Jan Kooiman (1993; 2003), reshaped understandings of how public problems are managed in complex societies. The theory argues that governance no longer rests solely on governments; it emerges from dynamic interactions among public, private, and civil society actors who co-produce solutions to shared challenges. Kooiman (2003) classifies governance into three modes—hierarchical, co-governance, and self-governance—and emphasizes that effective public governance depends on balancing these modes.

Public administration scholars apply this theory to decentralized service delivery, especially where local governments, non-governmental organizations (NGOs), cooperatives, and citizens play critical implementation roles (Ansell and Gash 2008; Torfing et al. 2012). Interactive governance has proven relevant in sectors like education (Bruns, Filmer, and Patrinos 2011), health (Bovaird and Loeffler 2012), disaster response (Agranoff 2006), and livelihood development (Jentoft and Chuenpagdee 2009).

Livelihood programs in the Philippines follow this model in both design and delivery. DOLE allocates funds but depends on Accredited Co-Partners (ACPs)—civil society organizations or cooperatives—to implement projects at the community level. These ACPs conduct beneficiary selection, business planning, asset distribution, and skills training (DOLE 2023). Local governments, through Public Employment Service Offices (PESOs) and barangay units, mobilize communities and provide logistical support.

3.3. Governance of Livelihood Programs in Southeast Asia

In Southeast Asia, national governments increasingly use livelihood programs as a policy instrument for poverty reduction. Studies in Indonesia, Vietnam, and Thailand show that local governance capacity, community participation, and inter-agency coordination significantly affect program performance (World Bank 2022; UNDP 2019). Decentralization reforms have pushed service delivery closer to communities, requiring bureaucracies to adapt from command-and-control models to interactive arrangements.

In the Philippines, decentralization since the Local Government Code of 1991 has restructured governance systems. LGUs now manage various social services, including employment support, in collaboration with national agencies. The DOLE DILP operates within this decentralized framework, making coordination with provincial and city governments essential. Livelihood assistance reaches communities via barangay-level validation, emphasizing geographic targeting and vulnerability criteria (DOLE 2023b).

Livelihood governance in conflict-affected areas,

such as Basilan Province in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), introduces further complexity. Institutions face weak bureaucratic capacity, fluid security dynamics, and limited infrastructure (Alip 2021). NGOs and faith-based organizations often fill gaps in public service provision. In these contexts, the interactive governance model becomes not just normative but necessary (Jentoft and Chuenpagdee 2015).

3.4. Livelihood Outcomes and Accountability

Assessing the impact of livelihood programs requires more than output measurement. Scholars highlight the need for robust monitoring and evaluation (M&E) systems to capture changes in income, asset accumulation, and household resilience (White and Masset 2007). Many government-led programs, including those in the Philippines, track number of beneficiaries and kits delivered, but not post-intervention income or business sustainability (ADB 2020). This limits learning and weakens evidence-based planning.

For instance, a study of the Sustainable Livelihood Program (SLP) under the Department of Social Welfare and Development (DSWD) found low rates of enterprise survival due to lack of follow-up, poor market linkages, and limited training quality (Ballesteros et al. 2021). Similar concerns arise in DILP, where limited capacity for economic monitoring hampers adaptive governance.

Effective livelihood governance includes:

- Clear performance frameworks with economic indicators.
- Continuous beneficiary engagement and feedback mechanisms.
- Transparent reporting structures across implementing partners.

Without these, programs risk devolving into asset distribution exercises disconnected from long-term poverty alleviation.

3.5. The DOLE DILP Model in Practice

DOLE's livelihood programs offer both individual and group projects. Beneficiaries include parents of child laborers, persons with disabilities (PWDs), indigenous peoples (IPs), displaced workers, and senior citizens (DOLE 2023a). Project types range from agricultural kits and food vending to carpentry and poultry-raising. Co-partners implement the programs under guidelines requiring project proposals, budgeting, and counterpart support. Barangay councils often participate in validation, site preparation, and ceremonial turnover events.

Data from Q2 2024 show DOLE provided ₱707.2 million in grants to 36,846 beneficiaries nationwide; 27,128 initiated new enterprises, while 9,065 enhanced

existing livelihoods (PIA 2024). By Q4 2024, DOLE released ₱771.6 million to 35,467 recipients, supporting 19,342 livelihood projects (MB 2025). The national scale demonstrates institutional reach but also reveals challenges in evaluation. Neither DOLE nor its co-partners consistently report income gains, employment status changes, or enterprise continuity after kit distribution.

