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Adventist University of the Philippines  
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Vol. 2 No. 2  
December 2020

P-ISSN 2704-3231  
E-ISSN: 2704-324X

# FIDÈRE

JOURNAL OF BUSINESS, GOVERNANCE, & INFORMATION TECHNOLOGY



A Peer-Reviewed Journal  
Published Bi-annually by the  
Adventist University of the Philippines

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Volume 2 | Number 2

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**PRINTED IN THE PHILIPPINES**

**P-ISSN 2704-3231**

**E-ISSN 2704-324X**

**RESEARCH OFFICE**

Adventist University of the Philippines

Puting Kahoy, Silang, Cavite, Philippines

[www.aup.edu.ph/urc/](http://www.aup.edu.ph/urc/)

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## Exploring the Benefits and Challenges of Working from Home as Effect of Covid-19 Among University Employees

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### Abstract

The coronavirus (COVID-19) pandemic greatly affects the work structures of many organizations globally and propelled this institution to consider the work from home (WFH) as an alternative working arrangement. Therefore, this study was conducted to explore the benefits and challenges of University employees with different working arrangements using mixed method design. A content validated survey questionnaire was developed. Included in the questionnaire were open response questions to explore additional benefits and challenges. A total of 141 respondents were included in the study; 85 (60.3%) of them WFH and 56 (39.7%) both work from office and home (blended). The employees with WFH and the blended arrangement identified several benefits such as: (a) employees can help the University reduce its costs of electricity and water; (b) they can save time and money by not commuting to the office; (c) they can eliminate the stresses of driving in rush hour traffic; (d) they tend to work longer hours; and (d) the flexible scheduling enables them to have a certain autonomy in planning their daily lives. The challenges include the following: (a) employees use their personal technological equipment while working from home; (b) there is no generator during power interruptions; and (c) employees experience screen fatigue which causes the attention span to shorten, as staring at a laptop screen is more exhausting than face-to-face interaction. More benefits and challenges were revealed by the employees from the open-ended responses. Based on the results, the University management may create strategies to minimize the challenges of the University employees and formulate measures to monitor and assess their work performance.

**Keywords:** *work arrangement, work from home, benefits, challenges*



The coronavirus (COVID-19) pandemic greatly affects the work structures in many organizations globally. Governments have implemented measures such as physical distancing, restrictions on the freedom of movement, closure of non-essential companies and undertakings, and lockdown of entire cities in different parts of the world. Face-to-face contact was reduced in many organizations to mitigate the impact of COVID-19. Many companies and organizations explored the work from home (WFH) option as temporary alternative working arrangement (International Labour Organization, 2020).

WFH is a working arrangement in which a worker fulfills the essential responsibilities of his/her job while remaining at home. This can be done using information and communications technology (ICT). It can refer uniquely to home-based teleworking as a temporary, alternative working arrangement. It requires a shared responsibility and commitment by both employers and workers to ensure business continuity and employment (International Labour Organization, 2020).

About a year before the outbreak of COVID-19, Philippine Labor Secretary Silverio Bello III signed the Implementing Rules and Regulations of Republic Act No. 11165 otherwise known as the “Telecommuting Act” which allows employers in the public sector to give employees the option of having an alternative workplace with the use of computers or telecommuting technologies. The work scheme is a management prerogative or a result of collective bargaining considering the nature of work to be done (DOLE, 2019).

Many studies identified benefits of WFH arrangement. According to Wheatley (2012), working from home removes employees from office distractions and allows them to concentrate on the tasks at hand without interruptions. This leads to higher productivity and the completion of work in a shorter time. With all the work completed, employees have more time for themselves at the end of the day. Messenger and Gschwind (2016) also mentioned the positive effects of telework and ICT-mobile work such as shortening of commuting time, greater working time autonomy, better overall work-life balance, and higher productivity.

Timbal and Mustabsat (2016) identified some of the benefits for employees working from home. These include (a) a flexible environment in which employees get to decide their own working hours (in agreement with their employer), (b) fewer distractions and stress, (c) proximity to home and family members, (d) reduced travelling time, (e) better health and better work/life balance, and (f) greater productivity and creativity. Less perceived stress was observed by employees working from home than by office-based employees due to fewer interruptions (Grant et al., 2013). The positive aspects of working from home can be summarized as increased productivity, the ability to work flexibly, and from different locations, within the temporal restrictions of office-based hours and in some cases, reduced stress levels and greater well-being.

Both employers and employees gain in a WFH arrangement. It is considered gain for employees because of the lesser space and cost effectiveness. On the other hand, workers can have a better work-life balance, thereby increasing levels of job satisfaction and organizational commitment (Felstead & Henseke, 2017).

All these benefits are associated with technology. Technology has had a significant impact on work, making WFH and other locations possible (Grant et al., 2013). Rapoza (2013) said that technology has proved to be a strong factor enabling remote job that benefits more organizations. It enables many categories of employees to work seamlessly

from their home. It was further noted that email, video conferencing, screen sharing, file sharing, VPN (Virtual Private Network), Telepresence, and many more tools help to make WFH doable and a good option.

If there are benefits of work from home, there are also challenges. Church (2015) summarizes several WFH challenges as: manager perception, self-discipline, face-to-face contact, visibility, and work/life balance. In terms of manager's perception, to gain trust from the management is one of the greatest challenge of employees working from home. Most managers would want to witness their employees' first-hand work. In this case, the management should set specific, measurable goals for employees who prefer to WFH (Kruse, 2012). Self-discipline is another perceived challenge of WFH. Working from home does require self-discipline and avoiding distractions at home. In terms of face-to-face contact, employees can often feel that they are missing out on face-to-face contact, including collaboration and networking opportunities (Russell, 2013). In visibility as a perceived challenge, employees work longer hours than their counterparts that are in the office, however, it can be more difficult for that work to be visible. Lastly, work/life balance is another perceived challenge. Working from employees' homes can complicate their process by no longer providing a physical separation between work and home. Employees who work from home may neglect to take breaks or are not as structured on what time to end their workday.

The study conducted by Purwanto et al. (2020) found out that by working from home one can lose work motivation. The negative effects of remote working include work intensification with access to technology 24/7 leading to long hours of sitting at the computer. This may cause physical problems in the future (Grant et al., 2013). In this arrangement, greater technological connectivity facilitates this process by enabling work to be carried out wherever workers happen to be and whatever the time according to Messenger and Gschwind, (2016).

Due to COVID-19 pandemic, the university in this study considered WFH as an alternative working arrangement among employees. There has been no study conducted related to this area in the University. Therefore, this study was conducted to explore the benefits and challenges of University employees with different working arrangements using mixed method design.

### **Methodology**

This study was conducted to explore the benefits and challenges of University employees with different working arrangement using mixed method design. Included in the content validated questionnaires were items to identify the benefits and challenges using the 5-point Likert type scale and open response questions for additional benefits and challenges.

Of the 233 distributed questionnaires through online, programmed by IT personnel, 150 questionnaires were completed, 9 (6%) who work from the office were not included in the final analysis. Of the 141 respondents included in the study, 85 (60.3%) work from home, and 56 (39.7%) both work from office and home (blended). This study did not investigate the benefits and challenges of working from the office. The respondents with blended arrangement responded on the benefits and challenges of working from the office having experienced both work arrangements during this COVID-19 pandemic.



Table 1 presents the profile of the respondents. It showed that majority are females (86 or 61%), full time (124 or 87.9%), from the academic department (114 or 80.9%), and 83 or 58.9% have served the university for 11 years or more. The respondents were assured of the confidentiality of information. Codes were used to hide the identity of the respondents. Data were analyzed using descriptive statistics and themes were derived from the open-ended response.

Table 1. *Profile of the Respondents of the Study*

	Frequency	Percent
<b>Sex</b>		
Male	55	39.0
Female	86	61.0
<b>Employment Status</b>		
Full-time	124	87.9
Part-time (50-90% of full-time)	9	6.4
Part-time (less than 50% of full-time hours)	8	5.7
<b>Marital Status</b>		
Single	34	24.1
Married	107	75.9
<b>College and Departments</b>		
Academics (Colleges, AUPA, AUPE)	114	80.9
Academic Support, Student Services, Finance & Operations	27	19.1
<b>Years of Service</b>		
Less than 1 year	4	2.8
1-2 years	11	7.8
3-5 years	19	13.5
6-10 years	24	17.0
11-15 years	25	17.7
16-20 years	18	12.8
More than 20 years	40	28.4
<b>Working Arrangement</b>		
Blended (working from office and from home)	56	39.7
Working from the home	85	60.3
<b>Total</b>	<b>141</b>	<b>100.0</b>

### Results of the Study

This study determined the benefits and challenges among university employees with WFH and blended arrangements. The employees with blended working arrangement were able to answer the benefits and challenges of working from home having experienced both work arrangement. This study did not investigate the benefits of working from the office.

## Benefits of Working From Home

Table 2 presents the descriptive statistics of the items on the benefits of working from home with their mean, standard deviation, and the scaled responses. The employees with WFH and the blended arrangements identified several benefits such as (a) employees can help the university reduce its costs of electricity and water, (b) they can save time and money by not commuting to the office, (c) they can eliminate the stresses of driving in rush hour traffic, (d) they tend to work longer hours, and (e) the flexible scheduling enables them to have a certain autonomy in planning daily lives.

This result conforms with the study of Church (2015), where employees felt that they did have the discipline to start their work on time; however, in the end, many felt that working from home does often have them working longer hours than when they worked in an office. These results suggest working from home can increase productivity, due to the increased work hours.

The responses of the employees vary on items “*I can help the university reduce its costs of electricity and water*” and “*I can save time in commuting to the office*”. Employees working from home strongly agree on these two items, while the employees with blended work arrangement only *Agree*. The employees want to help reduce cost for the university and the family as well. The unaudited monthly financial statements of the university showed that there is an average of 40% reduction in the monthly cost of electricity during the months of the COVID-19 pandemic (AUP, 2020).

The employees with WFH arrangement agree they can accomplish more tasks when working from home but employees with blended work arrangement only *moderately agree*. According to Rapoza (2014), this situation for WFH is ideal for those employees who are not facing customers. The employer observed an increase productivity from the employee (Messenger & Gschwind, 2016; Timbal & Mustabsat, 2016).

However, on item “*I can start my work early and end early.*”, they *moderately agree* and *agree*, respectively. Working from home allows the employees to work flexibly at different locations, and within the temporal restrictions of office-based hours (Grant et al., 2013; Timbal & Mustabsat, 2016),

Further results showed that employees disagree on the item “*I am free to sleep in and work late*”. This means that the employees, regardless of their work arrangement, still do their work for the University. The employees have similar perceptions of their benefits for working from home on the other items presented in Table 2.

Table 2. *Benefits of Work From Home Among University Employees*

	Work from the home, n = 85			Blended, n = 56		
	Mean	Std. Dev	VI	Mean	Std. Dev	VI
1. The flexible scheduling enables me to have a certain autonomy in planning daily lives, including my family activities according to our needs	4.21	.85	A	4.05	.99	A
2. I tend to work longer hours than when am working at the premises of the university	4.28	.95	A	3.96	1.16	A

{table continues on the next page}

3. I am free to sleep in and work late.	2.36	1.17	D	2.46	1.28	D
4. I can start my work early and end early.	3.22	1.20	MA	3.50	1.25	A
5. I can work forty hours in four days instead of five or six days a week.	3.41	1.26	MA	3.16	1.34	MA
6. I can schedule my personal appointments (e.g. physician, dentist, hairdresser) during office work-hours and completing the work later in the evening without using vacation days.	3.09	1.17	MA	3.05	1.27	MA
7. I can save time in commuting to the office.	4.53	.894	SA	3.80	1.17	A
8. I can eliminate the stresses of driving in rush hour traffic.	4.29	.95	A	3.69	1.23	A
9. I have more free time to spend with my family.	3.47	1.20	MA	3.23	1.35	MA
10. I can save money by not commuting to the office (savings in gasoline and vehicle wear and tear)	4.38	.89	A	3.77	1.14	A
11. I can save money by eliminating costs of appropriate office-related necessities e.q. clothing, lunches, personal items.	4.26	.93	A	3.71	1.11	A
12. I can provide care to my family members while working.	3.87	1.03	A	3.52	1.14	A
13. Working from home reduces my chances of getting sick, fatigue, and work-related stress	3.40	1.33	MA	3.09	1.35	MA
14. I can spend longer time in our family worship without worrying of being late for work or getting home late from work.	3.94	1.00	A	3.75	1.21	A
15. I can accomplish more tasks when working from home.	4.05	1.02	A	3.28	1.24	MA
16. I can help the university reduce its costs of electricity and water.	4.56	.76	SA	4.03	.96	A
Grand Mean	3.83	.60	A	3.50	.84	A

1-1.49 Strongly Disagree 1.50-2.49 Disagree 2.50-3.49 Moderately Agree 3.50-4.49 Agree 4.50-5.00 Strongly Agree

### Challenges of Work From Home

Table 3 presents the challenges experienced by employees working from home and with blended work arrangements. Their challenges include the following: (a) employees use their personal technological equipment while working from home, (b) there is no generator during power interruptions, (c) employees experience screen fatigue which causes the attention span to shorten, as staring at a laptop screen is more exhausting than face-to-face interaction. They *agree* on these three challenges reflected in Table 3. As what Messenger and Gschwind (2016) mentioned, this work arrangement needs greater technological connectivity to facilitate WFH.

Further results revealed that employees working from home *moderately agree* on challenges item #s 1,2,8,10 and *disagree* on items 3,4,6,7, 9, 12. Employees working both home and office *moderately agree* on items 1,2,6,7,8,9, and 12. However, they disagree on items “*I feel alienated from my colleagues*” and “*I may give priority to personal errands over work*”.

	Work from the home, n = 85			Blended, n = 56		
	Mean	Std. Dev	VI	Mean	Std. Dev	VI
1. The flexible scheduling enables me to have a certain autonomy in planning daily lives, including my family activities according to our needs	4.21	.85	A	4.05	.99	A
2. I tend to work longer hours than when am working at the premises of the university	4.28	.95	A	3.96	1.16	A
3. I am free to sleep in and work late.	2.36	1.17	D	2.46	1.28	D
4. I can start my work early and end early.	3.22	1.20	MA	3.50	1.25	A
5. I can work forty hours in four days instead of five or six days a week.	3.41	1.26	MA	3.16	1.34	MA
6. I can schedule my personal appointments (e.g. physician, dentist, hairdresser) during office work-hours and completing the work later in the evening without using vacation days.	3.09	1.17	MA	3.05	1.27	MA
7. I can save time in commuting to the office.	4.53	.894	SA	3.80	1.17	A
8. I can eliminate the stresses of driving in rush hour traffic.	4.29	.95	A	3.69	1.23	A
9. I have more free time to spend with my family.	3.47	1.20	MA	3.23	1.35	MA
10. I can save money by not commuting to the office (savings in gasoline and vehicle wear and tear)	4.38	.89	A	3.77	1.14	A
11. I can save money by eliminating costs of appropriate office-related necessities e.q. clothing, lunches, personal items.	4.26	.93	A	3.71	1.11	A
12. I can provide care to my family members while working.	3.87	1.03	A	3.52	1.14	A
13. Working from home reduces my chances of getting sick, fatigue, and work-related stress	3.40	1.33	MA	3.09	1.35	MA
14. I can spend longer time in our family worship without worrying of being late for work or getting home late from work.	3.94	1.00	A	3.75	1.21	A

{table continues on the next page}

15. I can accomplish more tasks when working from home.	4.05	1.02	A	3.28	1.24	MA
16. I can help the university reduce its costs of electricity and water.	4.56	.76	SA	4.03	.96	A
Grand Mean	3.83	.60	A	3.50	.84	A
1-1.49 Strongly Disagree 1.50-2.49 Disagree 2.50-3.49 Moderately Agree 3.50-4.49 Agree 4.50-5.00 Strongly Agree						

The employees in this study confirmed and added the benefits stipulated in the structured questionnaire. These benefits were related to focus, time management, work-life balance, productivity, new learnings, and mental and physical health.

The challenges varied among employees with work at home and with blended work arrangements. The employees have challenges on technology, time management, focus, work-preparation, diet (uncontrolled), consultation (unlimited), and physical health (eye strain and other health related effect).

Based on the results, the University management may create strategies to minimize the challenges of the employees who are working from home. It may also formulate a policy that covers: (a) appropriate alternative workplace; (b) measures to monitor and assess their work performance; (c) use and cost of telecommuting equipment; (d) observance of data privacy; (e) occupational safety and health; and (f) adherence to minimum labor standards set by law including compensable work hours, overtime, rest days and holidays, vacation leaves, among others.

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## How Does a Compensation Package Motivate an Employee to Stay in an Organization?

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### Abstract

In today's business world, organizations are striving to hire the most qualified employees and keep those employees loyal and productive. To attract and keep their best employees, companies provide a remuneration that includes compensation in the form of money, incentives and benefits. There is a need to offer the employees specific incentives based on their type of work and particular areas of interest and need because each employee have different priorities and interests. Descriptive-correlational design was utilized in this study. Stratified random sampling was utilized to get the 57 study sample. Self-constructed questionnaires were used in this study. Content validity was done by five experts. Percentages, mean, standard deviation and correlation were used in the analysis of data. The work profile of the respondents revealed the following: Among the 57 respondents, 42 (73.7%) are in rank and file position, 3 (5.3%) are in managerial position, and 12 (21.1%) are department heads or supervisors, of which, 20 (35,1%) are serving for 0-5 years already, 4 (7%) are in the company for 5-10 years already, 10 (17.5%) are working for 11-15 years already, and 23 (40.4%) are staying in the company for 15 years and beyond. The study revealed that there is a *significant relationship in the composition of the employee's compensation package that makes them stay in the organization*. Among the identified benefits, the housing subsidy, health benefits, educational aid to dependents, and funeral benefits have a *direct impact* on the employee's intention to stay in an organization.

**Keywords:** *compensation, benefits, motivation*

Employees are the most important resources of any organization, but at the same time, they are the most difficult resource to manage (Sutton, 2017). They are referred as the key assets of the organization. To gain a competitive advantage in the market, an organization has to manage and retain their key assets, i.e., the human resources. On the other hand, with technological upgradation and economic development, employees are now available with lots of opportunities. Thus, it has become a very important fact that every organization should motivate and make them feel satisfied in order to retain them. The diverse nature of human beings and their importance to the organization has motivated the researcher to focus on employee retention (Allen & Farr-Wharton, 2018).

Although there is a positive correlation between the level of compensation of employees and their motivation to stay within the organization, the researcher considered the inclusions in the compensation package that makes an employee stay in the organization (Hyman & Summers, 2015). It may be a monetary or nonmonetary form of compensation that drives employees to work on a going concern basis on their present employer (Irshad, 2016).

Compensation structure, the amount of pay dispersion across organizational levels, matters in employee turnover. Bloom and Michel (2016) have shown that wide gaps between an organization's lowest paid and highest paid employees increase the likelihood that managers and other employees will voluntarily leave the organization.

