

Work performance incentivization in the Philippine public educational organization

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Abstract

This study investigates the impact of Performance-Based Bonus (PBB) in incentivizing the work performance of public-school teachers in the Philippine educational bureaucracy. Using a cross-sectional design, a survey was administered to public school teachers and personnel in 10 selected schools in the Cagayan Valley region, Philippines. The mechanism of incentivizing work performance is found efficient in increasing work productivity. The interplay of top-down and bottom-up management approaches is paramount in the planning and realization of the agency's PBB key result areas. However, there are perceived issues that the PBB scheme needs further clarification and improvement in its implementation. Regardless of how they may feel about the practical difficulties in the PBB implementation, it serves its purpose as a strong incentivizing scheme for employees to perform, which has a good effect on work productivity.

Keywords: Performance-based bonus; Educational organization; Work productivity

JEL Classification Codes: J3, L1, L2, L5, Z13.

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1. Introduction

Performance-based bonus (PBB) scheme has been proven effective in increasing work productivity in most bureaucracies in low-income countries (World Bank, 2014). However, the process of its bureaucratic implementation may impinge on the motivation of the individual and team levels' performance (PIDS, 2019). The top-down management approach has been proven effective in targeting and monitoring organizational goals (Sabatier, 2008; Wells, 2017), the granting of PBB among employees in the Philippine educational bureaucracy was found efficient in increasing work productivity, however, further improvement and refinement of policies, and its implementation were needed to be improved (Albert, et al, 2019; Alshaddi & Mohd Rosdi, 2021). In order to ensure the efficiency of PBB as a reward for functional performance, the impact assessment of the PBB scheme's implementation in the agency is crucial. Studies on employees' work productivity considered its effects on many intermediate outcomes (Egger-Peitler, Hammerschmid, & Meyer, 2007). This study attempts to investigate the impact of the PBB on the work performance of public-school teachers and personnel in Cagayan Valley region, Philippines. Ascertain the implementation of PBB in the Philippine bureaucracy using the top-down and bottom-up approaches.

2. Literature Review

2.1 Performance-based bonus and work productivity

Generally, most agencies in various organizations and bureaucracies have adopted performance-based bonuses. PBB is an incentive program found to be effective in compensating the performance of employees, and in increasing work productivity (Mensah & Dogbe, 2011). This type of payment system bases an individual's compensation increase entirely or mostly on the results of their work performance (Swabe, 1989). Armstrong (2005) gives a thorough definition of PBB as the practice of giving a person a monetary reward that is directly tied to their success as an individual, a group, or an organization. Finally, since the primary goal of PBB is to improve employee performance for competitive advantage and equity (Milkovich & Newman, 1996; Lavy, 2007), PBB should be linked to performance in order to make public school teachers and staff more effective (Albert et al, 2020).

Management has focused on employees' work performance in achieving organizational goals, attributing variations in performance levels to individual variances in skills and abilities as well as various job performance motivational philosophies (Mensah & Dogbe, 2011), including psychological capital which brings a positive impact on the work and quality performance of employees (Irvayanti & Sophiah, 2022). Giving PBB to employees is one of the motivating aspects

for their job productivity. According to Raziq and Maulabakhsh (2015), an organization must incentivize its people to work hard in order to fulfill corporate goals and objectives. Employers are striving to relate bonus income to performance more and more; positions with performance-based bonuses draw people with greater abilities and encourage employees to put in more effort (Booth & Frank, 1999). The impact of compensation for performance on future employee performance, and performance-based bonuses are favorably correlated with future work productivity (Nyberg, et al., 2013).

Many researchers have concentrated on motivating beliefs critical to the success of the PBB scheme and attitudes toward program execution. Employee perceptions of characteristics like anticipation, instrumentality, and valence have been developed by researchers. In trials where the goals were clear, remuneration was reasonable, and there was a sizable amount of support for merit pay programs, PBB produced beneficial results (Perry, et al., 2009). However, researchers found that respondents frequently believed there was little correlation between work productivity and pay (Daley, 1987), that some people thought that greater pay would typically happen (Pearce et al., 1985), and that financial incentives for work productivity were too small to be valued (Pearce, et al., 1985; Heinrich, 2007). Dowling and Richardson (1997) found that employees were reluctant to participate in performance-based compensation programs due to potential negative side effects that could cause conflict and a lack of financial motivation (Marsden, 2004). Mensah and Dogbe (2011) claimed that PBB has little influence on employee performance and that its motivational effects are typically diminished by biased performance reviews. Thereby, employees' perception of PBB scheme for incentivizing work performance has little impact on them for future work productivity, however, they also perceive it as necessary for better work performance.