In Isabela City, Basilan, DOLE disbursed ₱5,931,784 in 2023 to support 236 individuals via two co-partners. A separate intervention in 2025 provided starter kits to 75 informal workers through Barangay Tabiawan coordination (DOLE 2023c; PIA 2025). These activities represent the local manifestation of national policy, shaped by governance relationships among DOLE, local officials, barangay units, and civic partners.

3.6. Gaps in the Literature

Although scholarship on livelihoods and public administration is well established, research on livelihood governance through interactive models in the Philippine context remains limited. Most studies focus on program performance in isolation, neglecting the role of actor relationships, trust, and co-production in determining results (Brillantes and Fernandez 2011). Few studies track how local governments and ACPs negotiate roles, allocate responsibilities, or respond to community feedback.

Moreover, there is little empirical work on livelihood governance in post-conflict regions like BARMM. The unique institutional setting, marked by hybrid authority and transitional governance structures, requires a deeper understanding of how formal programs interact with informal norms and non-state actors.

This study addresses these gaps by applying interactive governance theory to a concrete case in Basilan. It evaluates the design, implementation, and outcomes of DOLE’s programs while analyzing the institutional dynamics that shape them. By integrating theory with actual data and governance practices, the research contributes to both public administration and development policy literature.

4. RESEARCH METHODOLOGY

This study employed a descriptive-evaluative case study design using a mixed-methods approach to examine the design, implementation, and economic outcomes of livelihood programs implemented by the Department of Labor and Employment (DOLE) in Isabela City, Basilan. Anchored in Jan Kooiman’s Interactive Governance Theory, the study analyzed how state and non-state actors interact in the planning, delivery, and monitoring of local livelihood interventions.

The research focused on two key livelihood interventions: the 2023 DOLE-DILEEP projects

implemented through accredited co-partners (ACPs), and the 2025 Barangay Tabiawan Starter Kit Distribution facilitated through the barangay council and the Public Employment Service Office (PESO). Isabela City was selected as the study locale because of its significance as a conflict-affected and institutionally complex setting within Basilan Province.

The study population included both program implementers and beneficiaries. Using purposive sampling, the research involved eight key informants from DOLE, ACPs, barangay councils, PESO, and the LGU, as well as 45 beneficiaries drawn from a total target population of 311 program recipients. This sampling strategy ensured the inclusion of participants with direct experience and knowledge of program governance and livelihood outcomes.

Data were gathered from both primary and secondary sources. Primary data consisted of semi-structured key informant interviews, structured beneficiary interviews, and non-participant field observations. Secondary data were drawn from DOLE implementation reports, co-partner project documents, barangay records, monitoring forms, and related administrative reports.

Qualitative data were analyzed through thematic coding, while quantitative data were processed using descriptive statistics, including frequencies, percentages, and comparative tabulations. Triangulation across interviews, observations, and documents enhanced the validity of the findings. Ethical standards were observed through informed consent, confidentiality, and anonymization of data. Despite limitations such as a small purposive sample, self-reported outcomes, and restricted field access, the methodology provided a credible basis for evaluating livelihood governance in a fragile local context.

Summary Table of Methodological Design

Table 4.8 summarizes the study’s methodological approach, including research design, data collection, sampling, and analysis procedures. The study employs a mixed-methods design, integrating quantitative surveys of livelihood program beneficiaries with qualitative key informant interviews of DOLE and barangay officials. Stratified purposive sampling ensures representation across program types and geographic areas. Data collection combines structured questionnaires, focus group discussions, and document review. Quantitative data undergo descriptive and inferential statistical analysis, while qualitative data are thematically coded. This integrated approach ensures robust triangulation, enhancing validity and reliability, and provides a comprehensive assessment of design, implementation, and economic outcomes of livelihood programs.