Maslow's (1954) motivation and satisfaction theory explained that job satisfaction is experienced when the job and its environment meet the individual's needs. However, these needs were organized in a hierarchy which includes physiologic needs, safety needs, social-emotional, esteem, and self-actualization. Self-actualization, which is the highest form of need, cannot be met until all the lower and most basic needs are satisfactorily met. Once the lowest and most basic need is satisfied, the next level will be the priority. Furthermore, if individuals feel safe, connected, and has a good sense of belonging at their workplace, then the higher-level needs be satisfied or achieved.

Motivation plays into the theory of job satisfaction as motivation is closely related to personal and professional satisfaction (Maslow, 1954; Vroom, 1964). Vroom's (1964) expectancy theory is built upon Maslow's theory. An individual's decision about their work is based on their perceived abilities to perform successfully the tasks and the rewards afterwards. Vroom's subtractive model indicates that the less discrepancy between an employee's needs and the job's ability to meet those needs, the higher the employee's job satisfaction. Moreover, the greater the discrepancy between the employees' needs and the job's ability to meet those needs, it is less likely that the employees will be satisfied with their job. Meanwhile, to acknowledge the employee's individual relative needs, multiplicative model was developed in which the perceived ability of the job to satisfy the employee's needs multiplied by the value or rank importance of the employee's specific individual needs.

Williams & Livingstone (2014) found that procedures such as determination and administration of pay raises can affect employee turnover through their perceptions of organizational support. Employees' higher levels of satisfaction with pay procedures are associated with higher perceptions of organizational support, which in turn reduces their likelihood to voluntarily leave. Type of compensation also has an effect on employee turnover (Jon, 2017). Beyond pay raises and cash bonuses, Dunford et al. (2016) have shown that stock options have an effect on executive turnover.

How can compensation and benefits managers and HR professionals effectively and strategically manage employee retention? Retaining talent is important to managers in all types of organizations (Kevin, 2018). The costs associated with losing employees and recruiting, selecting, and training new employees often exceed 100% of the annual compensation for the position (Miller et al., 2015). In addition to these direct financial costs, losing employees can also lead to work disruptions, loss of organizational memory along with tacit or strategic knowledge, losses in productivity or customer service, loss of mentors, diminished diversity, and turnover contagion where other valued employees follow the leavers out the door (Lake, 2015). When job markets improve, many employees may start looking for new alternatives. Despite the importance of successfully managing turnover, many retention efforts are based on managerial gut instinct rather than research evidence.

As of date, there is no research available that specifically links the intention to stay of an employee within the organization to his/her compensation package. The researcher will synthesize the components of a compensation package that matters to employees in order for them to stay in the organization. The specific research questions were addressed in this study.

1. What is the extent of commitment of the respondents in terms of intention to stay in the university and intended years of work in the university?
2. Is there a significant relationship between compensation package and intention to stay among the respondents?

## **Methodology**

### **Research Design**

The study used descriptive-correlational research method. It assessed the relationship between the components of compensation package and employee's intention to stay in an organization.

### **Population and Sampling**

Employees of a private university were chosen using random sampling method. Fifty-seven employees agreed to participate in the study. Table 1 shows the demographic profile of the respondents. In terms of age, (66.7%) are 40 years and above, (14%) are in age range 31-40, and (19.3%) are below 30 years old. There are 29 (50.9%) male respondents, and 28 (49.1%) female. Results further showed that the respondents' distribution according to marital status are: 10 (17.5%) single, 46 (80.7%) married, and 1 (1.8%) widow. Of which 14 (24.6%) do not have children, 26 (45.6%) have 1-2 children, 16 (28.1%) have 3-4 children, and 1 (1.8%) has 5 or more children. Considering the nature of work, it shows that 36 (63.2%) are in the academic work while 21 (36.8%) are non-academic workers. When it comes to job ranks, 42 (73.7%) are in the rank and file position, 3 (5.3%) are in the managerial position, and 12 (21.1%) are supervisor or department heads. When the educational degree is considered, there are 6 (10.5%) that are high school graduates, 2 (3.5%) graduated with associate degree, 22 (38.6%) graduated with baccalaureate degree, and 27 (47.4%) graduated with master's degree or higher. Lastly, distribution of respondents when their years of service are considered, 20 (35.1%) responded they are serving for 0-5 years already, 4 (7%) are serving 5-10 years already, 10 (17.5%) are serving 11-15 years already, and 23 (40.4%) are serving for 15 years and up already with a total of 57 respondents.

The age of the respondents can affect the satisfaction of the employees as to the current benefits that they are receiving. For instance, if the employees are having an ailment/sickness due to age, they will tend to stay in the organization because the organization provides them security in terms of health-related expenses (Sutton, 2017).

### Demographic Profile

Table 1. *Profile of the Respondents (N=57)*

Age	Frequency	Percent
Below 30 years old	11	19.3
31-40 years old	8	14
Above 40 years old	38	66.7
Gender		
Male	29	50.9
Female	28	49.1
Marital Status		
Single	10	17.5
Married	46	80.7
Widow	1	1.8
No. of Children		
0	14	24.6
1-2	26	45.6
3-4	16	28.1
5 and above	1	1.8
Nature of Work		
Academics	36	63.2
Non-Academics	21	36.8
Educational Degree		
High School Graduate	6	10.5
Associate Degree	2	3.5
Baccalaureate Degree	22	38.6
Master's Degree or higher	27	47.4
Job Rank		
Rand and File	42	73.7
Managerial Position	3	5.3
Department Head	12	21.1
Years of Service		
0-5 Years	20	35.1
6-10 Years	4	7
11-15 Years	10	17.5
15 years and above	23	40.4
Total	57	100



### Instrumentation

Self-constructed questionnaires were used in this study. To ensure the content validity of the instrument, validation of the questionnaire was done by 5 experts.

### Analysis of Data

Frequency, percentage, and Pearson r correlation were used to statistically analyze the data through *Statistical Package for Social Science (SPSS)*.

### Ethical Considerations

Ethical considerations were observed to ensure confidentiality and anonymity in handling the data provided by the respondents. Research participants were not subjected to any possible consequence as regards to their employment. The researcher prioritized the respect for the dignity of research participants. Full consent was obtained from the participants prior to the study. The protection of the privacy of research participants and the adequate level of confidentiality were ensured.

### Results and Discussion

The extent of commitment of the respondents in terms of intention to stay in the university and intended years of work in the university is presented in Table 2.

Table 2. *Descriptive Analysis of Respondents' Intention to Stay*

Intention to Stay in the University	Frequency	Percent
Agreed to stay	50	87.7
Can't tell,	6	10.5
Disagreed to stay	1	1.8
Total	57	100
Intended length of Stay		
1-5 years	7	12.3
6-10 years	4	7.0
10-15 years	2	3.5
Until retirement	44	77.2
Total	57	100

Out of the 57 respondents, 50 (87.7%) agreed to stay, 6 (10.5%) cannot tell, and 1(1.8%) disagreed to stay in the university any longer. A great number of workers 44 (77.2%) expressed their intention to stay in the university until their retirement. However, 7 (12.3%) will stay 0-5 years more, 4 (7%) will stay 6-10 years more, 2 (3.5%) will stay 10-15 years more.

Table 3. *Pearson r Product-Moment Correlation of Employee's Intention to Stay and Component of Compensation Package*

Dimensions	r value	Degree of Relationship	Sig. (1-tailed) p value	Interpretation
Housing Benefits	.230*	Low positive relationship	.042	Significant
Health Benefits	.277*	Low positive relationship	.019	Significant
Educational Aid for Dependent	.237*	Low positive relationship	.038	Significant
Funeral Benefits	.261*	Low positive relationship	.025	Significant

\* Correlation is significant at the 0.05 level (1-tailed).

Scale	Description
(+) (-)1.0	Perfect Relationship
0.91-0.99	Very High Relationship
0.71-0.90	High Relationship
0.41-0.70	Moderate Relationship
0.21-0.40	Low Relationship
0.00-0.20	Negligible Relationship

The result revealed that among the compensation packages the university provides to its employees, house benefits, health benefits, educational aid of dependents, and funeral benefits have a significant relationship to employee's intention to stay in the organization. Currently, the employees of the University are receiving compensation package with the following inclusions as prescribed in the faculty handbook (AUP, 2015):

**Basic salary.** This refers to the amount of money that an employee receives prior to any extras being added or payments deducted. It excludes bonuses, overtime pay or any other potential compensation from an employer. The whole amount of basic salary is part of the take-home salary. Basic salary is fully taxable (Fox, 2012).

**Cost of living allowance.** Cost of living allowance is defined as money some people receive in addition to their normal pay to cover increases in the cost of living (Hyman & Summers, 2015). Each regular or probationary employee is given a cost of living allowance (COLA) of Php6,000 per month. This gift depends on the financial capability of the school, and is therefore, not fixed. The COLA maybe given in cash or coupon. The COLA includes rice, clothing, and other allowances.

**Housing benefits.** This benefit is also provided as financial assistance to workers to meet their housing needs, which amounts to Php4,000 per month.

**Faculty upgrading incentive.** This incentive helps employees meet the minimum educational qualifications of their assigned positions and support the value of continuing professional development in harmony with the goals and needs of the University.

**Research incentive.** The University will support the attendance by the faculty and staff at relevant seminars, conventions, training programs, or any professional growth meetings. Recognition is also given to research and publication of scholarly papers or books. Other evidences of scholarly attainment will also receive due consideration. All administrators, teaching and non-teaching personnel, are encouraged to undertake research singly or in collaboration with their colleagues. Each college, through the University Research Office, gives financial grants to subsidize the qualified researchers

and recommend a load equivalent when the research proposal is approved as specified in the research manual (Research Office, 2019).

**Incentive in the production of instructional materials.** Every teacher is expected to produce scholarly instructional modules/ materials. The module/s produced by the teacher must be approved by each college council or the University Research Committee and should cover the syllabus for the class. An incentive will be given to the teacher who produced/authored the module. The incentive amount will be determined by the Administrative Committee. A royalty equivalent to 10% of the selling price will be given to the author of the module/s.

**Health benefits.** An employee having outpatient health care expenses may be subsidized 75% of such expenses, if outpatient. While on the inpatient, expenses incurred due to hospitalization, inclusive of physician's professional fee maybe subsidized for a maximum of 90% on receipted bills.

**Educational aid to dependents.** A scholarship grant is provided to assist in the education of dependent children of workers attending SDA schools. Such grant shall be based on tuition paid, minimum board, room, private lessons required by the course taken, and fees required for academic courses. It shall be granted for one baccalaureate program only. Tuition and fees required for a second major program shall not be given educational assistance.

**Road tax and car insurance benefits.** All denominational regular employees shall be granted the TPL vehicle insurance assistance up to PhP750.00 annually. Assistance is limited to one vehicle only.

**Funeral benefits.** An allowance shall be granted to the beneficiaries toward the funeral expenses of a full-time regular employee or spouse/child(ren), depending on the relationship with the deceased, as according to the wage factor.

The study revealed that there is a *significant relationship* in the composition of the employees' compensation package that makes them stay in the organization. Among the identified benefits, the housing subsidy, health benefits, educational aid to dependents, and funeral benefits has a direct impact on the employee's intention to stay in an organization. This result signifies that the employees are currently stable and secured with their current work. It agrees to Williams & Livingstone (2014) that companies with higher levels of insurance and retirement benefits generally experience lower levels of employee turnover, as benefits are meant to provide employee's security (Ahmad et al., 2013). The more the employees are rewarded or properly compensated, the longer they remain in an organization Michael et al. (2016).

The result also showed that among the respondents, 66.7% of the workers are 40 years old and above, married (80.7%), and mostly have 1-2 children (45.6%). A great number are working in the academics (63%) and (47.4%) have a master's degree or higher level of education. Considering their intension and commitment to stay in the university, 87.7% agreed that they wanted to stay in the university, and 77.2% expressed to stay until their retirement.

It proves again that a significant relationship exists between job satisfaction and employees' retention. Also, when the educational degree of the respondents is considered, 47.4% have at least a master's degree. Proper innovation and assimilation of new knowledge is essential for survival in any work environment. This knowledge is the most expensive asset of any firm- leadership and employee retention (Julia & Rog, 2018). The more the employees are satisfied, the longer they remain in the organization (Michael et al., 2016).

Furthermore, Messmer (2015) found that one of the important factors in employee's intentional to stay is an investment in employee training and career development. The organization is always invested in the form of training and development of those workers from whom they expect to return and give output on its investment. Properly compensating employees shows the value that the company is giving into workers and as human beings. When people feel valued, they feel better about coming in to work. Overall company morale increases and people are motivated to come to work and do a good job. Additionally, when employees know there are bonuses or commissions, they are increasingly motivated to deliver grander results. Bonus and commission compensation plans become a focal point for success. When employees are being paid well and are happy, they are likely to stay with the company. Proper compensation is one factor why employees remain with employers. Loyalty means that business owners do not need to continue to spend time, money and energy on recruiting new candidates. Employee retention and low-turnover rates are great for employers who cultivate a team that knows what to do. That team is also motivated to be part of the team, and they get the job done well.

Creating the right compensation plan leads to stronger job satisfaction and retention. The right compensation plan includes benefits, along with all the other bonuses available. There must be a right compensation program invests to employees into the work being done, to give them a stronger sense of satisfaction when the company succeeds. They know they will be rewarded for their efforts.

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## Predictors of Junior High School Enrollment for Proposed Appropriate Forecasting Model with Confirmatory Factor Analysis

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### Abstract

The use of forecasting models is essential for advance decision making and planning. The current study is descriptive-analytical in nature and is conducted to determine factors that can predict the number of junior high school enrollees basing the eleven-year historical records of a public high school in Romblon. The data were gathered from the school registrar, guidance counselor, and Philippine Statistics Authority (PSA). The unemployment rate, sex, parents' educational attainment, honors, distance of the school from home, parent's income, employment of parents, and government beneficiaries are found *significant predictors* of enrollment. There were three forecasting models found and by confirmatory factor analysis, the most appropriate model is; where referred to the number of enrollment and referred to parents' highest educational attainment. Experimental results yield a 1.29% difference in the forecasted and actual numbers of enrollment .

**Keywords:** *AMOS, CFA, enrolment, forecasting, SEM*

The state of national emergency drives the Philippine to undergo community restriction to counter the spread of the virus, COVID-19. In such an event, the president of the Republic declares the whole Luzon archipelago under enhanced community quarantine on March 16, 2020 (Merez, 2020). The declaration of community restriction impacts every sector and affects the economy. This is the time were the education sector is on the conclusion part for most of the basic education and mostly in the middle of the term for the tertiary and graduate education level.

The strike of the pandemic caused by the COVID-19, also impact programs and activities of every school and university and one among these was the conduct of career guidance of the schools. Expecting an enrollment basing on the conduct of career guidance to the school within the catchment area is done when the school year is about to end. But how do teachers and guidance counselor conducts career guidance given the guidelines of the national government to avoid face-to-face contact with students and the slow internet connection?

Enrollment is an event that happens every year in schools. Secondary schools are conducting an early enrollment campaign for incoming junior high school students. This is to estimate the number of incoming students which may serve as a basis for planning and preparation of schools. If the enrollment can be estimated as early as possible it will also help teachers to prepare an estimated number of copies of modules to be reproduced during the state of national emergency. However, after enrollment, data are being kept aside purposelessly. These data can be used to predict the number of enrollees for the near future using forecasting, which is a process of predicting something to happen using the variables of a certain event (Rakhimov & Kankarej, 2015).

Moreover, if the school can predict the number of enrollees by forecasting, it can lead to better plans and preparations (Lavilles & Arcilla, 2012). The school could prepare if there is a need to add classrooms, teachers, and other resources. Furthermore, if the school is well-prepared because of the foreseen possible number of enrollees, definitely it can offer quality education which may produce equally competitive graduates.

For several years, Tanagan National High School has been interviewing enrollees and has been collecting other requirements of the incoming junior high school students. After this, data are just kept until the admission process resulting in a large amount of data in databases and student files in the registries. However, these are not just simply data; this could serve as a source of information that could help for the improvement and preparation of the school, especially during this time of community restrictions.

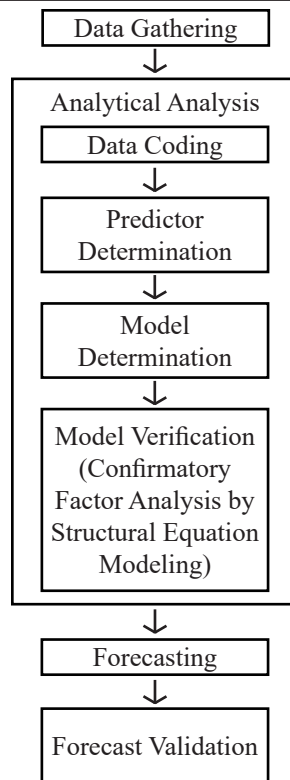
To make these data worthy, the researcher decided to utilize the gathered valuable information. By forecasting these data and processing those variables, the researcher could get some information like predicting the number of enrollees for the next school year and determining what factors contribute to students' decision to enroll in this school. Cox (2013) defines forecasting as the process of making a statement on unobserved events and sometimes kept for estimates of values at a certain future period. Meanwhile, Lazar and Lazar (2015) stated that forecasting students' enrolled every year represents an important activity for an academic institution. This has been the basis of identifying the income and the basis of the foundation for operational plans and strategies. Not only forecasting the data could help the school by predicting the number of enrollees but also the basis of all plans and preparations.

As the rapid increase in students' population and continuous changes provide schools deep perceptions to be more competitive and to have complete and enough resources especially during this scenario where the Philippines is in a state of national emergency due to the pandemic caused by the COVID-19 virus. In Tanagan National High School experiences a lack of classroom due to the sudden increase in the population of students every year. Way back year 2012 and below, the school only needed 8 classrooms but at present, the school needs 13. However, the school has only 11 classrooms that is why the computer laboratory room and Technology and Livelihood Education (TLE) building were used as classrooms for the meantime just to accommodate the students. To add, the performance of the students, as well as the quality of education, is highly at stake because of the absence of conducive and enough classrooms.

This study wanted to provide a forecasting model of the possible number of enrollees for the succeeding years so that the school will have an idea about how many classrooms are still needed to be constructed for the next school years to come. Also, to the study determined the factors that can predict the school enrolment rate. Moreover, if the school can already predict the possible number of students, the school management may have better plans and preparations especially in the reproduction of the number of modules. This involves proper planning of the resources which could not be possible if there will be no well-founded estimation of the students who are admitted annually (Lazar & Lazar, 2015).

The study provided a forecasting model that will predict the future enrolment for public high school. The paradigm for this study as presented in Figure 1. The data was gathered from the school registrar, guidance counselor, and PSA and will be analyzed analytically. In an analytical analysis, the gathered data will be coded and the predictors and covariance will be determined using correlation. Those independent variables that are significantly correlated are considered as predictors. Those that are not predictors will be a drop in the next step. In model determination, the determined predictors will be subjected to multiple regression to generate the available forecasting model given the determined predictors. After determining the forecasting models it will be subjected to confirmatory factor analysis by structural equation modeling using analysis of moment structures to verify its model fitting. The forecasting model with the best fit will be considered as the best forecasting model of the number of enrollment for public high school. Also, the best forecasting model will be utilized in predicting the estimated number of enrollees for the succeeding year. Lastly, the forecasted data generated by the best model will be validated.