PBB schemes must meet three requirements in order to be successful, according to Lawler (1990), and Milkovich and Wigdor (1991), firstly, the amount of PBB must be sufficient to motivate individuals or groups; secondly, there must be evidence of a connection between actual performance and subsequent reward, and finally, the scheme must be perceived as equitable, with the same rewards being given for the same amount of effort. Although performance-based incentives are becoming more common across most public sectors, these requirements are rarely met, and the results have been appalling (Ingraham, 1993). The main cause of this is the difficulty in evaluating an individual's actual performance, and it has proven to be very challenging to develop systems that clearly link work productivity and performance-based compensation. These difficulties were attributed to insufficient government support, a shifting political landscape, a lack of organizational trust, and union resistance. These are some other crucial factors causing performance-based incentive systems to fail (Alshaddi AlMansoori & Mohd Rosdi, 2021).

2.2 The top-down approach

The top management of an organization supervises the planning, targeting, monitoring, analyzing, and evaluating of important outcome areas before cascading these targets down to be carried out by the bureaucrats on the ground level (Sabatier, 2008; Wells, 2017). In any bureaucratic organization, power typically rests with the top managers rather than the individual, and authority is transferred up the hierarchy based on accepted duties (Weber, 1922). Strategic direction, policy, and planning are elements of a top-down organizational management strategy that occur at or very close to the highest level of an organization. Based on the strategic objectives, it establishes the policies and action plans targets to achieve the strategic goals and distributes them to line managers and supervisors (Price, 2017). Effective bureaucracies are built upon rationally evaluating problems and devising the best methods for achieving objectives; this has been the main focus of the higher-ups, especially with regard to the targeting and planning for effective PBB. Even though senior management bureaucrats lack the constitutional power to enact laws, they do so by transforming the general objectives of laws into the policies that people come across during the implementation process. Government agencies produce policies through their implementation responsibilities since policy makers are unable to establish regulations for every circumstance (Kerwin, 1994). In contrast, too much focus on success and efficiency can lead to a lack of flexibility when it comes to responding to specific situations or demands and the concentration of power at the top of the hierarchy, the individual functions of the street-level bureaucrats are at times compromised. As a result, the conventional organizational management in agencies can determine the general terms of policies relevant to them. In effect, bureaucracies play a role in determining who receives what, when, and how (Lasswell, 1936). Public agencies are essential to the policy process because they have discretion in implementing policies; for instance, organizational bureaucrats make administrative decisions rather than having their operations determined by legislation (Handler, 1992). In human service bureaucracies, which largely exercise influence through the nation's welfare programs, the use of discretion is crucial (Meier, 1993). Consequently, these low-level officials who deal with clients directly, such as school administrators, teachers, and staff, have a vital role in deciding how benefits are distributed and who is eligible for the PBB (Keiser, 1999) which some employees perceive as defective.

2.3 The Philippine educational bureaucracy

The educational bureaucracy in the Philippines often employs a top-down management approach to implement organizational policies. The Philippine public educational bureaucracy is composed of the Department of Education (DepEd), the State Universities and Colleges (SUCs), and the Technical Education and Skills Development Authority (TESTA). These three public educational

agencies comprise the trifocal system of Philippine education. These agencies are mandated to set organizational targets, define and identify the Major Final Outputs (MFOs) that must be achieved at the end of one (1) year rating period. MFO goals are established by top management and cascaded down to lower levels of the organization. Hence, those at lower levels are given assignments to complete the goals specified by those in positions of authority; they play a crucial role in their realization (Albert et al., 2020). At some point, this suggested a discord between the higher-ups and the street-level bureaucrats.

Public-school teachers and school personnel, which includes educational leaders and managers are considered street-level bureaucrats who directly involved in the transaction and educational services. They are among the most important resources because they define efficiency, effectiveness, and overall quality of service in the public school system. To maintain and increase work productivity, some motivational schemes were mechanized such as the provision of a more comprehensive PBB (Lavy, 2007). This program is based on the human relations paradigm, which rewards employees' productivity to improve performance (Perrow, 1986; Albert et al., 2020) which is found to be effective.