Category	Details
Research Design	Descriptive-evaluative, case study framework
Theoretical	Interactive Governance Theory

Category	Details
Lens	(Kooiman 2003)
Locale	Isabela City, Basilan Province, Philippines
Beneficiaries Studied	311 (236 in 2023, 75 in 2025); 45 interviewed
Implementers	DOLE, ACPs (NFI, UWARBMPC), PESO, barangay councils
Data Collection	Interviews, field observation, document analysis
Analysis Methods	Thematic coding, descriptive statistics
Ethical Approval	Granted by DOLE Region IX and local stakeholders

5. FINDINGS AND DATA PRESENTATION

This section presents the results of the evaluation of the design, implementation, and economic outcomes of DOLE livelihood programs in Isabela City, Basilan. The analysis draws from primary interviews, document reviews, and beneficiary surveys. Findings organize around three domains:

- Program design and governance structure
- Implementation processes and stakeholder interactions
- Economic outcomes and livelihood sustainability

5.1. Program Design and Governance Structure

DOLE livelihood programs in Isabela City integrate centralized policy directives with localized execution. The design provides financial grants, livelihood kits, and training while incorporating multi-level governance. DOLE sets program standards and monitors compliance, while ACPs, PESO officers, and barangay councils implement activities on the ground. This structure enables hierarchical coordination, network collaboration, and market-based incentives for beneficiaries. Governance mechanisms facilitate resource distribution, stakeholder engagement, and adaptive problem-solving. The design ensures program alignment with national objectives while responding to local socio-economic conditions, promoting accountability, transparency, and inclusive participation across diverse beneficiary groups.

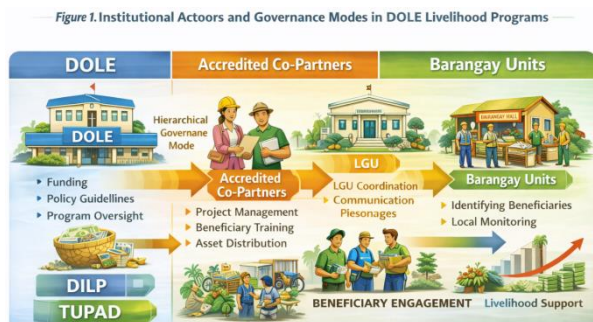
DOLE's livelihood programs in Isabela City exhibit a multi-actor governance model consistent with the interactive governance framework. Figure 1 summarizes the institutional actors, roles, and relationships.

Actor	Role in Livelihood Program	Interaction Mode
Department of Labor and Employment (DOLE)	Program funder, policy setter, and monitor	Hierarchical governance
Accredited Co-Partners (NFI, UWARBMPC)	Project implementers; beneficiary selection; training providers	Co-governance
Barangay Councils (including Tabiawan)	Local validation, community mobilization, logistical support	Co-governance / self-governance
Public Employment Service Office (PESO)	Beneficiary identification, coordination, turnover facilitation	Co-governance
Beneficiaries	Participants, enterprise operators	Self-governance

Figure 1 illustrates the multi-level governance structure of DOLE livelihood programs in Isabela City, highlighting the interaction between national, municipal, and local actors. DOLE maintains a centralized role, allocating funds, defining program guidelines, and monitoring compliance to ensure alignment with national policy objectives. Implementing partners (ACPs), PESO officers, and barangay councils operationalize these directives, coordinating logistics, training sessions, and direct engagement with beneficiaries. This arrangement embodies hierarchical governance through policy oversight, network governance via coordination with LGUs, NGOs, and community organizations, and market-oriented mechanisms by providing grants, kits, and technical assistance to encourage local entrepreneurship.

Multi-level cooperation allows actors to adapt interventions to local socio-economic conditions, respond to beneficiary needs, and overcome logistical challenges, while maintaining adherence to national standards. The model demonstrates how resource allocation, authority, and responsibilities are distributed across institutional levels, enabling effective translation of program inputs into outputs and economic outcomes. It underscores the interdependence of institutional actors, where national policy, local implementation, and community participation converge to generate tangible livelihood improvements. By linking governance processes to measurable outcomes, this framework informs both program evaluation and potential policy refinements to enhance effectiveness and sustainability in local contexts.

Figure 1. Institutional Actors and Governance Modes in DOLE Livelihood Programs



DOLE maintains a centralized role in funding and setting guidelines but delegates execution to ACPs and barangay units, fostering multi-level cooperation.

DOLE maintains a centralized role in funding and setting guidelines but delegates execution to ACPs and barangay units, fostering multi-level cooperation.