The main objective of this study was to provide a forecasting model for the enrollment of a public high school in Romblon. Specifically, the study (a) determined which among the variables attrition rate, unemployment rate, inflation rate, number of enrollees, sex, parent's highest educational attainment, honors, the distance of the school from home, parents income, employment of parent, government beneficiaries and number of graduates from catchment area are predictors of enrolment; (b) determined the mathematical model that can forecasting enrolment; (c) determined the best forecasting model for the junior high school enrolment; and (d) forecasted the enrollment of the succeeding year.

Figure 1. *Schematic Diagram*

## Methodology

### Research Design

This study utilizes analytical method research. It is characterized by a phenomenon that answering the questions about how many. Description plays a critical role in research in general and in educational research in particular, the purpose of this analysis was to identify and explain patterns and differences in populations, establish new measures of key phenomena or describe samples in studies aimed at detecting causal effects (Loeb et al., 2017).

This study was conducted at Tanagan National High School with an address at Tanagan, San Andres, Romblon. The historical data of enrollment of Tanagan National High School from 2009 to 2019 was used in this study. These data were gathered from the school registrar, guidance counselor with permission from the school principal, and written consent from PSA.

### Data Analysis

The statistical forecasting technique was utilized in forecasting junior high school enrolment. The technique made use of the data gathered for past periods to forecast future values. *Stepwise Regression Analysis (SRA)* was then utilized to pick out the potential explanatory factors that significantly contribute to the explanation of the criteria measure ( $\hat{Y}$ ) – the number enrolment. The process for SRA included the computation of the coefficient of determination ( $R^2$ ). *Adjusted R – Square ( $RA^2$ )* was computed to know if the independent variables included in the equation significantly contributed to the variation of the variable. *RMR (Root Mean Square Residual)*. The square root of the average squared amount by which the sample variances and covariances differ from their estimates obtained

under the assumption that your model is correct. The smaller the RMR is, the better. An RMR of zero indicates a perfect fit. *Comparative Fit Index (CFI)*. The degrees of freedom and the non-centrality parameter estimate for the baseline model. The CFI is truncated to fall in the range from 0 to 1. CFI values close to 1 indicate a very good fit. *RMSEA Model Fit*. The root means square error of approximation values was employed to give an overall idea if the structured model fitted. The AIC (Akaike Information Criterion), the smaller the better the fit and it used in the case that the structure is none nested (Schreiber et al., 2010).

For the data coding process, the variables had corresponding code which the number of enrollment (Y), attrition rate (x1), unemployment rate (x2), sex (x3), parents highest educational attainment (x4), honors (x5), the distance of the school from home (x6), parent's income (x7), employment of parents (x8), government beneficiaries (x9), inflation rate (x10) and catchment area (x11).

For the number of enrollees as the dependent variable, the current data is described as  $\hat{Y} = \{\hat{Y} \in \mathbb{N} \wedge 96 \leq \hat{Y} \leq 149\}$  from 2009-2019. For the attrition rate actual data from the school registrar were utilized where the range is described as  $x_1 = \{x_1 \in \mathbb{Q}^+ \wedge 5.97 \leq x_1 \leq 25\}$  from 2009-2019; for the unemployment rate from 2009-2019 it was taken from the Philippine Statistics Authority (PSA) were actual data was also utilized ranging from  $x_2 = \{x_2 \in \mathbb{Q}^+ \wedge 2.41 \leq x_2 \leq 3.86\}$ ; sex was described as  $x_3 = \{x_3 \in \mathbb{N} \wedge 1 \leq x_3 \leq 2\}$  and the weights was computed as 1 refers to male as a multiplier of its frequency while 2 for female; parents highest educational attainment described as  $x_4 = \{x_4 \in \mathbb{N} \wedge 1 \leq x_4 \leq 4\}$  were coded as 1 as multiplier for none or no formal education to its frequency, 2 as multiplier for elementary to its frequency, 3 as multiplier for high school while 4 for college; honors was described as  $x_5 = \{x_5 \in \mathbb{N} \wedge 1 \leq x_5 \leq 3\}$  and the weights was computed as 1 refers to none or with no honor as a multiplier of its frequency, 2 refers to with honor as a multiplier of its frequency and 3 for with highest honor; distance of school from home as  $x_6 = \{x_6 \in \mathbb{N} \wedge 1 \leq x_6 \leq 6\}$  were coded as 1 as multiplier for 0.5km to its frequency, 2 as a multiplier for 1.5km's frequency, 3 as multiplier for 3km's frequency, 4 as multiplier for 7km's frequency, 5 as multiplier for 13km while 6 for 14km and above; parent's income described as  $x_7 = \{x_7 \in \mathbb{N} \wedge 1 \leq x_7 \leq 3\}$  and the weights was computed as 1 refers to low income as a multiplier of its frequency, 2 as multiplier for medium income frequency and 3 for high income; employments of parents described as  $x_8 = \{x_8 \in \mathbb{N} \wedge 1 \leq x_8 \leq 2\}$  were coded as 1 as multiplier for unemployed frequency, 2 as multiplier for self-employed frequency and 3 for employed; government beneficiaries described as  $x_{10} = \{x_{10} \in \mathbb{N} \wedge 1 \leq x_{10} \leq 3\}$  were coded as 1 as multiplier for none beneficiaries frequency, 2 as multiplier for LGU and IPS frequency and 3 for 4PS. For the inflation rate, actual data from the PSA were utilized where the range is described as  $x_{11} = \{x_{11} \in \mathbb{Q}^+ \wedge 1.25 \leq x_{11} \leq 5.21\}$  from 2009-2019. For the number of graduates from the catchment area, the current data from different elementary schools are described as  $x_{12} = \{x_{12} \in \mathbb{N} \wedge 144 \leq x_{12} \leq 203\}$  from 2009-2019.

## Results and Discussion

In line with the objectives of this study, this section provides the result and discussion.



# Predictor Determination

Table 1. Correlation Between Variables

Correlation													
		Number of Enrollees	Sex	Parents Educational Attainment	Honors	Distance of School From Home	Parents Income	Employment	Government Beneficiaries	Unemployment Rate	Inflation Rate	Attrition Rate	Catchment Area
Number of Enrollees	r	1											
	p												
Sex	r	.963**	1										
	p	0.000											
Parents Educational Attainment	r	.994**	.970**	1									
	p	0.000	0.000										
Honors	r	.975**	.953**	.973**	1								
	p	0.000	0.000	0.000									
The distance of School From Home	r	.919**	.884**	.888**	.895**	1							
	p	0.000	0.000	0.000	0.000								
Parents Income	r	.969**	.950**	.972**	.959**	.831**	1						
	p	0.000	0.000	0.000	0.000	0.002							
Employment	r	.907**	.834**	.904**	.872**	.817**	.874**	1					
	p	0.000	0.001	0.000	0.000	0.002	0.000						
Government Beneficiaries	r	.945**	.936**	.948**	.912**	.851**	.926**	.768**	1				
	p	0.000	0.000	0.000	0.000	0.001	0.000	0.006					
Unemployment Rate	r	-.620*	-0.519	-0.600	-.623*	-.626*	-0.584	-0.519	-.722*	1			
	p	0.042	0.102	0.051	0.041	0.040	0.059	0.102	0.012				
Inflation Rate	r	-0.183	-0.118	-0.168	-0.046	-0.277	-0.167	-0.286	-0.180	0.233	1		
	p	0.590	0.729	0.622	0.894	0.410	0.623	0.395	0.597	0.491			
Attrition Rate	r	-0.290	-0.263	-0.253	-0.252	-0.445	-0.312	-0.068	-0.376	0.448	0.523	1	
	p	0.387	0.434	0.454	0.454	0.170	0.350	0.843	0.255	0.167	0.099		
Catchment Area	r	0.584	0.518	0.525	0.552	0.546	.613*	0.408	.612*	-0.530	0.070	-0.436	1
	p	0.059	0.103	0.097	0.079	0.082	0.045	0.212	0.046	0.094	0.837	0.180	
**, Correlation is significant at the 0.01 level (2-tailed).													
*, Correlation is significant at the 0.05 level (2-tailed).													

The variance that was with a significant relationship or with a predictive relationship to the number of enrolments was the unemployment rate, sex, parents' educational attainment, honors, the distance of the school from home, parent's income, employment of parents, and government beneficiaries. These following variables are considered for constructing an equation model.

Furthermore, the significant covariance of each significant variance will be also considered during the Confirmatory Factor Analysis (CFA). The following covariance shows a significant relation or predictive relationship to variance: parents' educational attainment and sex, honors and sex, honors and parents' educational attainment, distance of school from home and sex, distance of school from home and parents' educational attainment, distance of school from home and honors, parents' income and sex, parents income and parents' educational attainment, parents income honors, parents' income and distance of school from home, employment and sex, employment and parents' educational attainment, employment and honors, employment and parents income, government beneficiary and sex, government beneficiaries and parents' educational attainment, government beneficiaries and honors, government beneficiaries and distance of school from home, government beneficiaries and parents' income, government beneficiaries and employment, unemployment rate and honors, unemployment rate and distance of school from home, and unemployment rate and government beneficiaries. Having significant variables leads to the next step in the development of forecasting models.

### Model Determination

The stepwise regression was utilized to pick out from the independent variables the possible predictors or factors that could significantly affect the dependent variable. To determine the predictors of enrollment, regression analysis was done with the aid of SPSS the data were coded as follows: number of enrolment ( $\hat{Y}$ ); attrition rate ( $x_1$ ); unemployment rate ( $x_2$ ); sex ( $x_3$ ); parents highest educational attainment ( $x_4$ ); honors ( $x_5$ ); distance of school from home ( $x_6$ ); parents income ( $x_7$ ); employment of parents ( $x_8$ ); government beneficiaries ( $x_9$ ); inflation rate ( $x_{10}$ ); and number of graduates from catchment area ( $x_{11}$ ).

Table 2. ANOVA Table of Regression Model

	Model	Sum of Squares	df	Mean Square	F	Sig.	Interpretation	Decision
1	Regression	2759.184	1	2759.184	744.347	.000b	Significant	Accept the Generated Model
	Residual	33.362	9	3.707				
	Total	2792.545	10					
2	Regression	2776.378	2	1388.189	686.884	.000c	Significant	Accept the Generated Model
	Residual	16.168	8	2.021				
	Total	2792.545	10					

a Dependent Variable: Number of Enrollees

b Predictors: (Constant), Parents Educational Attainment

c Predictors: (Constant), Parents Educational Attainment, Distance of School From Home

Model 1 had the F-value of 744.347 with corresponding Sig. value of .000 implies that the generated model using regression is an acceptable model. By regression analysis, the parent's educational attainment was identified as predictors of enrollment of the first

model. The majority of students' parents were only high school achievers therefore most of them have low income so, to send their children to school they will choose the nearest school. The mathematical model in predicting the number of enrollment was determined by.

$$\text{Model 1: } \hat{Y} = -.1.714 + .335x_4$$

Model 2 had the *F*-value of 686.884 with corresponding Sig. value of .000 implies that the generated model using regression is an acceptable model. By regression analysis, the parent's highest educational attainment and distance of the school from home were identified as predictors of enrollment. One of the factors was the distance of the school from the home of course the majority of the parents will send their children to the nearest school for low expenses. Although some came from isolated areas far from school, still they have no choice because again the nearest school from them was Tanagan National High School. The mathematical model in predicting the number of enrollment was determined by

$$\text{Model 2: } \hat{Y} = 1.013 + .284x_4 + .064x_6$$

Table 3. *Regression Model*

Dependent Variable	Predictors	Regression Equation	Adjusted R <sup>2</sup>
Junior High	Parent's Educational Attainment		0.987
School Enrollment	Parent's Educational Attainment and Distance of School from Home		0.993

For Model 1, the coefficient of determination was measured and had a value of .994, calculating the proportion of variance of the enrollment over its mean, which was explained by the parent's highest educational achievement. An ( $R^2$ ) of .987 was calculated as the adjusted coefficient of determination- the explanatory power of the predictor to find whether it is statistically significant. It implied that the parent's highest educational attainment provides 98.7% explanatory power to the number of enrollees.

Then for Model 2, when the proportion of variance for the number of enrolled students over its mean the parents' highest educational attainment and distance of the school from home provide .997 coefficient of determination. On the other hand, the ( $R^2$ ) of .996 or its adjusted coefficient of determination indicates that the number of students enrolled can be explained by parent's highest educational attainment and distance of the school from home by 99.6% of its variation.

### Model Verification

Application of Analysis Moment of Structures (AMOS), the Structural Equation Modeling (SEM) for Confirmatory Factor Analysis (CFA) was advanced.

CFA for Model 1:

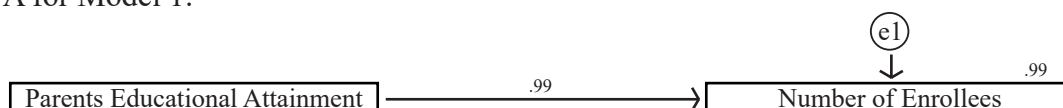


Figure 2. Output Structured Model for Regression

The model structure of  $\hat{Y} = -1.714 + .335x_4$ , the square multiple correlations ( $R^2$ ) of 0.987 during the multiple regression is equal to the  $R^2$  of 0.987 in the structures (Figure 2); in the proportion of its variation, the number of enrollees over its mean was explained by parents' highest educational attainment.

Table 4. CFA Statistics of

Statistics	
AIC= 6.000	RMSEA= 0.630
CFI= 1.000	RMR= 0.000; PCLOSE=0.028

Statistics of the first structure model that transpires using the independent variable described in model 1 shows estimates appear to be equivalent in both AIC (Akaike Information Criterion) = 6.000. The CFI (Comparative Fit Index) of 1 appears that the model is acceptable (Schreiber et. al, 2006). The root means square residual of 0.000 indicates a highly acceptable model (Bian, 2011). Lastly, the RMSEA (Root Mean Square Error of Approximation) of 0.630 with a corresponding probability of 0.028 indicates that the model is on its best fit.

$$\text{Model 2: } \hat{Y} = 1.013 + .284x_4 + .064x_6$$

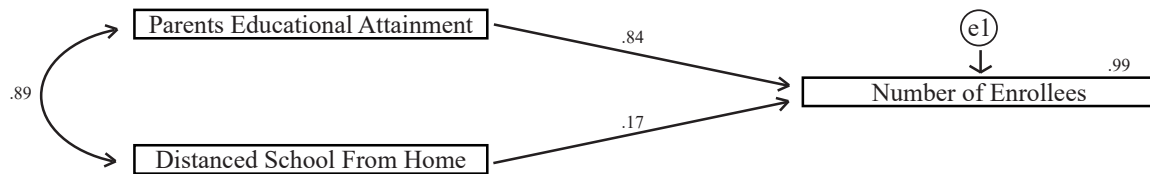


Figure 3. Output Structured Model for Regression

The square multiple correlations ( $R^2$ ) of 0.996 is during the regression is equal to the  $R^2$  of 0.996 during the confirmatory factor analysis; it implies that measuring the proportion of variance of the enrollees about it means that was explained by parents highest educational attainment and distance of the school from home.

Table 5. CFA Statistics of the

Statistics	
AIC= 12.00	RMSEA= 0.318
CFI= 1.000	RMR= 0.000; PCLOSE=0.117

Basing on the statistics model structure of model 2 estimates appear to be equivalent in both AIC = 12. The CFI of 1 appears that the model is acceptable (Schreiber et al., 2010). The root means square residual of 0.000 indicates a highly acceptable model (Bian, 2011). Lastly, the RMSEA of 0.407 with a corresponding probability of 0.117 indicates that the model is on its best fit.

### Confirmatory Factor Analysis Comparative Summary Report

This section presents the best model in predicting the enrolment of Tanagan National High School.

Table 6. CFA Statistics of the Generated Models

Category	Model	
	1	2
AIC (Akaike Information Criterion)	6.000	12.000
CFI (Comparative Fit Index)	1.000	1.000
RMR (Root Mean Square Residual)	0.000	0.000
RMSEA (Root Mean Square Error of Approximation) [PCLOSE]	0.630[.028]	0.407[.117]

Since the models were all none nested model, the Akaike Information Criterion appears that Model 1 appears the smallest estimates weights of 6.000 and considered as best fit among the other models (Schreiber et al., 2010) with a significant root mean square error of approximation of 0.630 (See Figure 4).

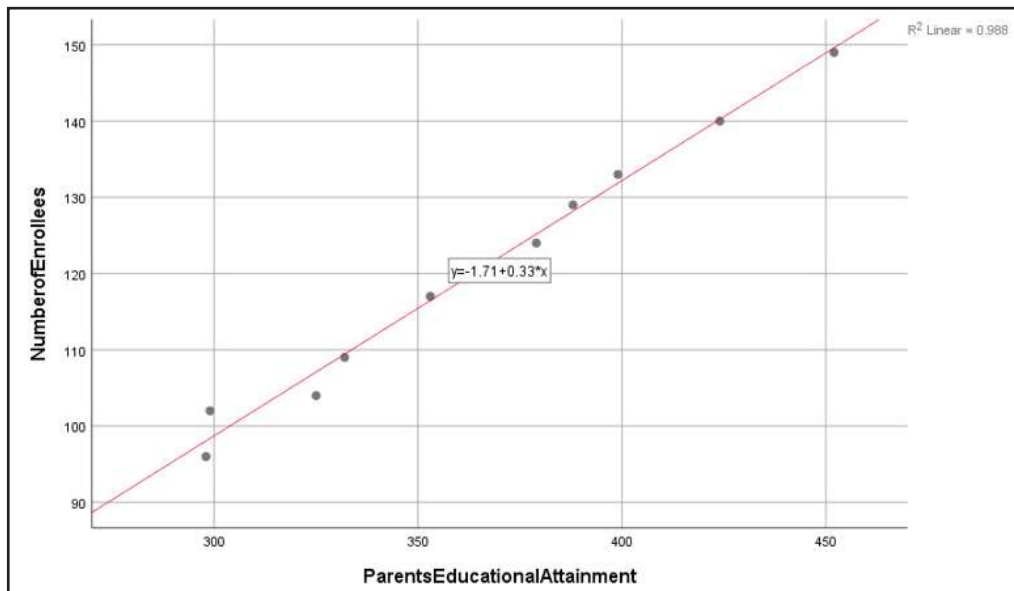


Figure 4. Graph of  $\hat{Y} = -1.714 + .335x_4$

### Forecasting

Using the Model 1 as the best fit model (Figure 5), the actual enrolment of the Junior High School was compared to the forecasted enrolment and it shows an average 98.74% accuracy or an average of 1.26% difference to the actual enrolment data.