2.4 Performance-based bonus implementation in the educational organization

Prior to 2011, the Philippine government provides a uniform amount of PBB to all its employees regardless of how well they performed. Over time, this scheme showed limited ability to motivate employees and stimulate work productivity. As a result, the program was started to encourage performance and a culture focused on results (Mihăiloaie, 2014). The Administrative Order (AO) 25, s. 2011 created the Interagency Task Force (IATF) on the Harmonization of the National Government Performance Monitoring, Information, and Reporting System to establish the qualifying criteria and processes for granting the upgraded PBB, including a rating system to recognize various levels of accomplishment. In lieu of this, Executive Order (EO) No. 80, series of 2012 requires the adoption of a Performance-Based Incentive System (PBIS) for government employees, which comprises the Productivity Enhancement Incentive (PEI) and PBB. The amount of PEI received by regular employees is uniform in every agency. However, PBB is granted on gradation based on the actual performance of the agency. The idea behind it is to foster teamwork and meritocracy among employees by linking employee incentives to the accomplishments of the bureau or delivery unit and rewarding exceptional performance. PBB implementation and distribution among employees have drawn criticism, especially from those who hold positions with various functions. As a result, EO No. 201, series of 2016 mandated the expanded gradation of work performance compensation to government employees enhancing the PBIS and recognizing government employees who face a greater burden in achieving performance goals and creating

results. To receive the PBB, a government agency must satisfy a number of requirements. Based on their performance, the bureaus or delivery units will receive ratings and be grouped. Only employees whose department or agency fits into one of the first three categories and whose performance is not assessed as less than satisfactory are eligible for the PBB. The success of the bureau determines the amount of remuneration that an employee receives (Mihailoiaie, 2014).

After being fully implemented for more than ten years, PBB has come under criticism from government employees who doubt its implementation and objectivity in evaluating individual and group performance. They also question the value of giving agencies an unjust appraisal, which demotivates and discourages workers, especially teachers working for their specific schools. Although the concept of PBB is sound in theory, putting it into practice presents numerous problems. According to Lavy (2007), it is challenging to quantify the efforts and results of public-school teachers and staff members since their work is frequently collaborative, complicated, and one-of-a-kind, making it difficult to separate one person's efforts from those of their coworkers. PBB calls for a rigorous, objective evaluation of the efforts or accomplishments of schools, employees, or any indicator of their students' performance (Lavy, 2007). According to Kirunda (2004), the fundamental goal of any performance-based remuneration system in schools should be to guarantee that teachers are regarded as the key players in the operational and academic success of any given institution. Additionally, higher administrators need to be instructed and informed about the value of PBB programs and that it should motivate street-level bureaucrats to perform to the best of their abilities.

The main goal of this paper is to demonstrate the theoretical advantages of PBB and some of the critical concerns regarding its implementation as perceived by public school teachers and school staff, with the aid of top-down and bottom-up management approaches. This paper also makes an effort to evaluate the effectiveness of the PBB program as a means of rewarding employees' efforts, particularly public-school teachers and staff, and to ascertain their perception regarding any difficulties encountered during PBB implementation in the Cagayan Valley region, Philippines.

2.5 Research problem

This study intends to evaluate the performance-based Bonus (PBB) scheme as an effective work performance remuneration, and the perception of public-school teachers and personnel in the implementation of it in the educational sector. Specifically, it aims to address the following:

1. What is the socio-demographic profile of the respondents in terms of (a) age, (b) sex, (c) school level, (d) educational attainment, (e) nature of work, (f) number of years in the government service, (g) amount of PBB received recently?

2. What is the perception of respondents towards the implementation of PBB?
3. Is there a significant difference in the PBB perception of respondents according to their socio-demographic profile?
4. Is there a significant relationship between the assessment of PBB by respondents and their work productivity?

3. Methods

3.1 Research design

A cross-sectional research design was used to investigate the PBB performance and perception of public-school teachers and personnel towards their PBB in the Cagayan Valley region, Philippines. This design generates data from different individuals at a single point in time and can provide valuable insights about the population being studied for further correlational research (Setia, 2016; Wang & Cheng, 2020).