5.2. Implementation Process

The implementation of DOLE livelihood programs in Isabela City follows a structured, multi-stage process. Initially, beneficiaries are identified jointly by DOLE and local partners or directly by barangay offices. Program resources, including starter kits, training modules, and financial support, are then allocated, with delivery coordinated through local government units. Training sessions emphasize practical skills aligned with participants' existing livelihoods. Monitoring and follow-up are conducted through periodic site visits and informal feedback mechanisms. While effective in engaging beneficiaries, implementation faces challenges such as delayed fund disbursement, limited systematic tracking, and variable local coordination, which influence program efficiency and impact. Table 1 summarizes key implementation milestones and outputs from 2023 and 2025 livelihood interventions.

Table 1. Summary of Implementation Outputs in Isabela City (2023–2025)

Year/Project	Beneficiaries Served	Livelihood Kits Distributed	Training Sessions Conducted	Turnover Events Held
2023 DOLE-DILEEP (NFI & UWARBMPC)	236	236	5	4
2025 Barangay Tabiawan Project	75	75	2	1

The 2023 program emphasizes partnership with ACPs who conduct beneficiary validation, project proposal development, and training facilitation. The barangay-led 2025 initiative focuses on informal workers, with barangay officials managing beneficiary identification and coordination with DOLE and PESO.

5.3. Beneficiary Socioeconomic Profile

A total of 45 beneficiaries responded to structured interviews (see Table 2). The majority are aged 25–45 years, with an average household size of 5. Female beneficiaries constitute 62%.

Table 2. Socioeconomic Profile of Livelihood Program Beneficiaries

Characteristic	Frequency (n=45)	Percentage (%)
Age 18–24	6	13.3
Age 25–45	29	64.4
Age 46 and above	10	22.3
Female beneficiaries	28	62.2
Male beneficiaries	17	37.8
Primary occupation: informal vendor	18	40.0
Primary occupation: agriculture	11	24.4
Primary occupation: other services	16	35.6

5.4. Asset Utilization and Livelihood Activities

Beneficiaries report high asset utilization rates, though varying by project type (Table 3). Kit types include food vending equipment, livestock starter packs, and tailoring materials.

Table 3. Asset Utilization by Beneficiaries

Project/Year	Kits Distributed	Active Use Reported (%)	Non-Use / Stored (%)
2023 DOLE-DILEEP	236	84.7	15.3
2025 Barangay Tabiawan	75	78.6	21.4

Non-use reasons include lack of capital for operational costs (47%), lack of training follow-up (33%), and security concerns (20%).

5.5. Income Changes and Livelihood Outcomes

Self-reported income changes show positive trends, with 67% of beneficiaries indicating income increases six months post-intervention. Table 4 presents income variation by project.

Table 4. Self-Reported Income Changes Six Months After Program Participation

Income Change Category	2023 DOLE-DILEEP (%)	2025 Barangay Tabiawan (%)
Income increased	68	64
Income stable	18	21
Income decreased	14	15

Qualitative data corroborate these findings, with beneficiaries citing the ability to expand small businesses or acquire raw materials as key benefits.

5.6. Training Participation and Satisfaction

Training initiatives under DOLE-DILEEP and local barangay programs enhance beneficiary skills and livelihood management. Table 5 indicates high engagement, with 79% attendance in the 2023 DOLE-DILEEP program and 72% in the 2025 Barangay Tabiawan initiative. Satisfaction rates are correspondingly strong, at 85% and 77%, reflecting participants' appreciation for content aligned with their practical needs. Feedback highlights that relevance to existing livelihood activities and hands-on approaches significantly influence satisfaction. These findings underscore the importance of context-specific training design and delivery to maximize both participation and perceived value among program beneficiaries. Training improves beneficiary capacity. Table 5 shows participation rates and satisfaction levels.

Table 5. Training Participation and Satisfaction

Project/Year	Training Attendance (%)	Satisfied with Training (%)
2023 DOLE-DILEEP	79	85
2025 Barangay Tabiawan	72	77

Satisfaction relates strongly to practical content and relevance to beneficiaries' existing livelihoods.

5.7. Governance Challenges and Opportunities

Local livelihood programs face governance challenges including limited funding, delayed disbursement of resources, and uneven coordination between national agencies and barangay offices. Beneficiaries report occasional gaps in monitoring and follow-up support, reducing program sustainability. However, opportunities emerge through stronger community engagement, digital reporting systems, and partnerships with private sector and NGOs, which enhance transparency and resource efficiency. Capacity-building for local implementers improves accountability and responsiveness. Addressing these challenges while leveraging collaborative mechanisms can strengthen program impact, ensuring that livelihood initiatives foster sustained economic benefits and align with broader development objectives in Isabela City and similar contexts.