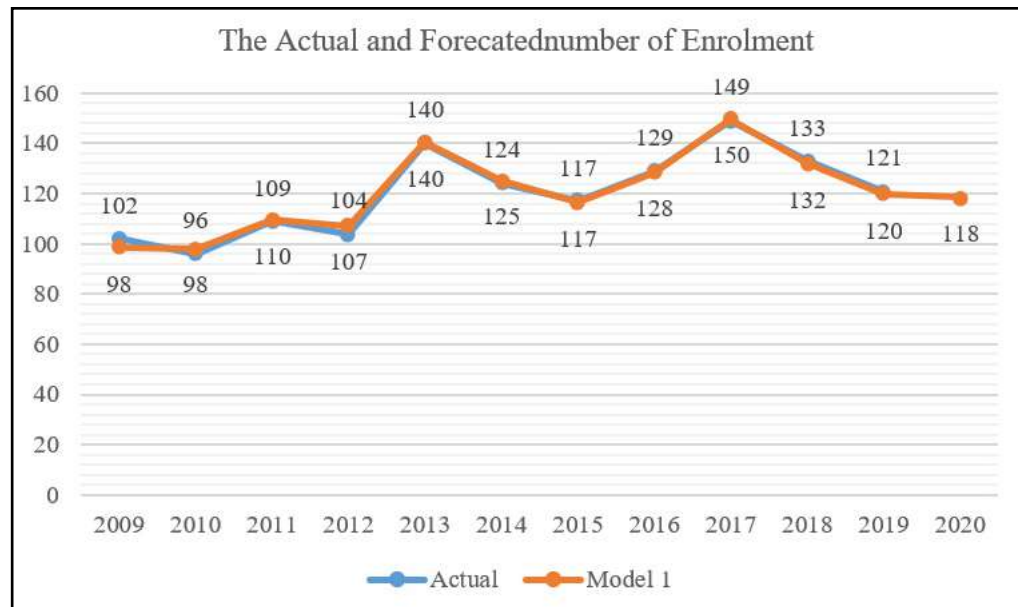


Figure 5. Comparison of Actual and Forecasted Enrolment

### Forecast Validation

Comparing the actual and the forecasted data generated by experimentation of model 1 it shows that the forecasted data are somewhat the same,  $t_{(21)} = 0.019$ ,  $p = 0.985$ ; hence, the forecasted data of the number of enrolment is acceptable.

Table 8. Acceptability of the Forecasted Data

Category	N	Mean	t	df	Sig. (2-tailed)	Interpretation	Decision
Actual	11	120.36	0.019	21	0.985	Not Significant	Accept the Forecasted Data
Forecasted	12	120.24					

The investigator concluded, based on the result, that the predictors of junior high school enrolment were unemployment rate, sex, parents' educational attainment, honors, the distance of the school from home, parent's income, employment of parents, and government beneficiaries. This added to the finding of Cox (2013), where it was found that color and those with economic advantage are the predictors of student enrolment. Two equation models have been developed namely Model 1:  $\hat{Y} = -1.714 + .335x_4$  where  $x_4$  refers to parent's highest educational attainment; and the Model 2:  $\hat{Y} = 1.013 + .284x_4 + .064x_6$  where  $x_4$  refers to parent's highest educational attainment and  $x_6$  for a distance of the school from home. This indicates that the number of students to enroll can be predicted using forecasting models (Rakhimov & Kankarej, 2015).

The best mathematical model in predicting Junior High School enrollment of Tanagan National High School was given by  $\hat{Y} = -1.714 + .335x_4$ , where  $x_4$  refers to parent's highest educational attainment. This only shows that those students with parents of students having educational attainment affect the enrollment of Junior High School. The forecasted enrolment for the year 2020 was 118. The forecasted number of enrolment differs from the actual number of enrolment by 1.26%.



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## Readiness, Issues, and Challenges of Teachers on the Use of iStudy: A Case Study in a Faith-based University

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### Abstract

The change from the traditional face-to-face to self-directed/online learning modality has affected the educational system in various levels of educational systems, particularly in higher educational institutions. The readiness of the teachers to use a computer and the appropriate online learning platform has become one of the challenges in the conduct of online classes. In the case of a faith-based university, the readiness to use iStudy, which is an online learning platform adopted by such university, became a concern of the respondents to continue the conduct of classes just after the consequences of the Taal Volcano eruption in January 2020. It is the purpose of this research to explore the experiences of the respondents on their readiness and on the issues and challenges faced on using iStudy. This study used the mix of quantitative and qualitative research designs as methodology. The findings revealed that for readiness, the majority of the respondents agreed that the use of iStudy requires training for specific skills. For the issues and challenges, most of the respondents believed that the use of iStudy makes the relationship between a teacher and a student impersonal. Based on the foregoing results, it can be concluded that the respondents are not yet adequately prepared to use iStudy. Further, to make the research more meaningful, it is highly recommended to have a follow-up research after a series of training sessions in order to assess again the faculty's readiness to use iStudy and any issues and challenges they might face in the future.

**Keywords:** *iStudy, readiness, issues, and challenges*

The recent eruption of the Taal Volcano in January 2020 and the impact of COVID-19 pandemic have brought a lot of change in the lives of people in the affected areas in the provinces of Cavite, Laguna, and Batangas, especially on the continuity of the educational services offered by the different education providers. In the case of higher educational institutions (HEI), one of the challenges is the readiness of the teachers to adopt alternative modalities to continue the provision of education services to their students. Online learning has been considered as the immediate solution to that challenge, considering that traditional or face-to-face learning setup inside the classrooms is not possible anymore. Another challenge arises on what online learning platforms to be adopted by HEIs and the readiness of the teachers to use those online learning platforms. Adequate training plays an important role to become equipped and to deliver quality educational services to the students.

Inspired by the advent of sophisticated information communication technologies (ICTs), online learning, or e-learning, is evolving into a mainstream, widespread practice in higher education, becoming a fundamental part of the students' academic life and no longer a core business only for those universities with a mission for distance education (Ellis et al., 2009; Makri et al., 2014). Wang et al. (2015) similarly posit that blended learning (b-learning) has become part of the vernacular in tertiary education, more so over the past five years with the development of online learning and the meteoric rise of Massive Open Online Courses (MOOC) and flipped classrooms. Thus, the current advances in technology are opening up the possibility for even conventional campus-based higher education institutions (HEIs) to diversify the delivery modes of their curricula in order to reach out to previously inaccessible populations. Such previously inaccessible populations include practicing teachers in remote localities with poorly developed infrastructure more so in developing country contexts. Through the design and implementation of b-learning delivery formats, which combine traditional face-to-face (F2F) contact with e-learning, HEIs can reach out to such teachers "to support deep and meaningful learning" (Garrison & Kanuka, 2004) even in gateway subjects such as mathematics. In South Africa, there are arguably still many teachers of mathematics and science who are inadequately trained or ill prepared to deliver the current curriculum effectively enough despite numerous in-service courses provided in the past (e.g., Reddy, 2006). In-service teacher education therefore maintains a constant presence in a sustained effort to capacitate such teachers by re-training them to take up mathematics classes with enhanced pedagogical content knowledge and skills (Ndlovu & Mostert, 2017).

Moodle is one of the most commonly used LMS for developing online academic courses, and several recent contributions have emphasized the significant influence of university teachers' and students' perceived usefulness of the Moodle platform in its use as a whole. It has been demonstrated that perceived ease of use, positive attitude, and perceived usefulness are the key factors in determining Moodle usage by students (Arteaga & Duarte, 2010), and by students and teachers (Escobar-Rodriguez & Monge-Lozano, 2012). Additional research has also demonstrated that communication has a strong effect on students' perceived Moodle performance (McArdle & Bertolotto 2012). Five critical factors (which include content completeness, content currency, ease of navigation, ease of access, and course staff responsiveness) affect students' satisfaction (Naveh et al., 2012), and satisfaction has shown to have a significant effect on behavioral intention to use Moodle (Badia et al., 2018).

The studies indicate that teachers' attitudes can be defined as either positive or negative with respect to computer technologies and computer supported applications. The earliest research that examined attitudes towards computer was conducted by Lee (1970), who identified two dimensions of attitude: (a) the belief in the computer as a beneficial tool and (b) belief that computers are autonomous entities. Furthermore, the studies demonstrate that there are several factors that affect the use of ICTs and attitude of an individual towards ICTs, demographic factors such as gender, age, years of teaching experience, teachers' levels of self-efficacy, anxiety, and belief, teachers' experience with the use of ICTs, their learning and teaching styles and their frequency of access to ICTs seem fairly limited. Moodle gives an electronic version of all school settings like a school staffroom, teaching materials in one corner, registers with names and students' scores, in trays, notice board, rogue's gallery, supplementary material shelf, library, audio cassettes, videos, worksheets etc. It is an e- learning tool that can offer simple and safe solutions to any institution, no matter how large or small, be it an individual teacher or a huge university. Moodle facilitates online collaborations, which can be teacher- to- student, teacher- to- teacher or student- to student. Moodle focus on interaction and collaborative construction of content and in continual evolution. It is used in environment such as education training and development and business settings. Assignment submission can be done in Moodle. Files can be downloaded, and grading can be done. Moodle instant message can be gotten; online calendar, online news and announcement can be done (Adesope & Ahiakwo, 2016).

## **Methodology**

### **Research Design**

This study used the combination of quantitative and qualitative research designs to explore the experiences of the participants on their readiness and on the issues and challenges on using iStudy for self-directed learning approach to its students. iStudy is the customized version of Moodle, internally developed by the university as its online learning platform.

### **Population and Sampling Technique**

The respondents of this study were sixty-nine (69) denominational teachers from different university colleges. The respondents were chosen through purposive sampling. Data were gathered through an electronic survey questionnaire (using Google Forms), wherein the link was sent to them thru their official electronic-mail accounts. Due to the ongoing pandemic caused by the COVID-19 virus, only 21 respondents, of which 43% were male and 57% were female, were able to respond to the questionnaires. The link was first sent on March 31, 2020 then follow-ups were made on April 15, 2020 and May 18, 2020, respectively.

### **Instrumentation**

An electronic survey questionnaire was used to assess the readiness, issues, and challenges of teachers on the use of iStudy. This was the most viable instrumentation during the duration of the research study as the respondents were staying at home and connected on the Internet.

## Analysis of Data

Frequency, mean, standard deviation, and descriptive statistics were used to analyze data gathered thru the use of survey questionnaire.

## Ethical Considerations

Ethical considerations were observed to ensure confidentiality and anonymity in handling the data.

## Results and Discussion

The results of the electronic survey aimed to assess the readiness, issues, and challenges of teachers on the use of iStudy of a faith-based institution in the Philippines are presented in this section.

### Readiness

Table 1 presents the perceived readiness among the respondents on the use of iStudy from different colleges of the University. The overall mean score is 3.59 which is interpreted as agree. The highest mean score is on the item, “*iStudy requires training for specific technical skills*” ( $M = 4.62 \pm 0.50$ ), while the lowest is, “*iStudy is more effective than my traditional classroom-based approach*” ( $M = 2.57 \pm 0.87$ ). Readiness is very essential for the teachers to be equipped on using iStudy as it includes specific technical skills on using computer and the application itself.

Table 1. *The Respondents' Perceived Readiness*

	Mean	Standard Deviation	Interpretation
iStudy requires training for specific technical skills.	4.62	.50	Strongly Agree
I ask questions if I have difficulties in learning iStudy.	4.29	.72	Agree
My students need training on iStudy.	4.14	.96	Agree
I support the implementation of iStudy in the university	4.05	.86	Agree
I am keen to start using iStudy	3.86	1.11	Agree
iStudy has benefits for education.	3.76	.70	Agree
Work on iStudy at any time is convenient to me	3.67	1.11	Agree
I am good at using any gadget (e.g., the computer) for iStudy.	3.43	.87	Somewhat Agree
I am productive when I use iStudy	3.43	.92	Somewhat Agree
I learn iStudy easily.	3.38	1.02	Somewhat Agree
iStudy can enhance the quality of education.	3.33	.97	Somewhat Agree
I can use iStudy without help from others.	3.00	1.10	Somewhat Agree
iStudy enables me and my students interact better with one another.	2.67	.80	Somewhat Agree
iStudy is more effective than my traditional classroom-based approach.	2.57	.87	Somewhat Agree
Overall Mean	3.59	.54	Agree (Ready)

**Legend:** Minimum = 2.71; Maximum = 4.86

## Issues and Challenges

Table 2 presents the perceived issues and challenges among the respondents on the use of iStudy from different colleges of the university. The overall mean score is 2.63 which is interpreted as somewhat agree. The highest mean score is on the item, “*iStudy makes the relationship between teacher and student impersonal*” ( $M = 3.62 \pm 0.97$ ), while the lowest is, “*iStudy has no educational use*” ( $M = 1.81 \pm 0.68$ ). The use of online learning platform carries with it different issues and challenges as compared with the traditional face-to-face modality of teaching.

Table 2. *The Respondents' Perceived Issues and Challenges*

	Mean	Standard Deviation	Interpretation
iStudy makes the relationship between teacher and student impersonal.	3.62	.97	Somewhat Agree
The iStudy appearance is unattractive.	3.24	1.04	Somewhat Agree
Contact with students is not facilitated through the use of available tools (forums, chats, individual messages)	2.86	1.06	Somewhat Agree
iStudy is not very flexible in terms of structure.	2.81	.93	Somewhat Agree
iStudy is complicated.	2.76	1.09	Somewhat Agree
Work on iStudy from any location is not possible	2.67	.91	Somewhat Agree
iStudy has few resources and/or activities to meet the objectives that I propose in my classes.	2.62	.92	Somewhat Agree
It is not an excellent repository of various types of content (written, audio, video	2.57	.87	Somewhat Agree
iStudy is not very flexible in terms of the type of resources that may be uploaded.	2.52	.75	Somewhat Agree
iStudy is not very useful for organizing my classes (e.g. through summaries, objectives and resources for each class	2.52	.98	Somewhat Agree
iStudy does not help me to save time in the organization of my classes	2.38	.74	Disagree
Working with iStudy is difficult.	2.33	.91	Disagree
iStudy is not very useful to receive assignments	2.10	.62	Disagree
iStudy has no educational use.	1.81	.68	Disagree
Overall Mean	2.63	.50	Somewhat Agree

**Legend:** Minimum = 1.57; Maximum = 3.57

The qualitative results of the study were presented according to the themes that emerged based on the following research questions: (a) In your experience, what are the advantages of using iStudy? and (b) What other issues and challenges you encounter as a teacher on using iStudy?



### Convenience/Creativity

To answer Research Question No. 1, “In your experience, what are the advantages of using iStudy?”, one major theme emerged: *convenience/creativity*.

Among the respondents who talked about convenience, Respondent 8, an Instructor 2 from the College of Arts and Humanities, said: “*1. Officially enrolled students are already incorporated from the aolis rosters. 2. Convenient to accomplish the job even at home. And 3. Similar to other platforms.*”

Respondent 13, an Associate Professor from the College of Nursing, expressed: “*The progress of student activities (e.g. exam) can be monitored while being taken. A personal message/chat as a sort of a reminder can be sent to the student even he/she is taking the exam.*”

With regard to creativity, Respondent 1, a Professor from the College of Education, said: “*creativity among students are facilitated.*”

Moreover, Respondent 10, an Instructor 2 from the College of Arts and Humanities, expressed: “*I considered this platform beneficial especially during these hard times. To name a few; enhanced flexibility, virtual communication, even my shy students are engaging in discussions and collaboration, self-paced learning, my ESL students demonstrated self-motivation, they're enthusiastic for our daily online activities, refined critical-thinking skills, and learned new technology skills. Thank you for sharing your technical know-how with us.*”

### Internet Connection

To answer Research Question No. 2, “What other issues and challenges you encounter as a teacher on using iStudy?”, one major theme emerged: *internet connection*.

Among the respondents who talked about Internet connection, Respondent 2, an Assistant Professor from the College of Science and Technology, said: “*internet connection, personal relationship with students.*”

Respondent 10, an Instructor 2 from the College of Arts and Humanities, expressed: “*Students were struggling with wifi connection.*”

With regard to creativity, Respondent 14, an Instructor 2 from the College of Science and Technology, said: “*Students need to have good internet connection to use it, same with teachers.*”

The survey questionnaire indicated the readiness, issues and challenges of teachers on the use of iStudy of a faith-based institution. The results showed that the respondents strongly agree that the use of iStudy requires training for specific technical skills. This suggests that the university needs to conduct series of trainings on the use of iStudy. With regard to the issues and challenges, making the relationship between the teacher and student impersonal has the highest mean, which suggests that the university needs to find

ways on how to mitigate this issue. Meanwhile, the use of iStudy also adds to the creativity of the students on how they would accomplish their requirements. Due to its online nature, a good internet connection plays a vital role on the effectiveness of using such learning module. It poses a challenge not only on the teachers but also to students, considering the geographical locations and the Internet connection availabilities. Findings of this study are essential evidence-based inputs to institutional planning as the university faces this new learning modality. For future researches, further qualitative and quantitative studies may be conducted to explore the experiences of the teachers on the use of iStudy after series of trainings will be conducted.

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## Digital Literacy, Safety, Social/Emotional Literacy and Flexible Learning Modality: Training Needs for Teachers in HEIs During Covid-19 Pandemic

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### Abstract

The COVID-19 pandemic has created the largest disruption of education systems in history, affecting both teachers and learners in countries worldwide resulting in the needs of the teachers to also change. Assessment of training need is necessary to address the challenges encountered in teaching. The aim of this study was to identify training needs of faculty members teaching in Higher Education Institutions in Cavite. Survey on training needs were developed. The questionnaires were categorized into four areas: Cyber/Digital Literacy, Safety, Social/Emotional Literacy and Flexible Learning Modality. A total of 87 purposively sampled faculty from HEIs in Cavite (40 males and 47 females) answered the survey questionnaire. Majority (79.31%) of them are holding permanent status of employment and mostly (77.01%) are from private institutions. The results revealed the future training needs of the faculty as creating and maintaining blogs or websites, creating database, managing stress, and controlling impulses. Other training needs were also identified particularly on the use of other technology tools, use of BLACKBOARD, handling students with difficulty in flexible learning, Collective Resiliency in Academics: A New Normal Perspective, and flexible learning instructional design for continuous improvement. Thus, these training needs should be implemented as soon as possible.

**Keywords:** *training needs, new normal, digital literacy, emotional, literacy, flexible learning*

The COVID-19 pandemic has created the largest disruption of education systems in history, affecting nearly 1.6 billion learners in more than 190 countries and all continents (United Nations, 2020). The school closures as early April 2020 affected the world's student population. Because of these closures, remote schooling has become the main form of delivery. Teacher and academic leaders quickly adapted to the new and often unfamiliar circumstances to continue to provide schooling for learners (British Council, 2020). With the abrupt changes in education system, teachers may need orientation and training to impart quality learning to students.

A study was conducted by British Council (2020) to teachers and teacher educators. They were asked about their needs to provide an understanding of the challenges they were facing. Part of their findings revealed that both teachers and teacher educators are reasonably confident in their ability to do their job remotely. However, teacher educators and teachers feel they need more training and support on how to teach online. It was recommended for education institutions to provide training and support for teachers on the main problem areas identified by them (e.g., INSETTs, MOOCs on teaching online/teaching young learners online, etc). Several training needs were identified in many studies. digital literacy, safety, social/emotional literacy, and flexible learning modality are some of these training needs.