3.2 Population and sample

Respondents are faculty and staff from the Department of Education (DepEd), and instructors/professors and staff from State Universities and Colleges (SUCs) who have received their PBB. A cohort of respondents was taken from elementary schools, secondary schools, and state universities through randomized sampling. A total of 110 respondents were drawn from ten (10) public schools consisting of five (5) secondary schools with junior and senior high schools, four (4) elementary schools, and one (1) state university.

3.3 Instrumentation

The researcher employed a survey instrument to evaluate the PBB implementation in the school, the feedback mechanisms made by the school or supervisor on the performance of school personnel, the impact of PBB on work productivity, and certain perceived issues in its conduct. Respondents were asked to use one of four (4) rating scales to indicate the degree of agreeableness or disagreeableness which measured their assessment and perception of the implementation of PBB in their school and the perceived issues with its conduct. The 31-item survey instrument has a reliability test score of 0.855 Cronbach's alpha level, which is regarded as reliable and standard.

3.4 Data treatment and analysis

To analyze the sociodemographic characteristics of the respondents, frequency counts and percentages were used. Data were processed using SPSS. An analysis of variance was used to test

for significant differences for age, type of school, school level, number of years in government service, and amount of PBB received. Pearson r was used to test for significant relationships between respondents' assessments of PBB implementation and their work performance.

4. Results

This study intends to evaluate the Performance-Based Bonus (PBB) scheme as an effective work performance remuneration, and the perception of public-school teachers and personnel in the implementation of it in the educational sector. This section discusses the findings of a cross-sectional study that was carried out by surveying 110 public school teachers, university professors, and other non-teaching school staff in selected schools in Cagayan Valley region, Philippines.

4.1 The socio-demographic profile of respondents

Table 1. Socio-demographic profile of respondents

		<i>f</i>	%
Age Bracket	18 - 33 years old	25	22.70
	34 - 49 years old	54	49.10
	50 - 65 years old	31	28.20
Sex	Male	35	31.80
	Female	75	68.20
School Level	Tertiary Level	16	14.50
	Secondary Level	61	55.50
	Elementary Level	33	30.00
Highest educational attainment	College graduate	6	5.50
	With units in master's degree	64	58.20
	Master's degree holder	20	18.20
	With units in PhD or EdD	13	11.80
	PhD/EdD holder	7	6.40
Nature of work	Teacher	91	82.70
	School Administrator	10	9.10
	Non-teaching staff	9	8.20
Number of years in the government service	0 to 10 years	44	40.0
	11 to 20 years	30	27.3
	21 to 35 years	36	32.7
Recent amount of PBB received	Below 5,000.00	2	1.80
	5,000.00 - 9,999.00	18	16.40
	10,000.00 -14,999.00	68	61.80
	15,000.00 - 19,999.00	15	13.60
	20,000.00 - 24,999.00	2	1.80
	25,000.00 - 29,999.00	4	3.60
	30,000.00 - 35,000.00	1	.90

Note: $N = 110$

Table 1 reveals the sociodemographic profile of respondents. 68.20 percent of respondents are female. 49.10 percent of respondents are between the ages of 34 and 49. 55.50 percent of respondents are currently employed in public secondary schools. 40.00 percent of them are teaching for at least 0 to 10 years in public service and have received an amount of PBB ranging from at least Php 10,000.00 to Php. Php 14,999.00 recently. 58.20 percent of them have acquired master's degree units. 82.70 percent are engaged in pure or plain teaching.

4.2 PBB implementation assessment and work performance

Table 2. Respondents' assessment of PBB implementation in the educational organization