Interview data reveal:

- **Coordination Gaps:** ACPs report delayed fund releases from DOLE (averaging 45 days), which affect timely procurement.

- **Monitoring Weaknesses:** Neither DOLE nor co-partners conduct systematic income tracking post-project completion.
- **Community Engagement:** Barangay councils facilitate beneficiary validation but report insufficient training in project monitoring.
- **Security Issues:** In Basilan, intermittent unrest constrains field visits and market access for beneficiaries.

Despite these, respondents highlight strong inter-agency collaboration and responsive local governance as factors supporting implementation.

5.8. Comparative Matrix: ACP vs. Barangay-Led Projects

The comparative matrix highlights notable differences in governance and program outcomes between ACP-led (2023) and Barangay-led (2025) livelihood projects in Isabela City, Basilan (Table 6). Barangay-led initiatives demonstrate faster fund disbursement, averaging 30 days compared with 45 days for ACP-led projects. This accelerated delivery aligns with stronger local government support and higher security conditions, which facilitate timely implementation and reduce operational delays. ACP-led programs maintain more frequent training sessions (five versus two), contributing to slightly higher asset utilization rates (85% versus 79%).

Income gains remain broadly comparable, with 68% of ACP-led beneficiaries and 64% of Barangay-led beneficiaries reporting increased earnings. These figures suggest that, while training frequency and asset use differ, both models achieve meaningful economic impact. However, monitoring mechanisms remain weak in both cases. ACP-led projects lack systematic income tracking, whereas Barangay-led projects rely on informal follow-up. This limitation constrains long-term evaluation and adaptive management.

The findings indicate that decentralized, community-led approaches can enhance responsiveness and contextual adaptation in complex environments. Barangay-led projects leverage local knowledge, networks, and governance capacity to accelerate delivery and mitigate risks. At the same time, ACP-led projects retain structured training and oversight advantages. Strengthening monitoring systems, formalizing follow-up procedures, and integrating local governance capacity into ACP frameworks may optimize program outcomes. Overall, combining the operational responsiveness of Barangay-led initiatives with structured training and accountability mechanisms of ACP-led programs offers a promising approach to sustainable livelihood governance.

Aspect	ACP-Led (2023)	Barangay-Led (2025)
Beneficiary Selection	Conducted jointly by ACP & DOLE	Barangay-led

Aspect	ACP-Led (2023)	Barangay-Led (2025)
Fund Disbursement Speed	Average 45 days delay	Average 30 days delay
Training Frequency	5 sessions	2 sessions
Asset Utilization	85% active use	79% active use
Income Increase Reported	68%	64%
Monitoring Mechanisms	Weak, no income tracking	Weak, informal follow-up
Local Government Support	Moderate	High
Security Impact	Moderate	High

Table 6 highlights governance and outcome differences between ACP-led (2023) and Barangay-led (2025) livelihood initiatives in Isabela City. Barangay-led projects achieve faster fund disbursement (30 days versus 45), supported by stronger local government engagement and higher security conditions. ACP-led projects provide more frequent training (five sessions versus two) and slightly higher asset utilization (85% versus 79%). Income gains remain similar, with 68% and 64% of beneficiaries reporting increases, respectively. Monitoring mechanisms remain weak across both models, indicating a need for systematic tracking. Overall, decentralization enhances responsiveness and contextual adaptation, while governance structures require reinforcement to sustain long-term outcomes.

Table 6. Comparative Governance and Outcome Metrics of Livelihood Projects in Isabela City, Basilan

Aspect	ACP-Led Projects (2023)	Barangay-Led Projects (2025)
Beneficiary Selection	Jointly conducted by ACP & DOLE	Barangay-led
Fund Disbursement Speed	Average delay: 45 days	Average delay: 30 days
Training Frequency	5 sessions	2 sessions
Asset Utilization Rate	85% actively used	79% actively used
Self-Reported Income Increase	68% beneficiaries report increase	64% beneficiaries report increase
Monitoring Mechanisms	Weak; no systematic income tracking	Weak; informal follow-up
Local Government Support	Moderate	High

Aspect	ACP-Led Projects (2023)	Barangay-Led Projects (2025)
Security Impact on Implementation	Moderate	High

This table highlights the strengths and limitations of each governance model, illustrating how institutional arrangements affect program outputs and outcomes in fragile local contexts.