### **Cyber/Digital Literacy**

Digital literacy practices involve the ability to locate and consume, create, and communicate digital content, while simultaneously employing a process of critical evaluation (Spires & Bartlett, 2012). Gilster as cited in Spires et al. (2017) defined digital literacy as the "ability to understand and use information in multiple formats from a wide range of sources when it is presented via computers" (p. 1). The author queried numerous databases including ERIC, ProQuest, EBSCOhost, FirstSearch, and Google Scholar using the terms digital literacies and it is associated with the following terms: 21st century literacies, Internet literacies, digital literacies, new media literacies, information literacy, ICT literacies, computer literacy, and ORC (online reading comprehension).

Digital literacy requires multiple literacy skills (Shariman et al., 2012). The sub-discipline areas of digital literacy include computer literacy, technology literacy, information literacy, media literacy, visual literacy, and communication literacy (Simsek & Simsek, 2013). Literacy is having the skills to shape one's own life. Majority of the jobs today requires digital literacy. Employees need to appropriately use technologies for communication, collaboration, and information management (Hack, 2015).

Academic staff members, who are responsible for teaching and training, should be aware of the principle of online course design, development, and implementation (Elsamanoudy et al., 2018). In the study they have conducted, it was found that there is a significant need of faculty staff members for the training and development of their skills in almost all tools used for conducting online courses. This claim was based on the result of their survey regarding the assistance needed to implement online tools. The results of the survey revealed that the blogs, surveys, course management systems, wikis and assigned space for social networking; the majority of staff want to use but need help (64.29%, 64.29%, 57.14%, 57.14%, and 50.00% respectively). The respondents of this study perceived that the tools used in comfort without need of help are online courses

with audios (21.43%) then instant messaging, online lectures with videos, podcasts, and assigned space for social networking (14.29% for each).

### **Safety**

Cyber threats and attacks have significantly increased in complexity and quantity throughout this past year (Kettani & Cannistra, 2018). In their study “On Cyber Threats to Smart Digital Environments”, they were able to identify the top fifteen cyber threats and trends. They articulated in detail these threats to provide awareness throughout the community and raising awareness. The following are top threats: malware, web-based attacks, web application, attacks, phishing, spam, denial of service, ransomware, botnets, insider threat, physical manipulation, damage/theft/loss, data breaches, identity theft, information leakage, exploit kits and cyber espionage.

Privacy and data protection are a major stumbling blocks for a data-driven educational future (Hoel & Chen, 2018). There was a limited information regarding data management among teachers. Despite the existing regulations and the research interest in ethics and privacy at the teacher and classroom levels, there is limited information regarding the data management approaches followed in the field. The rapid adoption of digital content and delivery systems, each with its own capacity to track, store, and analyze student usage, interactions, and academic outcomes at both a highly detailed and granular level, has emerged as an area of widespread opportunity, but also of concern among teachers

### **Social/Emotional Literacy**

Emotional Literacy is awareness of own feelings to improve one’s personal power and life quality (Akbag et al., 2016). Assessing emotional literacy is essential because of the current situation due to pandemic. The changes in school structure during COVID-19 pandemic will likely impact teacher’s stress and wellbeing (Green & Bettini, 2020). Colleges and universities should prioritize the mental health and wellness of their staff, especially their teachers. Teachers need school leaders to understand them with the challenges, to support them in meeting the demands of online teaching.

The spread of COVID-19 has also caused fear, anxiety, and various concerns among citizens around the world (National Center for Immunization and Respiratory Diseases [NCIRD], 2020). Teachers engaged in teaching processes have concerns related to their capacities of conducting remote/online learning due to the level of their knowledge and skills in the use of technology, their access to technology, and at-home isolation (UNESCO, 2020).

**Self-awareness.** Self-awareness, as one of the sub-areas of emotional literacy, is the ability to recognize own feelings. The spread of COVID-19 and school closures may have impacted teacher’s feelings, thoughts, and behavior. These feelings and reactions may differ.

The closure of educational institutions due to preventive measures against the spread of COVID-19 has affected the education, well-being, and functioning of all parties involved and benefiting from educational systems in the world (Duraku & Hoxha, 2020).

**Self-management.** During this pandemic, many teachers coped well with the situation, some may have found it stressful at times. However, not all individuals will



respond to stress in the same way. Teachers have their own unique coping mechanisms. It is important that teachers pay attention to and take proactive steps to promote their own wellbeing and self-care. Attending training and seminars can help in improving teachers' well-being.

Personal and Professional Development was recommended to teachers for them to adapt their suite of teaching methodologies. If needed, teachers should be encouraged to ask for help from a colleague or mental health professionals.

### **Flexible learning Modality**

**Online Learning.** According to Noonoo (2020), schools that cannot implement online education well during school closures may have to think outside the box to keep their students from falling behind. They must find ways to impart knowledge to the learners. Teachers must be innovative in their teaching. They must work with their existing teaching skill but need to develop new skills since all are working under new normal (United Nations, 2020).

**Modular Instruction.** The modular approach of teaching and learning is the use of self-learning modules in teaching. A module is a set of learning opportunities organized around a well-defined topic which contains the elements of ordinate dictation, categorical objectives, edifying cognition activities, and evaluation utilizing criterion-referenced measures UNESCO (Sadiq & Zamir, 2014). A module has placidly defined, objectives; preferably in behavioral form (Daries as cited in Sadiq & Zamir, 2014)

Modular teaching is one of the most widespread and recognizes teaching learning techniques in many countries including other western countries and Asian region. It considered the individual differences among the learners which necessitate the planning for adoption of the most appropriate teaching techniques to help the individual grow and develop at her/his own pace (Sejpal, 2013).

With the development of information and communication technologies, new learning modes of instruction have evolved that can open more opportunities for flexible learning (Huang et al., 2020). The learning choices can cover class times, course content, instructional approach, learning resources and location, technology use, the requirements for entry/completion dates, and communication medium (Goode et al., 2007).

Several alternative online and offline approaches were used to maintain undisrupted learning during COVID-19 outbreak. However, several challenges were reported during the application of online learning in the global wide according to the literature and international experts. According to Huang et al. (2020, pp. 39), the challenges encountered in China include the following: (a) Internet connection can be unreliable if there are thousands of learners learning simultaneously; (b) Some instructors can find it difficult to find online resources that are the most suitable in their teaching contexts because thousands of resources are published online; (c) Several instructors and learners do not have the appropriate digital skills to teach and learn online. This can make the online teaching/learning experience inconvenient for them; (d) Several learners lack crucial learning competencies, such as adaptation, independent study, self-regulation and motivation, which are key factors for successful online learning; and (e) Several instructors simply use direct instructions without considering important features of online learning, such as interactivity, social presence, and cognitive presence, resulting in un motivating learning experiences.

From these results, learning supports as professional training and immediate assistance for instructors, learners, and parents were provided to guide teachers on how to use digital tools and platforms for an effective online learning experience. The support and services provided for the teachers vary according to the features of particular education contexts (levels, regions, schools, subjects, etc.).

**Assessment of Learning.** The concern for the assessment of learning outcomes is reinforced due to pandemic. The principles of effective assessment whether they are online, blended, or exclusively face-to-face, can be guided by the same principles of effectiveness (Earl, 2013). Evidence-informed assessments are key to improving the overall quality of students' learning experiences (Heinrichs et al., 2015).

Online assessment is common today, it is a means of evaluating student achievement, providing feedback, or moving the students forward in their learning process in fully online credit courses. These assessments can be completely online (such as online exams) or just require online submission (such as essays). Assessments can be either formative, designed to monitor students' progress in a low or no stakes environment, or summative, designed to evaluate students against a standard or criteria (Dixon & Worrell, 2016). Discussion boards, online exams, essays/written assessments/projects, e-portfolios, online peer feedback are some examples of assessment tools (Weleschuk et al., 2019).

Lile and Bran (2015) recommended to use a web-based portfolio, which represents a comprehensive instrument for evaluation that can be used in all academic fields, highlighting both the learning outcomes and the learning process.

### Methodology

This descriptive study assessed the training needs of faculty members of HEIs in Cavite, Philippines. Survey questionnaires on training needs were developed. The questionnaires were categorized into four areas: cyber/digital literacy (8 item), safety (3 items), social/emotional literacy, with self-awareness (3 items) and self-management (2 items) as sub-dimensions, and flexible learning modality with online learning (3 items), modular of instruction (4 items), and assessment of learning (2 items) as its sub-dimensions). The study was conducted during the General Assembly of Cavite HEIs.

A total of 87 purposively sampled faculty members from HEIs in Cavite (40 males and 47 females) answered the survey questionnaire during the general assembly of Cavite HEIs in August 2020. Majority (79.31%) of them are holding permanent status of employment and mostly (77.01%) are from private institutions. Table 1 presents the demographic profile of the respondents.

Table 1. *Percent Distribution of Respondents According to Profile*

Profile	Frequency	Percentage
Sex		
Male	40	45.98
Female	47	54.02
<b>Total</b>	<b>87</b>	<b>100.0</b>
Employment Status		
Permanent	69	79.31
Temporary	1	1.15
Job Order/Part-Timer	10	11.49
Others	7	8.05

*{table continues on the next page}*

Type of Institution		
Private		
Autonomous	11	12.64
Deregulated	8	9.20
Regulated	48	55.17
<b>Total</b>	<b>67</b>	<b>77.01</b>
Public		
SUC	5	5.75
LUC	12	13.79
<b>Total</b>	<b>17</b>	<b>19.54</b>
*No response	3	3.45
<b>Total</b>	<b>87</b>	<b>100.0</b>

*\*Conducted last August 26, 2020 during the General Assembly of Cavite HEIs*

The respondents rated the different topics identified in the survey questionnaire whether training is required. These topics will be the basis for future training. Lower rating to the items implies training will be needed by the faculty of HEIs in Cavite. The basis of interpretation are as follows: 1.00-1.49 = *no knowledge/skill*, 1.50 -2.49 = *low knowledge/skill but considerable training required*, 2.50-3.49 = *average knowledge/skill but training required*, 3.50-4.49 = *high level of knowledge/skill displayed, with a little training required*, 4.50-5.00 = *extremely knowledgeable/skilled – no/very little training required*. Participation was voluntary and anonymity was guaranteed. Data were analyzed using descriptive statistics.

## Results and Discussion

Survey on the training needs was categorized into four areas: cyber/digital literacy, safety, social/emotional literacy and flexible learning modality in which each category has different sub-ranks.

### Cyber/Digital Literacy

The educational institutions continue to adopt digital education solutions, the volume of educational data recorded on digital platforms continues to rise especially during pandemic (Pardo & Siemens, 2014). This effect of this effort is shown in the result of the current study. The faculty members who responded to this study perceived they are digital literate in terms of creating a power point presentation with simple animation functions, participating in a discussion forum on the internet, practicing netiquette, and to understand how copyright and licenses apply to data, information, and digital content. This implies that they need no or little training for these areas. These results are reflected in Table 2 in the area of cyber/digital literacy.

Elsamanoudy et al. (2018) emphasized that academic staff members, who are responsible for teaching and training, should be aware of the principle of online course design, development, and implementation, there continuous training is necessary.

### Safety

The faculty from HEIs in Cavite are skilled in terms of protecting personal data and privacy in terms of protecting health and well-being while using digital technologies,

however, the respondents need training on protecting devices and digital content, and understand risks and threats in digital environments, which garnered the lowest mean (4.4138) among the three items in the are under safety.

### **Social/Emotional Literacy**

The social/emotional literacy are classified into two areas, self-awareness and self-management. In terms of self-awareness, the faculty members claimed that they were skilled, with little training required in this area. However, the faculty needs training on self-management particularly on how to manage stress, and control impulses. This area garnered the top three lowest means (4.21) in all the items in the needs assessment questionnaire. The shifting of teaching to online format has been reported to increase the level of stress and anxiety among teachers in different parts of the world (UNESCO, 2020).

Further, the faculty demonstrated skill but still needs training on areas on how to regulate one's own emotions and behaviors (4.48). In the study conducted by See et al. (2020) from Durham University Evidence Centre for Education, they assessed teacher's wellbeing and workload during Covid-19 lockdown. The overall results revealed that teachers were generally happy cheerful, calm, and relaxed. On the other hand, school leaders were the least happy and relaxed. However, the written responses suggest that some teachers were finding it hard during the lockdown; teachers mentioned loss of contacts and interactions with family, colleagues and students and reported experience of confusion, fear and anxiety. With these results, seminar on mental health was recommended in which in the current study training on this area was also recommended.

### **Flexible Learning Modality**

The flexible learning modality were categorized into online learning, modular instruction and assessment of learning. The faculty perceived that they have the skills for these areas but still needs training for improvement.

Sadiq and Zamir (2014) conducted an experimental study to find out the effectiveness of modular approach in teaching, to assess the student learning, performance, and achievement. This study further determined whether the modular teaching is more effective than traditional methods. The result's scores were in the favor of usage of modular teaching approach. So, it is recommended that the modular approach should be widely used at various levels of education.

The result on teachers' training need for assessment of learning revealed that the faculty perceived they have the skill but still need training on the capacity to manage assessment of learning in modular delivery of instruction (4.38) and on the capacity to manage assessment of learning in online delivery of instruction (4.34). The teachers should be knowledgeable on this area. According to Weleschuk et al. (2019), the design and implementation of assessments have more impact on student performance than the method of assessment delivery (online vs face-to-face). The study conducted by Hewson (2012), Spivey and McMillan (2014), Page and Cherry (2018), and Tsai (2016) have found no difference in student achievement and grades on well-designed online and face-to-face course assessments. Another result revealed that students' performance on online assessment is not affected by their preferences or how they rate their comfort with technology (Hewson, 2012).

Table 2. Mean Distribution of the Responses Based on Their Training Needs

Areas	Mean	Verbal Interpretation
<b>A. Cyber/Digital Literacy</b>		
1.Create database.	4.21	Skill displayed, with a little training required
2.Create a power point presentation with simple animation functions.	4.60	Skilled – no/very little training required
3.Create a presentation with video clips or audio clips.	4.44	Skill displayed, with a little training required
4.Participate in a discussion forum on the internet.	4.57	Skilled – no/very little training required
5.Create and maintain blogs or websites.	4.01	Skill displayed, with a little training required
6.Download or upload curriculum resources from/to websites or learning platforms for students use.	4.49	Skill displayed, with a little training required
7.Practice netiquette (Awareness of behavioral norms and know-how while using digital technologies and interacting in digital environments)	4.55	Skilled – no/very little training required
8.Understand how copyright and licenses apply to data, information and digital content	4.52	Skilled – no/very little training required
Grand Mean	<b>4.42</b>	Skill displayed, with a little training required
<b>B. Safety</b>		
1.Protect devices and digital content, and understand risks and threats in digital environments.	4.41	Skill displayed, with a little training required
2.Protect personal data and privacy	4.54	Skilled – no/very little training required
3.Protect health and well-being while using digital technologies	4.53	Skilled – no/very little training required
Grand Mean	<b>4.49</b>	Skill displayed, with a little training required
<b>C. Social/Emotional Literacy</b>		
<b>C.1 Self-awareness</b>		
1.Understand one's own emotions, personal goals, and values	4.59	Skilled – no/very little training required
2.Assess one's strengths and limitations, having positive mindsets, and possesses a well-grounded sense of self-efficacy and optimism	4.53	Skilled – no/very little training required
3.Recognize how thoughts, feelings, and actions are interconnected	4.53	Skilled – no/very little training required
<b>C.2 Self-management</b>		
1.Regulate one's own emotions and behaviors	4.48	Skill displayed, with a little training required

{table continues on the next page}

2.Manage stress, and control impulses.	4.21	Skill displayed, with a little training required
<b>Grand Mean</b>	<b>4.47</b>	<b>Skill displayed, with a little training required</b>
<b>D. Flexible learning Modality</b>		
<b>D.1. Online Learning</b>		
1.adequate skills in handling online classes	4.47	Skill displayed, with a little training required
2.the capacity to implement Flexible Learning Modality under Online Learning Approach	4.45	Skill displayed, with a little training required
3.sufficient pedagogical knowledge	4.38	Skill displayed, with a little training required
<b>D.2. Modular Instruction</b>		
3.the ability to develop modules	4.40	Skill displayed, with a little training required
4.the ability to develop activity sheets	4.39	Skill displayed, with a little training required
5.the capacity to manage modular instruction	4.37	Skill displayed, with a little training required
6.the capacity to implement Flexible Learning Modality under modular instruction approach	4.34	Skill displayed, with a little training required
<b>D.3 Assessment of Learning</b>		
3.the ability to develop modules	4.40	Skill displayed, with a little training required
4.the ability to develop activity sheets	4.39	Skill displayed, with a little training required
5.the capacity to manage modular instruction	4.37	Skill displayed, with a little training required
6.the capacity to implement Flexible Learning Modality under modular instruction approach	4.34	Skill displayed, with a little training required
<b>D.3 Assessment of Learning</b>		
7.the capacity to manage assessment of learning in modular delivery of instruction	4.38	Skill displayed, with a little training required
8.the capacity to manage assessment of learning in online delivery of instruction	4.34	Skill displayed, with a little training required
<b>Grand Mean</b>	<b>4.39</b>	<b>Skill displayed, with a little training required</b>
<b>Overall Mean</b>	<b>4.44</b>	<b>Skill displayed, with a little training required</b>

Legend: 1.00-1.49 = No knowledge/skill

1.50 -2.49 = Low knowledge/skill but considerable training required

2.50-3.49 = Average knowledge/skill but training required

3.50-4.49 = High level of knowledge/skill displayed, with a little training required

4.50-5.00 = Extremely knowledgeable/skilled – no/very little training required



In general, educators who responded to the needs assessment questionnaire perceived that the faculty in their institution have the skill but still need training on the identified topics from cyber literacy, safety, social/emotional literacy, and flexible learning modality (Table 2). However, based on the mean, creating and maintaining blogs or websites, creating database and managing stress, and controlling impulses got the lowest means of 4.01, 4.21, and 4.21 respectively. Thus, training may focus on these areas.

Furthermore, the respondents also listed several seminar topics that they want to have trainings or seminars. These include use of other technology tools, use of BLACKBOARD, handling students with difficulty in flexible learning, Collective Resiliency in Academics: A New Normal Perspective and flexible learning instructional design continuous improvement.

In conclusion, the result of the survey revealed that the following areas may be the focus of the future trainings for faculty members of HEIs in Cavite:

- maintaining blogs or websites
- creating database
- managing stress and controlling impulses

Other trainings may also be based on the listed topic of the respondents which include the use of other technology tools, use of BLACKBOARD, handling students with difficulty in flexible learning, Collective Resiliency in Academics: A New Normal Perspective and flexible learning instructional design continuous improvement.

Based on these results, several training have been started for faculty members of HEIs in Cavite such “Adapting to Change and Uncertainties in the New Normal and Beyond: Strengthening Educators’ Mental Health”, “Braving the New Normal: Embracing Realities... Caring for Well-Being” and “Legally Protecting the Academe in the Time of Pandemic.