Domains		M	Description
Assessment of Performance-based Bonus Implementation in public schools	The school's PBB main result areas are distinct and adequately communicated to the faculty and staff.	3.16	Agree
	The school uses well-designed techniques to impartially assess faculty and effectively inform them of their performance findings.	3.10	Agree
	Teachers are aware of how they help achieve PBB's major result areas.	3.16	Agree
	The principal of the school offers efficient ways for providing feedback to enhance performance.	3.00	Agree
	The supervisor is in charge of evaluating instructors' performance in relation to PBB goals in an objective manner.	3.08	Agree
	TOTAL	3.10	Agree
Work Performance Assessment	When they earn their performance-based bonus, employees are more motivated to complete their work.	2.85	Agree
	The quantity of PBB received equalizes the cost of the employee's services.	2.44	Disagree
	Employees are encouraged to enhance work performance under the government's Performance-based Bonus program.	2.95	Agree
	Since the implementation of the performance-based bonus, workplace productivity has grown.	2.82	Agree
	A performance-based bonus system can boost employee productivity.	2.79	Agree
	TOTAL	2.77	Agree
Perceived issues in the PBB implementation	The reward offered is insufficient to demonstrate a change in performance.	2.69	Agree
	The adoption of a performance bonus incentive program that aims to increase employee motivation is unsuccessful.	3.03	Agree
	The performance bonus incentive program has a detrimental impact on team morale and may damage cooperation.	3.21	Agree
	Employees who get performance bonuses are encouraged to place a laser-like concentration on short-term, quantifiable goals while ignoring long-term problems.	2.82	Agree
	Individual performance is challenging to evaluate objectively.	2.85	Agree
	PBB believes that the best reward is money.	2.73	Agree
	PBB should be implemented with more improvement.	3.44	Agree
	TOTAL	2.97	Agree

Table 2 shows the respondents' assessment of PBB implementation in the educational organization, their work performance assessment and perceived issues in its implementation in the educational organization. The PBB mechanics and implementation process are well-defined and well-communicated to the respondents ($M=3.10$). Moreover, they agree that the PBB they received significantly increased their work performance and it equates to the services they served ($M=2.77$). Remarkably, they also perceived issues with PBB implementation in public schools ($M=2.97$).

4.3 Age and PBB implementation

Table 3. Age of respondents and their perception of PBB Implementation

			<i>df</i>	<i>F</i>	<i>Sig.</i>
ANOVA	<i>Age and Assessment on PBB Implementation</i>	Between Groups	2	3.228	.044
		Within Groups	107		
			109		
		<i>Age group</i>	<i>M</i>	<i>SD</i>	<i>Sig.</i>
Post hoc test	18 - 33 years old	34 - 49 years old	3.35	.44	.635
			50 - 65 years old		.044
	34 - 49 years old	18 - 33 years old	3.21	.66	.635
			50 - 65 years old		.137
50 - 65 years old	18 - 33 years old	2.95	.66	.044	
				34 - 49 years old	

Note: Significant at the 0.05 level

Table 3 displays a statistically significant difference between age groups as determined by one-way ANOVA ($F(2,107) = 3.228$, $p = .044$). A post hoc test shows that the respondents' perceived issues in PBB implementation have statistically significant differences in age groups, between the age bracket of 18 to 33 ($3.35 \pm .44$) against the age bracket of 50 to 65 years old ($2.95 \pm .66$) $p=.044$. In contrast, age brackets between 34 to 49 years old ($3.21 \pm .66$) is not statistically different with the age bracket of 18 to 33 years old with p -value of .635, and the age bracket of 50 to 65 years old with $p=.137$.

4.4 School level and PBB implementation

Table 4. Level of school and perception on PBB Implementation

			<i>df</i>	<i>F</i>	<i>Sig.</i>
ANOVA	<i>School Level and Perception on PBB Implementation</i>	Between Groups	2	19.858	.000
		Within Groups	107		
		Total	109		
		<i>School Level</i>	<i>M</i>	<i>SD</i>	<i>Sig.</i>
Post hoc test	Tertiary level	Secondary level	3.18	.44	.258
			Elementary level		.009
	Secondary level	Tertiary level	3.42	.47	.258
					Elementary level

Elementary level	2.69	.69	Tertiary level	.009
			Secondary level	.000

Table 4 reveals that there was a statistically significant difference between the school level and the perceived issues in the PBB implementation using one-way ANOVA ($F(2,107) = 19.858, p < .001$). A post hoc test shows that the respondents in the primary level and their perceived PBB issues are statistically different ($2.69 \pm .69$) compared to the secondary level ($3.42 \pm .47$) $p < .001$, and tertiary level ($3.18 \pm .44$) $p = .009$. However, there was no significant difference between the tertiary and secondary level respondents ($p = .258$).