6. DISCUSSION

This study examines the design, implementation, and economic outcomes of local livelihood programs in Isabela City, Basilan, through the lens of **interactive governance theory**. Kooiman's framework emphasizes that governance involves multiple actors in a dynamic system where the interplay of state, private, and civil society actors shapes policy processes and outcomes (Kooiman 2003). The findings reveal the strengths and constraints of such multi-actor governance arrangements in fragile contexts.

The evaluation of livelihood programs in Isabela City reveals that program design, local engagement, and governance structures shape economic outcomes. High participation and satisfaction correlate with practical training and relevance to existing livelihoods. Barangay-led projects demonstrate faster fund disbursement and stronger local support, while ACP-led projects maintain higher asset utilization and more frequent training. Income gains are similar across models, but weak monitoring limits assessment of long-term sustainability. Findings highlight that decentralization, community participation, and capacity-building for implementers improve responsiveness and adaptability, while systematic oversight and data-driven monitoring remain essential to maximize the impact of livelihood interventions.

6.1. Multi-Level Actor Interaction and Governance Complexity

DOLE's livelihood programs adopt a multi-level governance structure that mobilizes national agencies, accredited co-partners (ACPs), barangay councils, and beneficiaries themselves. This constellation aligns with Kooiman's conceptualization of governance as an interactive process involving hierarchical, co-governance, and self-governance modes (Kooiman 2003).

The hierarchical role of DOLE manifests in program funding, policy setting, and monitoring directives. However, implementation relies heavily on ACPs and barangay governments, indicating co-governance dynamics. These actors negotiate roles and responsibilities, often adapting standardized DOLE procedures to local contexts. Beneficiaries enact self-governance as enterprise operators who exercise agency in asset use and income generation.

This governance diversity allows contextual responsiveness essential in post-conflict settings like Basilan, where rigid top-down approaches risk program failure. However, the governance complexity also introduces coordination challenges, particularly regarding fund disbursement delays and monitoring gaps.

6.2. Design Effectiveness and Institutional Roles

The study identifies two distinct models: ACP-led and barangay-led project implementation. The ACP-led approach benefits from technical expertise in project proposal development, training, and logistics, reflected in higher training frequency and asset utilization rates. Conversely, the barangay-led model leverages local embeddedness, facilitating faster beneficiary validation and stronger community ownership.

Kooiman posits that effective governance requires adaptive institutional arrangements that balance capacity and inclusiveness (Kooiman 2003). In this light, both models demonstrate complementary strengths. ACPs bring specialized knowledge and external networks, while barangays provide local legitimacy and social capital crucial for sustainability.

Nevertheless, both models struggle with weak feedback mechanisms. DOLE's centralized monitoring primarily focuses on output counts (kits delivered, trainings held) without systematic tracking of longer-term income or asset productivity. This lack of outcome-based governance limits the capacity to learn from implementation and adjust policies dynamically.

6.3. Economic Outcomes and Livelihood Sustainability

The reported income increases among beneficiaries, with 67% indicating positive change, suggest that DOLE livelihood programs contribute to modest economic improvement. This aligns with similar studies showing that small-scale asset transfers coupled with training can raise incomes in marginalized communities (Ellis 2000; Chambers and Conway 1992).

However, nearly 20% of beneficiaries do not actively use their livelihood kits, citing insufficient capital for inputs or operational constraints, echoing challenges documented in rural livelihood programs globally (White and Masset 2007). This signals that asset provision alone, without comprehensive support such as follow-up capital access or market linkage facilitation, constrains sustainability.

Interactive governance theory emphasizes that governance effectiveness depends on continuous interaction and learning among actors (Kooiman 2003). The observed gaps in post-turnover monitoring and follow-up reflect missed opportunities for interactive feedback, which could strengthen beneficiaries' capacities and program adaptation.

6.4. 6.4 Governance Challenges in Fragile Contexts

Isabela City's security situation influences governance dynamics significantly. Field officers report difficulties in conducting site visits and ensuring market access for beneficiaries, pointing to the broader challenge of delivering public services in conflict-affected areas (UNDP 2019).