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## **Relationship of External and Internal Factors to Organizational Performance of Service of Fast-Food Business Restaurants in Paseo De Sta. Rosa**

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### **Abstract**

**T**he study aimed to evaluate and analyze the external and internal factors that affect fast-food business restaurants in Paseo De Sta. Rosa, Philippines and determine their relationship to organizational performance of service. Data from 60 respondents were gathered using descriptive research. The demographic profile included the respondents' gender, age, and educational attainment. The study used descriptive-nonparametric correlation statistics to analyze data. Majority (51 or 85%) of the respondents were frontline workers ranging between 20-30 years old and (9 or 15%) were managers ranging between 30-40 years old. The internal factors were perceived to be very good considering mission and objectives, firm's size, physical resources and technological, quality of human resource, and product/service. Based on the findings, external factors such as economic, political-legal, suppliers of input, firm's network, competitors, and customers were perceived to be good considering the length of service of the selected fast-food restaurants. The level of organizational performance of service was perceived to be high considering employee relations, employee productivity, organizational management, and customer satisfaction. Employee relations and customer satisfaction were the best predictors for organizational performance of service. There was a strong positive relationship of external and internal factors to organizational performance of services.

**Keywords:** *fast-food, internal and external factors, organizational performance of service*

Fast-food is a type of quick service premise that serves fast-food cuisine and provides no table service, although it may supply available seating area with table for customers (Payne, 2014). Food served in fast-food restaurants is typically prepared in large quantity and generally at a reduced price ahead of time and kept warm or cold until purchased and served to the customer for take-away. Payne (2014) also mentioned that fast-food restaurants commonly belong to a franchise or restaurant chain, generally that uses standardized foods, flavor, cooking methods and/or partially prepared produces which are distributed to each restaurant from the central supply network to avoid the handling costs, preparation time, and to make sure the guarantee of the consistency of the product quality is kept.

Fast-food is very common in the Philippines as well as all around the world; these fast-food shops can range from cafes, Chinese food, and franchises such as McDonalds, Burger King, KFC, Pizza Hut, Subway, and many more. Fast-food may differ from one another based on the food they offer and the customer service, although it is considered the environment in which they are catering and how they must formulate their marketing strategies to attract more customers and to retain the existing ones under the conditions or factors influencing on the organizational performance.

The factors close to the organization that affect its ability to serve its customers are the internal factors (Kotler et al., 2004). These factors include the mission and objectives, firm's size, physical and technological resources, quality of human resource, product/service, etc.

The external factors, on the other hand, involve forces that affect the whole business (Kotler et al., 2004). These are factors in which the organization has no control upon. They can be as follows: economic, political-legal, suppliers of input, firm's network, competitors, customers, etc.

Literature revealed that modern fast-food industry relied highly on standardized methods, procedures, and production techniques that are mainly utilized on soft technology and require less skills (Funnell & Rogers, 2011). Numerous research studies have indicated that by the use of the simplicity of the service, as well as the uniformity in terms of content and preparation, consistency of quality and value, and standardization of procedures are the fundamental parts of the success of many fast-food restaurant outlets and the fast-food industry as a whole (Croslin, 2010; Funnell & Rogers, 2011; Hogan, 1999; Tannock, 2001). Chandrasekar (2011) argued that an organization needs to pay attention to create a work environment that enhances the ability of workers to become more productive to increase profits for the business.

One of the most important aspect of organizational performance of service is the identification of the strategic marketing environment (Kotler et al., 2004). This includes the actors and forces outside and inside the organization that influence the performance of service of fast-food business restaurants.

Previous studies have noted that the economic and cultural environment (Alon & MacKee, 1999) are important factors in the survival of fast-food business. According to Burton and Cross (1995), the political environment of a country cannot be undermined as it is equally critical in the survival of the fast-food business organization. Hollensen (2011) have stated that some of the external factors that can affect fast-food businesses are socio-cultural distance, country risk and demand, uncertainty, law and regulation, market size and growth, geographical distance, direct and indirect trade barriers, and competitive environment.



According to studies, some of the internal factors to consider include firm's size, international experience, the product service, and the firm's network. Hollensen (2011) identified internal factors a firm needs to consider as how big the company is (company size), how long they have operated in foreign markets (international experience), how easy it is to use the product (product complexity) and if the product is different from others in the market (differentiation). A firm's ability to acquire and exploit resources from their local networks is also identified as an important factor as well (Chetty & Agndal, 2007).

This study evaluated and analyzed the external and internal factors that affect fast-food business restaurants at Paseo De Sta. Rosa, Philippines and determined their relationship to organizational performance of service. The research paper addresses the influence of external and internal factors on fast-food business restaurants at Paseo De Sta. Rosa and determine their relationship to organizational performance of service.

## **Methodology**

### **Research Design**

The study utilized descriptive-nonparametric correlation research design. It attempts to describe and explain conditions of the present by using questionnaires to fully describe phenomena. Descriptive research is also used to obtain information concerning the current status of a given situation. This approach is suitable for this study, since the study intended to collect comprehensive information through descriptions which was helpful for identifying variables.

### **Population and Sampling Technique**

The study was conducted among workers of the different fast-food business outlets in Paseo de Sta. Rosa. Data were gathered from 60 respondents among the selected fast-food business restaurants. Majority (51 or 85%) of the respondents were frontline workers ranging between 20-30 years old and (9 or 15%) were managers ranging between 30-40 years old. Many of the managers have been serving the organization for more than 3 years.

### **Instrumentation**

The study used a self-constructed survey questionnaire. The questionnaire was divided into three parts: questions related to demographic profile of the respondents, internal and external factors, and organizational performance of service. All respondents were asked to place a check mark on the question that best described their perception about external and internal factors, and the organizational performance of service of their fast-food restaurants utilizing five-point Likert Scale criteria.

### **Analysis of Data**

The analysis of gathered data were conducted through the Statistical Packages for Social Sciences (SPSS) computer software program for statistics. Frequency and percentages, standard deviation and mean were utilized to analyze and determine the relationship of external and internal factors to the organizational performance of service. The demographic profile included respondents' gender, age, and educational attainment.

Table 1 shows the demographic characteristics which included respondents' gender, age, and academic attainment. Majority (38 or 63.33%) of the respondents were female and 22 (36.67%) were male. Considering educational attainment, majority of respondents were undergraduate college students, and all managers were college degree holders.

Table 1. *Demographic Profile*

Gender	Frequency	Percent	Respondents	Age
Valid Male	22	36.67	Frontliner Worker	20-30
Female	38	63.33	Managers	30-40
Total	60	100.0		

### Ethical Considerations

Consent was acquired from the respondents prior to the conduct of the study. The gathered data were observed and treated with utmost confidentiality to keep anonymity of the respondents. Voluntary participation was also ensured.

### Results and Discussion

Results of the gathered data were presented in a clear and concise form, out of 60 questionnaires distributed to the selected restaurants all were completed, respondents were not required to write their names nor was the name of the company disclosed.

Results in Table 2 showed that the respondents perceived the external factors that affect fast-food restaurants as follows: a group of employees *agree* and interpreted as *good* to the economic and political-legal, whereas another group of employees perceived to *strongly agree* and responded *very good* to suppliers of input, firm's network, competitors' and customers. Majority of the respondents strongly agree on their perception and the overall rating of external factors is interpreted as *very good*. The level of organizational performance of service is therefore measured base on the influence of many of these factors which is predicted to be *high*. The average mean respectively was determined to be 3.59 interpreted as *very good*.

Table 2. *External Factors*

External Factors	Mean	Scale Responses	Descriptive Interpretation
Economic	3.15	Agree	Good
Political-Legal	3.09	Agree	Good
Suppliers of Input	3.89	Strongly Agree	Very Good
Firm's Network	3.68	Strongly Agree	Very Good
Competitors	3.77	Strongly Agree	Very Good
Customers	3.97	Strongly Agree	Very Good
Overall Mean	3.59	Strongly Agree	Very Good

Legend: *Very Low* = 1.00-1.80; *Low* = 1.81-2.60; *Moderate* = 2.61-3.40; *High* = 3.41-4.20; *Very High* = 4.21-5.00

Analysis in Table 3 shows that all respondents *strongly agree* on their perception about the internal factors that affect fast food restaurants at Paseo De Sta. Rosa; the result was interpreted as *very good* for all their choices; the overall rating of internal factors is

determined as very good. Based on the respondents' comments, other factors that affect the organizational performance of service were also clearly identified: the business location that may consider a place which must be convenient as an area to be with high number of customers. The average mean is 3.86 interpreted as very good.

Table 3. *Internal Factors*

Internal Factors	Mean	Scale Responses	Descriptive Interpretation
Firm Size	3.55	Strongly Agree	Very Good
Mission and Objectives	4.20	Strongly Agree	Very Good
Physical resources and Technological	3.89	Strongly Agree	Very good
Quality of Human Resource	3.68	Strongly agree	Very good
Product/Service	3.98	Strongly Agree	Very Good
Overall Mean	3.86	Strongly Agree	Very Good

Legend: Very Low = 1.00-1.80; Low = 1.81-2.60; Moderate = 2.61-3.40; High = 3.41-4.20;

Very High = 4.21-5.00

Table 4 indicates that the employees perceived the organizational performance of service from four indicators. They strongly agree that employee relations, organizational management, employee productivity, and customer satisfaction were the best predictors for organizational performance of service. The result is interpreted as high which means that the employees are highly satisfied with their work environment given the very good conditions, and the customers are highly satisfied given high performance of service. These predictors on organizational performance of service shape opportunities and pose greater expectations to the business performance of service. In fact, these are factors over which an organization has control upon in such a case that they simply have to learn to adapt to changes otherwise they will face several survival problems and difficulties to run the business and the day-by-day operations. The overall rating of organizational performance is high, with an average mean of 4.08.

Table 4. *Organizational Performance of Service*

Indicators	Mean	Scale Responses	Descriptive Interpretation
Employee Relations	4.39	Strongly Agree	High
Organizational Management	3.90	Strongly Agree	High
Employee Productivity	3.99	Strongly Agree	High
Customer Satisfaction	4.05	Strongly agree	High
Overall Mean	4.08	Strongly Agree	High

Legend: Very Low = 1.00-1.80; Low = 1.81-2.60; Moderate = 2.61-3.40; High = 3.41-4.20;

Very High = 4.21-5.00

In Table 5, the results of the correlation show that there is a positive relationship between the external factors that affect the fast-food business restaurants and the organizational performance of service. There is no significant difference in the level of fast-food business restaurants' performance of service, the test of significant difference was

done in employee relations and customer satisfaction considering the length of service of the selected fast-food business restaurants, the test determined that respondents with 1-2 years of service perceived the level of organizational performance of service in employee relations and customer satisfaction higher over those respondents with 3-4 years of service. The test of significant difference was done in organizational management and employee productivity considering educational attainment of the respondents. The result revealed that undergraduate respondents perceived the level of organizational performance of service in organizational management and employee productivity higher over those college degree holder respondents. These results imply that as long as external factors affect positively the fast-food business organizations in Paseo De Sta. Rosa and the organizational performance of service indicators are carried out well, the better will be the business restaurants operations, the success and the fast-food business industry as a whole.

Table 5. *Correlation of External Factors and Organizational Performance of Service*

	ER	OM	EP	CS
Economic	.589**	.546**	.572**	.822**
Political-Legal	.635**	.554**	.552**	.746**
Suppliers of Input	.564**	.453**	.538**	.698**
Firm's Network	.456**	.635**	.484**	.567**
Competitors	.756**	.629**	.522**	.623**
Customers	.732**	.842**	.762**	.842**

\*\* Correlation is significant at the 0.01 level (2-tailed)

ER- Employee Relations                      OM- Organizational Management  
EP- Employee Productivity                  CS- Customer Satisfaction

Results in Table 6 also revealed that there was a *positive relationship* between correlation analysis of internal factors and organizational performance of service. The test of significant difference was done in employee relations, organizational management, employee productivity and customer satisfaction as indicators for organizational performance of service. The analysis shows that there was *no significant difference* in the level of organizational performance of service and the result was perceived to be *high*.

Table 6. *Correlation of Internal Factors and Organizational Performance of Service*

	ER	OM	EP	CS
Firm's Size	.523**	.537**	.638**	.710**
Mission and Objectives	.772**	.683**	.514**	.626**
Physical Res. and Tech.	.695**	.564**	.541**	.594**
Quality of H. Resource	.753**	.693**	.536**	.655**
Product/Service	.832**	.742**	.615**	.711**

\*\* Correlation is significant at the 0.01 level (2-tailed)

ER- Employee Relations                      OM- Organizational Management  
EP- Employee Productivity                  CS- Customer Satisfaction

The individual level of organizational performance of service according to the respondents' perception given the external and internal factors that affect fast-food business

restaurants was measured according to the respondents' feelings. The perception of a strong positive relationship of external and internal factors to organizational performance of service is felt from all respondents. Analysis revealed that the predictors of organizational performance of service are determined by employee relations, organizational management, employee productivity and customer satisfaction. From these factors, the result determined that employee relations and customer satisfaction emerged to be the best predictors.

The results in Table 7 showed that the overall performance of service was perceived to be *very good*, employee relations and customer satisfaction are the best predictors for good performance of service, the mean and standard deviation were computed ( $M = 3.94$ ,  $SD = 0.99$ ) for employee relations and ( $M = 3.83$ ,  $SD = 0.95$ ) for customer satisfaction, respectively. Based on the respondents' feelings and comments, results also revealed that other indicators are put in place to attain the goals and objectives in some of the fast-food business restaurants, such as how to set up criteria for performance measurement, how to provide more training to workers, how to cope with the challenges in the local government area, and the dimension of delivery of goods; the respondents perceived these service *very good* as a performance indicator that would enhance the lifestyle and quality service performance of fast-food business industry.

Table 7. Overall Level of Performance of Service of Fast-Food Restaurants

Performance of Service	Mean	SD	VI	CS
Employee Relations	3.94	0.99	Very Good	.710**
Organizational Management	3.78	0.89	Very Good	.626**
Employee Productivity	3.81	0.95	Very Good	.594**
Customer Satisfaction	3.83	0.95	Very Good	.655**
Overall Mean	3.84	0.94	Very Good	.711**

SD – Standard Deviation, VI – Very Good

The organizational performance of fast-food business restaurants in Paseo De Sta. Rosa was perceived to be very good and interpreted as high, as shown in Table 2. The external factors were clearly identified and analyzed according to respondents' perceptions. The average mean was determined to be 3.59 interpreted as very good. Correlation between the external factors and organizational performance of service showed strong result for the correlation coefficients ( $r$  value) in Table 5. The way of interpreting the data in Table 5 is by the computation of the correlation of determination ( $r^2$ ). Computing correlation of determination is to determine the square value of  $r$  (correlation coefficient). In such a case, for example, the correlation of determination of suppliers of input and employee relations is .3181 ( $.564 * .564$ ). This result is translated into percentage and it can be interpreted to as 31.81% of variance in supply. The discussion of the results in Table 5 was based on the correlation between the dimensions of external factors and the organizational performance of service. To determine the correlation of determination the value can be interpreted to mean as follows:

1. Economic indicator accounted: (a) 34.69% of the variance in employee relations; (b) 29.81% of the variance in organizational management; (c) 32.72% of the variance in employee productivity; and (d) 67.57% of the variance in customer satisfaction.

2. Political-Legal accounts: (a) 40.32% of the variance in employee relations; (b) 30.69% of the variance in organizational management; (c) 30.47% of the variance in employee productivity; and (d) 55.65% of the variance in customer satisfaction.
3. Suppliers of Input accounted: (a) 31.81% of the variance in employee relations; (b) 20.52% of the variance in organizational management; (c) 28.94% of the variance in employee productivity; and (d) 48.72% of the variance in customer satisfaction.
4. Firm's Network accounts: (a) 20.79% of the variance in employee relations; (b) 40.32% of the variance in organizational management; (c) 23.42% of the variance in employee productivity; and (d) 32.15% of the variance in customer satisfaction.
5. Competitors accounted: (a) 57.15% of the variance in employee relations; (b) 39.56% of the variance in organizational management; (c) 27.25% of the variance in employee productivity; and (d) 38.81% of the variance in customer satisfaction.
6. Customers accounted: (a) 53.58% of the variance in employee relations; (b) 70.89% of the variance in organizational management; (c) 58.06% of the variance in employee productivity; and (d) 70.89% of the variance in customer satisfaction.

The results in Table 6 was also discussed based on the correlation between internal factors and organizational performance of service. The value of correlation of determination can be determined as follows:

1. Firm's Size accounts: (a) 27.35% of the variance in employee relations; (b) 28.84% of the variance in organizational management; (c) 40.70% of the variance in employee productivity; and (d) 50.41% of the variance in customer satisfaction.
2. Mission and Objectives accounted: (a) 59.60% of the variance in employee relations; (b) 46.65% of the variance in organizational management; (c) 26.42% of the variance in employee productivity; and (d) 39.19% of the variance in customer satisfaction.
3. Physical Resources and Technological account: (a) 48.30% of the variance in employee relations; (b) 31.81% of the variance in organizational management; (c) 29.27% of the variance in employee productivity; and (d) 35.28% of the variance in customer satisfaction.
4. Quality of Human Resource accounts: (a) 56.70% of the variance in employee relations; (b) 48.02% of the variance in organizational management; (c) 28.73% of the variance in employee productivity; and (d) 42.90% of the variance in customer satisfaction.
5. Product/Service accounted: (a) 69.22% of the variance in employee relations; (b) 55.05% of the variance in organizational management; (c) 37.82% of the variance in employee productivity; and (d) 50.55% of the variance in customer satisfaction.



Variance in the overall organizational performance of service accounted: (a) 66.42% of the variance in employee relations; (b) 62.52% of the variance in organizational management; (c) 57.03% of the variance in employee productivity; and (d) 69.03% of the variance in customer satisfaction.

The organizational performance of service of the fast-food business restaurants in Paseo de Sta. Rosa is *high*. The identification of external and internal factors can present risk (threats), and/or opportunities regarding food safety. For such a case they can be brought under the control of the business through planned activities. Managers and team members had good knowledge and understanding of the external and internal factors that affect the organizational performance of service of fast-food business shops in Paseo de Sta. Rosa. There was a *strong positive relationship* between external and internal factors to organizational performance of service.

There were other aspects that did receive adequate concern among the different fast-food restaurants which influence the performance improvement of service such as personnel to assume responsibility on the task delegated to them, adequate concern to the external and internal factors, etc. On the basis the findings, fast-food businesses should continue to keep high performance of service, pay particular attention to problems and gaps that have greater impact on organization and put more resources on the most vulnerable areas to cope up with challenges.