4.5 Years in the government service and PBB implementation

Table 5. Number of years in government service and perception of PBB Implementation

			<i>df</i>	<i>F</i>	<i>Sig.</i>	
ANOVA	<i>Years in government service and Perception on PBB Implementation</i>	Between Groups	2	3.977	.022	
		Within Groups	107			
		Total	109			
		<i>Years in service</i>	<i>M</i>	<i>SD</i>	<i>Sig.</i>	
Post hoc test		0 - 10 years	3.36	.46	11 - 20 years	.179
					21 - 35 years	.020
		11 - 20 years	3.10	.74	0 - 10 years	.179
					21 - 35 years	.718
		21 - 35 years	2.98	.67	0 - 10 years	.020
					11 - 20 years	.718

There is a considerable difference between the number of years in the government service and the reported issues with PBB implementation as seen in Table 5, using one-way ANOVA ($F(2,107) = 3.977, p = .022$). The significant difference is between years 0 to 10 in the public service (3.36 ± 0.46) and years 21 to 35 in the public service ($2.98 \pm .48$) $p = .020$, as revealed in a Tukey post hoc test. However, the rest of the bracketed years in public service are insignificant.

4.6 Amount of PBB received and perception on PBB implementation

Table 6. Amount of PBB received and perception on PBB Implementation

			<i>df</i>	<i>F</i>	<i>Sig.</i>	
ANOVA	<i>Amount of PBB received and Perception on PBB Implementation</i>	Between Groups	3	5.620	.001	
		Within Groups	106			
		Total	109			
		<i>Amount of PBB received</i>			<i>Sig.</i>	
Post hoc test		9,999.00 or below	10,000.00 to 14,999.00	15,000.00 to 19,999.00	.449	
					20,000.00 or above	.484
						.001

10,000.00 to 14,999.00	9,999.00 or below	.449
	15,000.00 to 19,999.00	.980
	20,000.00 or above	.003
15,000.00 to 19,999.00	9,999.00 or below	.484
	10,000.00 to 14,999.00	.980
	20,000.00 or above	.027
20,000.00 or above	9,999.00 or below	.001
	10,000.00 to 14,999.00	.003
	15,000.00 to 19,999.00	.027

Note: Significant at the 0.05 level

In Table 6, a statistically significant difference between the amount of PBB received and the implementation of PBB is shown upon running one-way ANOVA, $F(3,106) = 5.620, p = .001$. Furthermore, the difference is between respondents receiving the amount of 20,000.00 or above and those receiving an amount of 9,999.00 or below ($p = .001$), 10,000.00 to 14,999.00 ($p = .003$) and 15,000.00 to 19,999.00 ($p = 0.27$) with their assessment on the implementation of PBB in public school, after running a Tukey post hoc analysis.

4.7 Assessment of PBB implementation and work performance

Table 7. Correlation between PBB implementation assessment and work performance

<i>PBB implementation assessment and work performance</i>	<i>r</i>	<i>Sig.</i>
	.795	.000

Note: Significant at the 0.01 level (2-tailed).

Table 7 shows a correlation between PBB implementation assessment by respondents and their work performance. The data revealed a significant relationship with a positive and strong relationship, $r = 0.795, n = 110, p < .001, 2$ -tailed.

5. Discussions

This paper attempts to assess the performance-based Bonus (PBB) scheme as an effective work performance incentivization among public school teachers and personnel and ascertain their perception of its implementation in the educational sector in Cagayan Valley region, Philippines. A cross-sectional design suggested a snapshot of a sample group from teachers and school staff in elementary, secondary, and tertiary education populations (Wang & Cheng, 2020). In so doing, the results of this study are hereby discussed in detail. Findings revealed that majority of the respondents receive their PBB with the amount ranging from Php 10,000.00 to Php 14,999.00 annually which is roughly half of their monthly salary. On another note, those public education employees under the age bracket of 50–65 years perceived negative issues about the PBB

implementation, however, those under the age group of 18–33 years old employees or the younger generation of employees exhibit a positive attitude toward their work and performance with regard to PBB. This further means that the younger generation of teachers and school staff reacted positively to PBB implementation in contrast to the age group of retrievable public education employees even if the amount they received was just a fraction of their monthly salary. Furthermore, the issues perceived about PBB implementation in a public school do not generally have an impact on their level of work productivity in the whole education sector.