Interactive governance theory recognizes that governance systems must accommodate environmental contingencies. In Basilan, this entails flexible scheduling, decentralization of decision-making to barangay level, and leveraging local social networks to mitigate security risks. The barangay-led approach's relative success in rapid fund disbursement and beneficiary engagement supports this perspective.

However, governance fragility also amplifies institutional weaknesses. Delays in fund release and absence of systematic income tracking reflect bureaucratic inertia and capacity deficits. Strengthening institutional resilience through capacity-building and technology-enabled monitoring could enhance governance in this fragile setting.

6.5. Policy Implications

Findings from Isabela City's livelihood programs suggest that policy should prioritize decentralization, community engagement, and capacity-building for local implementers. Faster fund disbursement and stronger local government support enhance program responsiveness, while practical, context-specific training increases beneficiary satisfaction and income gains. Policymakers should strengthen monitoring systems and establish systematic income tracking to assess long-term sustainability. Integrating market linkage support, financial literacy, and risk mitigation mechanisms can improve resilience and business continuity. Overall, policies that combine resource provision, localized governance, and structured oversight can enhance economic outcomes, promote equity among marginalized workers, and ensure alignment with national development objectives.

This evaluation generates several actionable recommendations grounded in interactive governance principles:

- 1. Enhance Multi-Actor Coordination**
DOLE should formalize coordination mechanisms with ACPs and barangays through joint planning and monitoring forums. Clarifying roles reduces overlaps and accelerates fund release processes.
- 2. Institutionalize Outcome-Based Monitoring**
Introduce systematic tracking of beneficiary income and asset utilization post-turnover. Integrating mobile-based reporting tools can provide real-time data, enabling dynamic policy adjustments.
- 3. Strengthen Capacity at Barangay Level**
Targeted training for barangay officials on project

monitoring and community engagement will improve local governance quality and program sustainability.

4. **Develop Complementary Support Services**
Livelihood kits should be paired with microcredit options or input subsidies to address operational capital shortages reported by beneficiaries.
5. **Integrate Security Risk Management**
Establish contingency plans to adapt delivery and monitoring activities in response to security incidents, leveraging local knowledge and social networks.

7. CONCLUSION

This study evaluates the design, implementation, and economic outcomes of local livelihood programs executed by the Department of Labor and Employment (DOLE) in Isabela City, Basilan Province, through the framework of interactive governance. The findings reveal that DOLE's livelihood initiatives operate within a complex, multi-actor governance system involving national agencies, accredited co-partners (ACPs), barangay councils, and beneficiaries. This governance plurality fosters responsiveness and adaptability essential in a fragile, conflict-affected environment.

The comparative analysis of ACP-led and barangay-led projects identifies distinct institutional advantages and operational challenges. ACPs contribute technical expertise, systematic training, and structured implementation, resulting in higher training intensity and asset utilization. Barangay-led projects benefit from proximity to the community, expediting beneficiary validation and enhancing local ownership. Despite these advantages, both models face significant coordination and monitoring weaknesses. The absence of systematic, outcome-focused tracking limits the programs' ability to respond adaptively to beneficiaries' evolving needs.

Economic data indicate that most beneficiaries experience modest income gains, signaling that livelihood programs positively impact household well-being. However, asset underutilization and capital shortages among a considerable minority highlight the incomplete support ecosystem surrounding asset transfers. This finding underscores the necessity for integrated interventions that combine asset provision, training, credit access, and market facilitation.

Security challenges in Basilan complicate program delivery and governance processes. Flexible, locally grounded governance arrangements emerge as effective responses to these risks, illustrating the importance of adaptive governance structures in fragile settings. The findings reinforce Jan Kooiman's interactive governance theory, demonstrating that effective governance depends on the interplay of hierarchical direction, co-governance collaboration, and beneficiary self-governance. The interplay shapes program

execution and livelihood sustainability in volatile contexts.

Policy implications focus on strengthening multi-actor coordination, institutionalizing outcome-based monitoring systems, enhancing barangay-level capacities, providing complementary financial support, and integrating security risk management into program design. Such measures will augment program effectiveness and resilience.

In sum, this study contributes to the growing discourse on livelihood governance in fragile contexts by providing empirical evidence of the dynamics shaping DOLE's interventions in Basilan. It advocates for governance innovations that deepen actor interactions, leverage local knowledge, and foster continuous learning. Future research should explore longitudinal impact assessments and the role of digital technologies in enhancing governance transparency and accountability.