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## The Impact of Computerization on Financial Reporting Practices: The Perspectives of International Non-Government Organizations

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### Abstract

**I**t has become paramount for providers of funds for non-governmental organizations globally to require and request receivers of the funds to report financially. Financial reporting practices typically carry information and are shown in the income statement or statement of performance, statement of position, cashflow statement, funding sources, and statement of disclosure. Hence, this study investigated the impact of computerization on financial reporting practices of the six registered international non-governmental organizations in Ghana. The study used a correlational research design and applied bivariate analysis in SPSS version 23 on self-constructed questionnaires with Cronbach Alpha of 0.78 for computerization and 0.82 for financial reporting practices. The results of the study showed that there is a highly significant positive relationship between computerization and financial reporting practices ( $r = .851$ ,  $p = 0.032$ ). The study confirmed that most of the international non-governmental organizations in Ghana are consistently receiving funding due to the proper computerization systems they have, which have aided their financial reporting practices that funders require. The study recommends that local non-governmental organizations computerize their accounting and financial reporting processes.

**Keywords:** *computerization, financial reporting practices, international non-government organizations*

For suppliers of funds to non-profit and non-governmental organizations worldwide, it has become necessary to require and request financial reporting from the recipients of the funds. Financial reporting activities usually bear details which are shown in the performance statement, statement of position, statement of cashflow, sources of funding, and statement of disclosure. The qualitative characteristics based on conceptualized financial reporting practices must be relevant, understandable, verifiable, timely and comparable, as reported by the International Financial Reporting Standard (IFRS) Foundation (2015). This is essentially what is expected at present by non-profit (NPO) or non-governmental organizations (NGOs).

The ongoing financial downturn in the global economy has imposed a burden on non-profit organizations due to limited resources, as aspirations and needs for non-profit organizations are growing. As a result, both within and outside the organization, multiple stakeholders expect non-profit organizations to illustrate and report on the efficient and meaningful economic use of funds. The scale of the non-profit sector is undeniably high in both developed and developing countries. It is estimated that there are approximately 870,000 organizations in the sector in the United Kingdom, with a total contribution of about £116 billion to the UK economy. At the end of 2011, there were over 161,000 registered charities with gross profits in excess of £55.8 billion in England, Scotland and Northern Ireland and Wales alone-potentially over 250,000 charities. There were about 1.1 million charities in the US at around the same time, with sales of over \$1.51 trillion in 2012, 85,000 registered charities in Canada, 60,000 in Australia and over 26,717 charities in New Zealand. It is estimated that there are between 1 and 2 million charities in developing economies such as India, China, Nigeria , Ghana, and Pakistan (Crawford , 2014).

With the astronomical growth of the number of non-profit organizations (NPOs) in the world's developing economies and in sub-Saharan Africa, like Ghana, there has been a growing question about the practice of financial reporting. Accountability and Social Accounting for Social and Non-Profit Organizations (2014) argue that as their position grows, there is renewed interest in the world and an emphasis on non-profit organizations. This requires that financial transactions be adequately documented and published to meet the expectations of potential and current stakeholders and gain further funding. Various types of funders ask non-profit organizations for data on appraisal and performance evaluation. From the input they get, the stakeholders build their trust and faith in the structures (Henisz, 2017).

To ensure fair presentation and full disclosure of funds and activities, NGOs are required to demonstrate that their practice of financial reporting assure uniformity, ease of interpretation and fulfillment of generally accepted accounting principles. Their compliance with related legal and contractual requirements must be determined and demonstrated (Bryce, 2017). In a survey done by Crawford et al. (2014) among 605 individuals engaged in financial reporting by non-profit organizations in at least 179 countries, 72% indicated that they felt it would be useful to provide international standards for non-profit financial reporting.

The effect of computerization helped by the accounting system on financial reporting was examined by Murungi and Kayigamba (2015) at the Ministry of Local Government of Rwanda. According to the findings, 98% of respondents admit that the Ministry uses both cash-based and accrual-based computerized accounting systems, 38% accepted that

transparency is improved by computerized accounting, while 31% say that timely financial statements are given by the system. The study advised that financial and accounting workers should be routinely and continuously trained by licensed software dealers to remain well acquainted with the knowledge and expertise of the package for improved updates and versions of accounting packages.

Until recently, when the dissertation by Hagan (2019) looked at the financial management of NGOs in Ghana, little information is available in literature on the subject of financial reporting and computerization. This research has established a knowledge gap to resolve the problem of financial reporting as impacted by computerization from the perspective of international NGOs in Ghana .

In Ghana, a survey of the relationship between computerized accounting and financial reporting practices in rural banks was carried out by Opoku-Ware (2015). The researchers used 70 respondents at rural banks from three selected branches. The results of the study showed that a positive relationship existed between the art of financial reporting and computerized accounting.

A mixed-method analysis was carried out at Stanbic Bank, the Garden City Branch, by Amongin (2015). Fifteen respondents were used by the researchers. The study determined that the quality of the financial reports is highly affected by the computerized accounting system and that a lot of financial statements were produced. The results showed that the variables ( $r = 0.861$ ,  $p > 0.01$ ) were significantly positive, which means that Stanbic Bank of Uganda is closely linked to computerized accounting and financial reporting. To run the enterprise, the computerized accounting system is of great importance, but is also associated with its own drawbacks that impede the efficiency of the enterprise. It is advisable to use a computerized accounting system with a clear tradition.

The impact of the computerized accounting system on the financial report in the Ghana stock exchange banks was analyzed by Sekyere et al. (2017). The research findings showed that the financial reporting practices in Ghana are closely linked to the computerized framework of the listed banks. The study also found that most banks in Ghana operate a completely computerized financial reporting system in which the standard of financial reporting remained timely, reliable and precise because of their computerized accounting system. The study indicated that banks concentrate heavily on workers education to satisfy the bank's technical knowledge needs.

The relationship of computerized accounting systems with the financial reporting practices of small and medium enterprises has been explored in a study conducted in Sri Lanka by Shiraj (2015). The results of this analysis found a substantial effect on the quality of financial reporting in the computerized accounting system. The results showed a strong positive relation among the variables ( $r = 0.741$ ,  $p > 0.000$ ), which means that SMEs in the South Eastern area of Sri Lanka have a computerized accounting and financial reporting system. The study shows that knowledge of the influence of computerized accounting systems in financial reporting is highly important and can be used by SMEs in order to establish successful strategies for future efficient delivery of financial reports.

The capital-labor complementarity theory states that the expense of workplace computerized by the individual business is greatly reduced (Blaug, 1997; Hamermesh, 1996). Due to the huge decrease in labor supply, the general income of capital investments has decreased dramatically because increased capital inputs do not cover the

much bigger decrease in labour. In addition, capital is a complementary factor. Hence, the organization, by replacing a large number of workers by a single computer, is improving its future advantage.

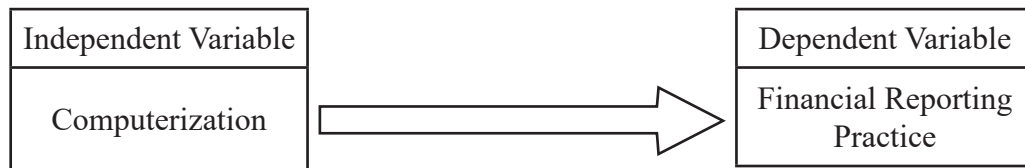


Figure 1. *Research Paradigm of Computerization Impact on Financial Reporting Practices*

## Methodology

### Research Design

The study used a correlational research design. The study applied a correlational design because as shown in Figure 1, it seeks to find the impact of computerization on financial reporting quality.

### Population and Sampling Technique

Based on the data found on Schooleen Team website, there are six international registered NGOs in Ghana. The total employees working at the accounts or finance departments were 57 and based on Yamane's (1967) formula the sampled populations who were randomly sampled to answer the questionnaires were 50.

### Instrumentation

The research questionnaire items were self-constructed questionnaires with Cronbach Alpha of 0.78 for computerization and 0.82 for financial reporting practices. The instrument items were based on the literature review.

### Data Analysis

This is a quantitative research and applied inferential statistics. The study applied bivariate analysis in SPSS version 23 to address the research question and the null hypothesis below:

1. Is there a significant relationship between computerization and financial reporting practice?
- H<sub>0</sub>: There is no significant relationship between computerization and financial reporting practice.

### Ethical Consideration

The researchers applied ethical consideration in protecting the respondents confidentiality and anonymity responses. The respondents did not obtain any monetary benefit.

## Results and Discussion

The study findings in seeking the relationship between computerization and financial reporting practice among international non-governmental organizations in Ghana have revealed that there is a high positive significant relationship between computerization and financial reporting practice ( $r = .851$ ,  $p = 0.032$ ) as shown in Table 1.



Table 1. *Correlate of Computerization and Financial Reporting Practice*

Computerization	Financial Reporting Practice	
	Pearson Correlation	
	Sig. (2-tailed)	0.032
	N	50

\* Correlation is significant at the 0.05 level (2-tailed).

The result showed that there is a positive influence of computerization on the financial reporting practice of international non-governmental organizations in Ghana. This high positive impact of computerization has aided the relevance, understandability, reliability, timeliness and comparability of financial information given by these international NGOs. The implication is seen in the constant funding that the international NGOs receive as compared to the local NGOs in Ghana who have not fully computerized their accounting systems in order to give quality reports to funders which are relevant, understandable, reliable, timely and comparable. The findings of this study is strongly supported by the studies of Amongin (2015), Opoku-Ware (2015), Sekyere et al. (2017), and Shiraj (2015) as discussed in the literature. The study recommends that local non-governmental organizations computerize their accounting systems to ensure a positive financial reporting practice which donors now require.

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## **Influence of Academic Branding on Financial Sustainability of Private Educational Institutions as Moderated by Institutional Profile**

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### **Abstract**

**T**he study addressed the financial sustainability challenges of private educational institutions by investigating the influence of academic branding. A quantitative research approach was adopted. Data consist of adapted and modified questionnaire. The study made use of descriptive and parametric inferential statistics to analyze and interpret the data collected from randomly selected 302 private schools. Results showed a *highly, significant positive correlation* between academic branding and financial sustainability. Academic branding predicted 55.2% of financial sustainability of private educational institutions. There was *no significant difference* on financial sustainability when institutional type and years of existence were considered. Institutional type did not moderate the relationship between academic branding and financial sustainability. Years of existence, however, had a *small negative moderating effect* on the relationship between academic branding and financial sustainability. The findings have implications for efficient and effective resource allocation on brand equity strategies that harness institutional revenue base for financial sustainability.

**Keywords:** *academic branding, financial sustainability, institutional profile, private educational institutions*

Financial sustainability challenges facing educational institutions around the world continue to reverberate. The problem of financial sustainability of educational institutions, especially private ones, limits the achievement of institutional missions, which seek to deliver top-notch education and provide opportunities for learners to harness their full potential in various disciplines. Global developments in education show that educational institutions are presently facing severe financial challenges as costs continue to increase significantly amidst dwindling enrollment (Marginson, 2017; Siraj et al., 2016).

In the United States of America, many private educational institutions have closed as a result of dwindling enrollment and mounting deficits (Afriyie, 2015; Eide, 2018; Wu, 2017). Atlantic Union College, the first Adventist College in the United States of America established in 1883, closed in August 2011 due to financial challenges (Afriyie, 2015). Wu (2017) cites the closure of Burlington College, a private educational institution, as a result of financial crises. On average, over 100 private educational institutions closed within eight years from 2004 to 2012 as a result of financial sustainability challenges. This collapsing trend made Clayton Christensen, Harvard Business School Professor, predict that 50% of private educational institutions will collapse by 2028 as many struggle financially (Horn, 2018).

In Malaysia, educational institutions, whether public or private, are considering other means of generating income for financial or self-sustainability (Mujani & Yaakub, 2017) because of a reduction in state support in funding education. The income generation measures are expected to address the financial sustainability challenges of educational institutions and help open the economic floodgate with rising power and development.

Private educational institutions in the Philippines seek assistance to remain financially sustainable (Serafica, 2018). This request prompted the government to recently implement a P16-B [16 billion pesos (approximately \$308,000,000 as of June 2018)] subsidy for tertiary educational institutions to help them stay sustainable (Mateo, 2018). However, according to Ramirez-Cohn (2017), though the government of President Rodrigo Duterte has implemented P16-B to support both public and private tertiary institutions, the Commission on Higher Education (CHED) considers that the no-tuition policy could lead to a considerable exodus of students from private higher education institutions to the public ones which may exacerbate the financial crisis in private educational institutions. This assertion indicates that the financial sustainability issues of the Filipino private educational institutions may continue to linger.

The above phenomenon is not different in Brazil, where private higher educational institutions have been experiencing crises since 2015 as a result of financial challenges (de Jesus & Dubeux, 2018). The situation, according to the researchers, has resulted in mass redundancies of teachers, cuts in wages and other challenges ranging from instructional quality, recruitment of qualified faculty, accreditation successes, and institutional flexibility.

In Africa, private tertiary institutions in Kenya face varied financial difficulties, which serve as limiting factors in their operational activities (Mugo & Ngahu, 2015). The researchers observed that various educational institutions have folded-up entirely as a result of their inability to support themselves financially. University managers recently warn that Kenya's public universities will be shut down due to rising debts as universities owe more than Sh7 billion in agency fees and another Sh4 billion in salary arrears [approximately \$68,000,000 and \$39,000,000 respectively (as of March 2020)] (Oduor, 2018).

In Nigeria, Ahmed (2015) observed that tertiary institutions, especially private ones, lack the resources that are expected to propel them to achieve their goals. These financial challenges, according to the researcher, deprived the educational institutions of meeting international standards of best instructional practices. The researcher further iterates that to enhance their financial sustainability and continue in business, educational institutions, private and public, should strengthen and diversify their income generation efforts.

In Ghana, private educational institutions appear to be highly unsustainable. This phenomenon is seen and heard in news headlines that have taken center stages in the Ghanaian media. Various captions such as private tertiary education near, over 100 private second cycle schools likely to collapse over free second cycle educational policy, many private universities in danger of collapsing, private universities face imminent collapse, Central University mandated to lay-off 40 percent of its staff due to financial sustainability challenges, among others, flood the various media platforms (Afful, 2019; Citifmonline, 2018; Citinewsroom, 2019).

The survival and growth of private educational institutions are under threat. Many of them have ceased infrastructural works and developments, reduced staff salaries, delayed payment of reduced salaries, delayed routine maintenance schedules, reduced research activities, and, eventually, laid-off staff as a result of the extreme financial hardships (Addo, 2018; Akwah, 2018; Ferdinand, 2020).

The issue of dwindling enrollment and financial crises besetting private educational institutions is widespread. Non-public education is one of the most dynamic and fast-growing ventures in educational sector of world economies. These institutions have made significant impacts on nations' socio-economic development over the years. These achievements make their significance in providing quality services to the populace a considerable contribution (Yanka, 2017). Expansions of private educational institutions play vital roles in developed and developing economies as these expansions provide a decent education to harness the economic, social, and cultural development of society (Kharusi & Murthy, 2018).

Various studies have looked at the financial sustainability of institutions (Amegbe, 2018; Flowers, 2018; Natarajan et al., 2016; Ordinario et al., 2018; Varadarajan & Malone, 2018) and have affirmed that brand equity, among others, predict financial sustainability of educational institutions. None of the studies thought about the moderating effect of institutional profile on the relationship between academic branding and financial sustainability. The present study sought to address this research gap by ascertaining the influence of academic branding on financial sustainability as moderated by the profile of private educational institutions.

Therefore, having identified the research gap, this study incorporated a moderation study to help address the problem of the financial sustainability of private educational institutions by considering academic branding. Consequently, the research aimed to address the following questions:

- Is there a significant relationship between academic branding and financial sustainability?
- Is there a significant difference on financial sustainability when considering
  - institutional type
  - years of existence

- Does academic branding predict financial sustainability?
- Does institutional profile moderate the relationship between academic branding and financial sustainability?

**The null hypotheses of the study were:**

- 1: There is no significant relationship between academic branding and financial sustainability.
- 2: There is no significant difference on financial sustainability when considering:
  - institutional type
  - years of existence
- 3: Academic branding does not predict financial sustainability.
- 4: Institutional profile does not moderate the relationship between academic branding and financial sustainability.

Branding is, traditionally, linked with the identity of an organization's specific products and services, which stands out from the crowd and develops a reputation for reliability and high quality (Bart et al., 2019). These features provide the right incentives for organizations to maintain quality. Sammut-Bonnici (2015) considered brand and branding as tangible and intangible attributes planned to create knowledge and distinctiveness for building an institutional reputation in terms of product, service, person, or location. The function of branding and brand management deals with the creation of differentiation and predilection in the minds of present and prospective customers (Dogu & Vehbi, 2019).

The current state of high competition, demographic changes, expansion of internationalization, and limited to no financial assistance from governments have called for academic branding as part of the solution system for educational institutions to overcome their financial challenges and achieve their goals and objectives (Mondkar, 2017). Many academic institutions' reputation or attractiveness stay veiled to prospective students who seek to enroll in institutions with a known reputation (Dogu & Vehbi, 2019). In this regard, educational institutions have realized the need to develop sustainable academic branding to differentiate the provision of their services and stay visible for competitive advantage because considerable competition for students exists in the marketplace as institutions compete for students (Feliciano, 2015).

Varadarajan and Malone (2018) believed that academic brands are assets because educational institutions relay on branding to help recruit students and source for donations. The researchers asserted that establishing brand image and identity calls for strategic marketing because declining numbers of prospective students increase competition among educational institutions as baby boomers age out of the education market.

Academic branding, according to Gilani (2019), involved a planning process that requires educational institutions to identify and delineate their differentiating features such as name, mascot, colors, taglines, location, and compelling messages that attract students who, in recent years, shop with brand awareness. The researchers opined that growing competitions, both national and international, have compelled educational institutions to consider academic branding as a marketing tool in recruiting prospective students and retaining existing ones. In the absence of effective academic branding, an institution's image is not recognized, which is likely to lead to a downward trend in enrollment of students and a challenging effect on institutional revenue.



Farjam and Hongyi (2015) added that strong branding is one of the critical intangible assets of an institution that is likely to produce considerable monetary value. Educational institutions' branding manifests features that differentiate it from others, reflecting its ability to satisfy current and prospective students' needs and stimulate trust in its deliverables such that a mere mention of the name of the institution arouses positive emotions, images, and associations.

In this study, Aaker's brand equity dimensions: brand awareness [customers' ability to remember or recognize a brand from its photo-graphic symbol as a result of the strength of the brand's presence in customers' minds], brand quality [customers' perceptions about the supremacy of an institution's products or services as compared to others within similar categories or close substitutes], brand association [strength of a customers' positive outlook towards a brand in terms of emotional bond and long-term attachment], and brand loyalty [customers' trust and satisfaction of a competent brand] were considered (Drumond, 2017; Farjam & Hongyi, 2015; Narteh, 2018; Setyawan & Imronudin, 2015; Vazifehdost & Negahdari, 2018).

Wachira (2018) posited that financial sustainability involves an institution's ability to create sufficient funds to meet the cost of its current operations as well as future commitments without impairments in its future activities. An institution's financial sustainability shows whether it will be able to achieve its duties and attend to its stakeholders' expectations over time, measured by computing the surplus of revenues over expenses and the availability of cash to cater costs.