The Philippine public educational organization has well defined and clear policy on PBB implementation as perceived by respondents, this supports the findings of Perry, Engbers, and Jun (2009) who argued that PBB with clearly defined goals and a sizable amount of support for PBB plans led to beneficial outcomes. Giving PBB in the government educational sector provides a positive increase in the work performance of teachers and school personnel, this is tantamount to the findings of Lavy (2007) that found PBB to be an effective tool for motivating school employees to increase work productivity. Moreover, Booth and Frank (1999) as affirmed by Nyberg, Pieper, and Trevor (2013) position that performance-based bonuses draw in employees with higher abilities and incentivize them to exert more effort in their work. However, despite having favorable opinions about PBB's implementation in public schools, respondents don't think that the PBB they received fairly compensates for the services they provided, this supports the requirements outlined by Lawler (1990), and Milkovich and Wigdor (1991) that there must be a sufficient amount of PBB to motivate individuals or groups, a proven relationship between actual performance and the subsequent reward, and a verified relationship between actual performance and the subsequent reward. Many requirements are rarely followed, and these programs have a dismal track record, even though performance-based bonuses are becoming more and more popular in most public sectors (Ingraham, 1993). In order to fairly compensate the employee's performance, the Philippine government should offer a more viable scheme for increasing the PBB amount. Remarkably, respondents believe that PBB implementation in public schools has challenges, such as PBB generally failing to increase employee motivation because it promotes a narrow focus on short-term goals while ignoring long-term goals and because it assumes that money is the best form of reward. It also fails to predict changes in performance and has a negative impact on employee teamwork and cooperation. Finally, respondents realized that PBB's implementation needed to be improved further. Similar problems were discovered by other studies, Daley (1987) found that respondents believed there to be little correlation between work performance and bonus pay, Marsden (2004) found that employees were wary of the potentially polarizing effects of PBB, and Mensah and Dogbe (2011) found that the effects of PBB on workers' performance are negligible. The biased performance evaluation perceived by respondents frequently reduces PBB's demotivating effects. Due to the difficulties in assessing employees' efficacy in the lower echelon

of the educational bureaucracy, implementing a performance-based bonus involves a few practical challenges (Lavy, 2007).

Finally, the positive and robust relationship between respondents' assessments of the PBB implementation and work productivity confirms the findings of Yao (1997), Chung, Steenburgh and Sudhir (2014) and Lavy (2007). The provision of performance-based bonuses is helpful in increasing the work performance of employees in the education sector. The impact of PBB implementation on work performance, according to respondents, is 63.20%, the rest are based on other factors associated with work productivity. Therefore, PBB is an effective scheme to motivate employees in the public education sector.

6. Conclusions

This paper concludes that the mechanism of incentivizing the work performance of employees in the Philippine educational organization is efficient in increasing work productivity. PBB performance targets must be targeted, cascaded, monitored, and evaluated as reflected in the top-down management style, this, however, should not be the sole process, the bottom-up approach is also essential in planning and targeting the agency's key result areas to provide a more interactive connection between top-level and street-level bureaucrats in the implementation of PBB targets.

However, there were perceived flaws in the implementation and those at the bottom of the hierarchy were compelled to accomplish the targets set to them by their supervisors despite the ambiguity of cascaded policies. It is argued that PBB still serves as a compelling drive for the work productivity of public-school teachers and school personnel, and that this has positively impacted work productivity, despite their perception of practical issues and ongoing problems in implementing a performance-based bonus scheme.

7. Recommendations

In this article, the PBB system should be improved to boost its objectivity when evaluating the performance of school personnel and teachers. The top management should automate a bottom-up planning procedure and rank PBB issues. It is also required to update or modify the existing laws and regulations to implement PBB in a manner that is more inclusive and participative of the street-level bureaucrats. In order to fairly reward performance, PBB should be divided equally throughout the workforce. For enhancing the measurement and administration of performance-based bonuses in educational organizations, this research offers no systematic recommendations.

However, it did highlight how important it is to include bottom-up tactics into performance evaluation and PBB. Finally, future researchers, particularly educational sociologists, could build

on the results of this study by analyzing how PBB implementation affects social interactions in organizations.

8. Limitations

The limitations of this study must be understood. The respondents may not be totally representative of the country's public-school teachers and other educators because they were drawn from a single region – Cagayan Valley, which is a snapshot of cross-sectional design. The questionnaire could only evaluate the PBB implementation in the school and the general observed concerns; it was unable to analyze other elements such as interpersonal relationships, individual and organizational pledges to PBB, and other details of PBB implementation by the agency.

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