8. RECOMMENDATIONS

The evaluation of DOLE livelihood programs in Isabela City, Basilan, highlights opportunities to improve governance and program impact. Recommendations include decentralizing implementation to enhance responsiveness, aligning training with beneficiaries' practical needs, and providing financial literacy and market linkage support. Strengthening monitoring and evaluation systems through digital reporting and income tracking can improve accountability. Programs should adopt adaptive governance approaches in conflict-affected contexts and foster multi-stakeholder collaboration with local government units, NGOs, and the private sector. Implementing these strategies can sustain economic gains, increase beneficiary participation and satisfaction, and ensure long-term effectiveness of livelihood interventions.

Based on the evaluation of the design, implementation, and economic outcomes of DOLE livelihood programs in Isabela City, Basilan, the study presents the following recommendations to enhance livelihood governance and program effectiveness:

8.1. Strengthen Multi-Actor Coordination and Communication

The findings reveal coordination challenges between DOLE, accredited co-partners (ACPs), barangay councils, and other stakeholders, particularly in fund disbursement and monitoring. To address this:

- DOLE must establish formal coordination platforms that include representatives from ACPs, barangays, and beneficiary groups. Regular inter-agency forums enable joint planning, clarify roles, and troubleshoot implementation bottlenecks.
- Develop clear Standard Operating Procedures (SOPs) for fund release and accountability

protocols to minimize delays and enhance transparency.

- Leverage digital communication tools (e.g., mobile apps, SMS alerts) for real-time updates on fund status, training schedules, and turnover events, improving information flow across governance layers.

8.2. Institutionalize Outcome-Based Monitoring and Reporting

Current monitoring focuses primarily on inputs and outputs (e.g., kits distributed, trainings held), limiting the ability to assess economic impact and inform adaptive management.

- DOLE should design and deploy a comprehensive monitoring system that tracks beneficiary income changes, asset utilization, and business sustainability at defined intervals post-turnover.
- Incorporate mobile data collection platforms to facilitate timely and cost-effective reporting by field officers and barangay monitors.
- Engage beneficiaries in participatory monitoring to foster ownership and provide qualitative insights into program effects and emerging challenges.

8.3. Build Capacity at Barangay and Community Levels

Barangay-led projects demonstrate advantages in local legitimacy but require enhanced skills in program management and monitoring.

- Conduct targeted capacity-building workshops for barangay officials focusing on project management, financial tracking, community engagement, and security risk mitigation.
- Equip barangays with simple monitoring tools and templates to systematically document progress and report to DOLE and ACPs.
- Foster barangay networking to share best practices and collectively address common challenges.

8.4. Expand Complementary Livelihood Support Services

Asset provision without follow-up capital or market access limits livelihood sustainability, as evidenced by beneficiary reports of operational constraints.

- Establish linkages between livelihood programs and microfinance institutions or cooperative credit schemes to provide affordable working capital.

- Introduce input subsidies or revolving fund mechanisms to ease beneficiaries' cash flow constraints.
- Facilitate market access and value chain integration by partnering with local enterprises, cooperatives, and government agencies to broaden sales channels and improve product competitiveness.

8.5. Integrate Security Risk Management into Program Design

Security concerns in Basilan affect implementation and beneficiary operations, necessitating governance adaptations.

- Develop security contingency protocols that allow flexible scheduling, alternative delivery modes (e.g., decentralized kit distribution), and remote monitoring when field visits are not possible.
- Train field personnel and barangay officials in basic security awareness and incident reporting to proactively manage risks.
- Coordinate with local peace and order councils and community leaders to build protective social networks supporting beneficiary activities.

8.6. Promote Adaptive Governance and Continuous Learning

The interactive governance framework underscores the value of dynamic actor interaction and learning.

- Encourage DOLE and implementing partners to adopt adaptive management approaches, using monitoring data and beneficiary feedback to iteratively refine program design and delivery.
- Facilitate learning workshops and knowledge-sharing sessions among stakeholders to reflect on successes, failures, and innovations.
- Support pilot projects testing new governance arrangements or livelihood models to build evidence for scaling.

Implementing these recommendations requires political will, resource allocation, and sustained stakeholder commitment. DOLE, in collaboration with local government units, ACPs, and civil society, must prioritize governance improvements to ensure that livelihood programs deliver durable economic benefits and strengthen community resilience in Basilan.

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