Esampally and Joshi (2016) noted that financial self-sufficiency indicates whether an institution earns sufficient operating revenue to cover total expenses. According to the researchers, the self-sufficiency ratio highlights the degree to which an institution's operational activities are covered by internally generated funds.

One of the signs of financial sustainability of educational institutions is enrollment (Seltzer, 2019). Accordingly, enrollment has become the bottom-line that determines financial sustainability because it is directly tied to institutional income and that a consistent trend that falls outside the targeted framework breeds survival difficulty. The researcher added that the decreasing trend in student enrollments cuts the primary revenue source of educational institutions.

Deal et al. (2019) asserted that educational institutions' budgets are typically designed to match expenditure with projected revenues based on the levels of enrollment. The researchers alluded that an institution that does not meet projected enrollment is a candidate for financial un-viability unless other revenue sources are generated to meet budget deficits. Enrollment trends, which have a crucial impact on the financial viability, must be tracked by management with full concentration because its consistent decline forces educational institutions to close (Capone, 2016).

The researchers note that enrolled students' yield describes students' enrollment trends, which can generate a considerable amount of revenues because of increases in enrollment, based on teamwork from management, aid in balancing financial strategies to increase enrollment revenues, which enhance the financial health of educational institutions.

Pavlov and Katsamakos (2019) noted that a decreasing trend in enrollment is equivalent to an operating deficit, especially at tuition-dependent educational institutions. They asserted that reductions in admissions and its resultant drop in income leads to annual

shortages, which may continue to escalate as troubled institutions seek outside finances through borrowing to finance operations, which inevitably increases operating expenses and affect financial sustainability as debts are repaid from the cycle of borrowings.

DiMartino and Jessen (2016) noted that enrollment is directly affected by the branding and marketing of an educational institution as they provide critical information to current and prospective parents and students in their decision-making process. The researchers asserted that prospective students might pass-by institutions with low marketing profiles because of inadequate branding, ineffective communication of vision, and making misleading assertions about the institutions, which may harm a school's financial health.

In a working paper that analyzed the long-term financial sustainability of tuition-based educational institutions as complex systems, Pavlov and Katsamakas (2019) asserted that a 20 percent drop in students' enrollment at Hampshire College in Amherst, United States, resulted in a reduction in revenue of 18.33% within five years, from \$60 million to \$ 49 million. The researchers, therefore, concluded that downward enrollment trends influence the long-term financial sustainability of educational institutions.

Without stable and growing enrollment levels, private educational institutions' revenue streams are constrained as these institutions depend on students' enrollment as a primary source of income. This situation calls for an assertive approach by institutional managers to ensure the stable supply of eligible students needed to maintain institutional vitality (Dunbar, 2018).

Amegbe (2018) studied internal branding and the competitive performance of private universities in Ghana and sampled 447 students studying at various private universities in the Greater Accra Region of Ghana. The study revealed that brand association and brand loyalty correlate positively with private universities' performance for financial sustainability. The study concluded that positive performance for the sustainability of private universities in Ghana depends on high students' loyalty and brand association. The study recommended for the management of private universities to re-examine their academic branding, internal and external, for sustainability.

Ordinario et al. (2018) studied the impact of advertising on the enrollment of senior high school and college students of Lyceum of the Philippines University (LPU), Laguna, for the 2016/2017 Academic Year. The study used a descriptive-quantitative research design and survey technique to gather data from 96 respondents. The study showed that print advertisements and word-of-mouth recommendations from friends influenced prospective students' decision to enroll at LPU, Laguna. The study concluded that brand quality and awareness influence psychographics of current and future students and recommended that educational institutions should consider brand awareness and brand quality as critical brand equity components for a more significant influence on enrollment and revenue.

Varadarajan and Malone (2018) explored branding strategies used by private international school leaders to enhance the educational brand in the Southern part of India. The study sampled and interviewed 15 participants using a semi-structured question on branding strategies. The study revealed that offering high functional value to students has a positive effect on academic brand loyalty and increased recognition. The study further revealed that brand loyalty and awareness promote word-of-mouth recommendations, which result in good enrollments leading to increased revenue for financial sustainability. The study concluded by calling on school leaders to effectively increase academic branding through social media and other technological tools to promote their brands daily.

Moreover, Flowers (2018) studied mastering branding application on the relationship between university branding and program enrollment at East Carolina University (ECU). The study gathered data from the College of Business undergraduate students. This study revealed that students had positive perceptions of the ECU MBA program brand, with a strong recognition of the brand, and displayed loyalty to the brand, ready to recommend the program brand to prospective MBA students. The study, therefore, called on educational institutions to expand their efforts through efficient branding to arrest dwindling enrollment trends for financial sustainability.

Natarajan et al. (2016) studied the relationship between internal branding, employee brand, and brand endorsement of educational institutions in India and the United States of America. The study used an online survey to gather data from 274 respondents from each country. The Structural Equation Simulation of Partial Least Squares (PLS-SEM) used to analyze the data revealed that internal branding influence employee's knowledge, commitment image, and institutional brand endorsement to enhance enrollment in both countries. The study, therefore, called on academic institutions to strengthen their internal branding activities to motivate employees to deliver the desired brand image to current and prospective students because efficient internal branding practices give educational institutions a competitive advantage and influence financial sustainability.

Institutions survive and operate into the foreseeable future as a result of various interactions with their environment, both internal and external, which make an institutional profile and the understanding of its relative effect on financial sustainability an important variable (Essel et al., 2019; Ibua et al., 2016).

Institutional profile, used as a moderator in this study, describes the institutional type, grouped under private tertiary schools and private secondary schools, and years of existence. The years of existence describes the period of operations, grouped into two categories; those which have been in existence below 16 years those above 16 years. Institutional differences loom on this study, and knowledge of each institution becomes vital as the schools may vary in type and period of operation. Studies have found that institutional profile influences the financial sustainability of institutions (Ibrahim, 2019; Lambinico, 2016).

The study is based on brand equity concept and economic rational choice theory, which are of relevance to customer choice. They affect the financial sustainability of educational institutions and link increased enrollment to financial sustainability (Amegbe, 2018; Ordinario et al., 2018; Pavlov & Katsamakas, 2019; Varadarajan & Malone, 2018;).

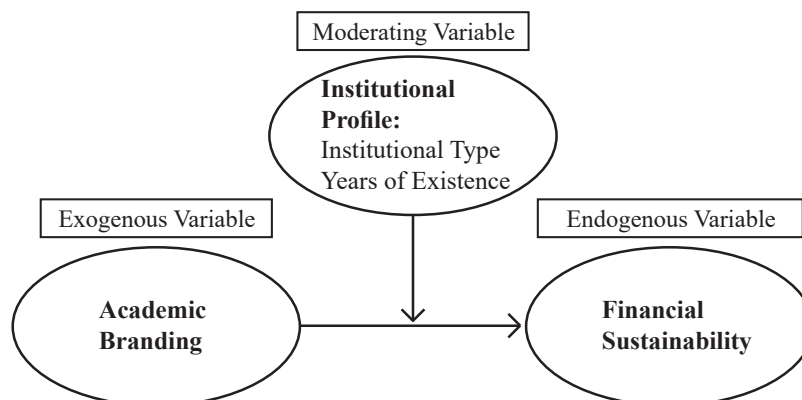


Figure 1. *Conceptual Framework*

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## Methodology

### Research Design

The study employed a descriptive correlational design and parametric inferential statistics to examine the influence of academic branding on financial sustainability.

### Population and Sampling Technique

The study was conducted among 302 private educational institutions randomly selected from a population of 451. Mahalanobis Distance (MD) was applied to remove data which were multivariate outliers. The outliers in the study were 34 respondents (11.26%). Out of the 268 institutions 131 (49%) had operated below 16 years and 137 (51%) above 15 years. There were 116 tertiary schools and 152 secondary schools.

### Instrumentation

The study used standardized questionnaire that were adapted and modified as the tool for collecting data. The questionnaire used 5-point Likert Scale and Vagias (2006) response anchors. Expert validators evaluated the validity of the research instruments. Academic branding and financial sustainability yielded Cronbach alpha of 0.780 and 0.855, respectively. In determining the strength of the relationship between the study variables, Cohen (1998) absolute correlation values, where  $r = .10$  to  $.29$  meaning small or low,  $r = .30$  to  $.49$  meaning medium or moderate, and  $r = .50$  to  $1.0$  meaning large or high, were used.

### Analysis of Data

The Pearson Product-Moment Correlation and Partial Least Square Structural Model (PLS-SEM) were used to determine the association between the variables and the moderating effect of institutional profile, respectively.

### Ethical Consideration

Ethical considerations were observed during the survey exercise. Participants were assured that the survey would not collect identifying information such as name, email address, or telephone numbers, which makes them and their data anonymous and confidential.

## Results and Discussion

The study aimed to assess the influence of academic branding on the financial sustainability of private schools and whether the profile of these institutions has moderating effect on the relationship. The results are presented in this section.

### Relationship Between Academic Branding and Financial Sustainability

The coefficient of Pearson Correlation was used to investigate the relationship between academic branding and financial sustainability, as shown in Table 1. There was a statistically high, significant positive correlation between the two variables,  $r = 0.743$ ,  $n = 268$ .  $p = 0.000$ .

Table 1. *Relationship Between Academic Branding and Financial Sustainability*

		Financial Sustainability
Academic Branding	Pearson Correlation	.743
	Sig. (2-tailed)	.000
	N	268

The results imply that the better an educational institution's brand equity in terms of brand awareness, brand quality, brand affiliation, and brand loyalty, the better its financial sustainability. Hence the study *rejects* the null hypothesis that *there is no significant relationship between academic branding and financial sustainability*. The findings of this study support past studies (Ordinario et al., 2018; Varadarajan & Malone, 2018;), which found that there is a substantial influence of institutional brand equity on financial sustainability.

### Difference of Institutional Profile on Financial Sustainability

The study employed t-test and ANOVA to ascertain the significant difference of institutional type and years of existence on the financial sustainability of private educational institutions. The independent sample t-test conducted to compare the financial sustainability scores for tertiary school and secondary school indicated that there was *no significant* difference in the mean statistics of financial sustainability for tertiary school ( $M = 1.72$ ,  $SD = 0.56$ ) and secondary school ( $M = 1.75$ ,  $SD = 0.55$ ;  $t(266) = -0.44$ ,  $p = 0.66$ , two-tailed).

The investigation of the differences in years of existence on financial sustainability also showed that there is *no significant* difference in the variation of mean squares between groups of years of existence on the relationship between the variables ( $F = 1.227$ ,  $p = 0.30$ ). These results imply that the challenges of financial sustainability are the same among private educational institutions. The number of years that a private educational institution has been in existence does not influence the institution's financial sustainability.

The results confirm the studies of Essel et al. (2019) and Lambinico (2016) which found that educational institutions' financial performance does not depend on the type of the institution and years of existence. The results, however, contradicted Essel et al. (2019) study, which found that institutional type has a conjointly and significant difference in institutional success. The deviation is on the tangent that the survey by Essel et al. was conducted in small scale enterprises whilst this study concentrated on tertiary and secondary schools. The study thus *failed to reject* the null hypothesis that *there is no significant difference in terms of institutional type and years of existence on the financial sustainability of private educational institutions*.

### Academic Branding as a Predictor of Financial Sustainability

The stepwise regression approach was used to assess the ability of academic branding variable to predict financial sustainability. The total variance, which the model described, after going through the process, was 55.2%,  $F(5,717) = 171.333$ ,  $p = .000$ . Academic branding was *statistically significant* with a *high* beta value ( $r = 0.667$ ,  $p = 0.000$ ). The proposed applied model, based on the unstandardized beta for this study, as shown in Table 2, is  $FSB = -1.017 + 0.831ACB + e$ . From the predictive results, academic branding accounts for 55.2% of private educational institutions' financial sustainability.



Table 2. *Predictors of Financial Sustainability*

	R Square Change	B	Std. Error	Beta	t	Sig.
Constant		-1.017	0.178		-5.717	.000
Academic Branding	0.552	0.831	0.061	0.667	13.539	.000
	<b><i>R</i> = .667</b>	<b><i>R</i><sup>2</sup> = .552</b>		<b><i>F</i> = 171.333</b>		<b><i>p</i> = .000</b>

Dependent Variable: Financial Sustainability

Predictor: (Constant), Academic Branding

From the model summary, the correlation coefficient  $r = 0.667$  obtained was high (Cohen, 1988) in terms of the association between the independent (Academic branding) variable and the dependent (financial sustainability) variable. The closeness of the  $r$ -value to +1 indicates strong predictions. The high  $r$ -value obtained in this study, therefore, means a better and quality predictability of the financial sustainability by the independent variables.

The consequences for administrators are apparent; they must strengthen academic branding if they want to achieve financial sustainability. Administrators must consider their educational branding activities for significant influence upon their institution's financial sustainability. There were, however, 44.8% of variables that were not considered in this study but can explain the financial sustainability of private educational institutions.

The study, therefore, *rejects* the null hypothesis that *academic branding does not predict financial sustainability*. The results confirm the studies of Amegbe (2018), Flowers (2018) and Natarajan et al. (2018) which found academic branding to be crucial ultimate determinant in the realization of financial sustainability of educational institutions.

### Moderating Effect of Institutional Profile on Financial Sustainability

The final investigation for this study was to find out the moderating effect of institutional profile on the connection between academic branding and the financial sustainability of private schools. The analysis of the impact of moderation is defined and submitted by following the PLS-SEM algorithm (Ramayah et al., 2017). The influence of moderation, that is, the interaction effect is perceived as either enhancing or antagonistic (Hayes & Matthes, 2009). An enhanced moderation impact is when an increase in the quantity of the moderator (institutional profile) induces an increase in the effect of the independent variable on the dependent variable. An antagonistic impact is when an increase in moderator has a reverse impact on the independent variable.

In the moderation model, the study measured institutional profile using two dimensions: institutional type and years of existence, to explain whether the profile of institutions affects the direction and strength between academic branding and financial sustainability (Riskinanto et al., 2017). The results, as shown in Table 3, on the significant moderation, showed that institutional type has no impact on the link between academic branding and financial sustainability because the moderating interaction effect was not *statistically significant*  $r = -0.001$ ,  $p = 0.972$ . This implies that the strength or even the direction of the relationship between academic branding and financial sustainability does not depend on institutional type; whether tertiary or secondary.



Table 3. *Moderating Effect of Institutional Type on the Relationship Between Management Control Systems and Financial Sustainability of Private Educational Institutions*

Path Coefficients				
Path	Path Coefficient Tertiary Vrs Secondary	P-Value Original Tertiary Vrs Secondary	P-value (2-tailed)	VI
FSB <--- ACB	-0.001	0.514	0.972	NS

VI = Verbal Interpretation, S=Significant, NS=Not Significant

The results of this study confirm Lambinico (2016) study, which found that educational institutions can perform well and attain their goals irrespective of their type. The results, however, contrast Essel et al. (2019) study, which found that institutional type significantly influences financial performance and forms a critical dimension in institutional success.

The moderation path analysis, as shown in Table 4, indicated that there was *no significant moderating effect* of years of existence on the relationship between academic branding and financial sustainability when institutions above 15 years were considered ( $r = -0.066$ ,  $p = 0.166$ ). The results on the same path, however, showed a *negative moderating effect but statistically significant* ( $r = -0.117$ ,  $p = 0.008$ ) when institutions below the ages of 16 were considered.

Table 4. *Moderating Effect of Years of Existence on the Relationship Between Management Control Systems and Financial Sustainability of Private Educational Institutions*

Path	Path Coefficients ≤15years	Path Coefficients ≥16 years	P ≤15years	IV	Moderating Effect	P ≥16years	VI
FSB <--- ACB	-0.117	-0.066	0.008	S	Antagonistic	0.166	NS

Verbal Interpretation, S=Significant, NS=Not Significant

The implication of the results from the moderating effect of years of existence is that there are variations in terms of years of existence when it comes to academic branding and financial sustainability. This suggests that newly established private educational institutions should pay some attention to their branding activities in their quest to attain financial sustainability. Branding activities that are not on point, not attracting the right customers, where customers do not pay attention, or when the branding media is not interactive enough, despite series of investments, may drain institutional finances without valuable returns.

Another implication is that private educational institutions that have operated for more than 15 years have leveraged on their brands. The results obtained contradict Essel et al. (2019) which found that years of existence of an institution have no significant effect on financial sustainability. The results, however, confirm the studies of Ibrahim (2019) and Lambinico (2016) which found that years of existence affect institutional performance and influence relationships with financial performance. The study, therefore, failed to reject the null hypothesis that institutional type does not moderate the relationship between academic branding and financial sustainability but rejects the null hypothesis that years of existence do not moderate the relationship between academic branding and financial sustainability.

The core of this study was to address the financial sustainability challenges of private educational institutions based on the influence of academic branding. The data collected and analyzed reveal that academic branding influences financial sustainability of private schools because of its high predictive power. The better the activities of academic branding, the higher is the level of financial sustainability of private schools. There is a significant but antagonistic moderating effect of institutional profile of private schools which have been in operation below 16 years.

Financial sustainability is vital to all businesses, and private educational institutions are no exception. In recognizing the severe predicament of private educational institutions and the need to urgently address the financial sustainability challenges confronting them, the study recommends that holistic branding strategies such as (a) increased awareness through available media platforms, (b) clear service delivery procedures, (c) ad-hoc service delivery, (d) supportive employee attitude, and (e) review of services delivery based on clients feedback, among others, to achieve stable to moderate enrollment growth.

The study further recommends that managers of private schools should foster healthy relationships among their alumni. There should be provisions for in-depth information about alumni and extensive talk about the active role that alumni play within the school community to enable students to become familiar with the concept of giving back upon graduation. Institutional heads and boards of directors should also support budget plans for sponsorship of public events to raise the institutional profile and attract key target audiences. Participation in sponsorship programs provides platforms on which institutions can build productive working relationships with stakeholders for effective brand positioning.

Private schools should also consider improving tuition fee payment packages to make them payer friendly such as manageable units (flexible installments) to enhance their brand association. Institutional managers should deliberately embed Parents Consultative Forums (PCF), where parents and guardians could appreciate institutional visions and sign-up to flexible packages to enhance institutional cash flow.

The study contributes to branding and marketing research within the educational sector. Branding within this sector is becoming more and more important, as educational institutions compete more forcefully for qualified workforce and students by adopting corporate sector techniques to remain financially sustainable. The limitation of this study was that data were gathered in a hybrid form; 69 direct responses and 233 online responses because of the corona virus. Participants in online data gathering may not contribute valid data, especially, in stressful life events (Al-Salom, 2017) such as the Covid-19 pandemic. This data gathering procedure might affect the validity of the facts provided by the respondents. Future research is required to identify the 44.8% of variables that were not considered in this study but can explain the financial sustainability of private educational institutions.

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## **Correlate of Audit Risk on Audit Quality: Perspective of Ghanaian Auditors**

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### **Abstract**

**T**he profession of auditing is under scrutiny in the world today. This is because of how to ensure, obtain, and maintain audit quality. This research focuses on audit quality because of users of the financial information trust that the information provided by the auditor is free from bias and any material errors; hence their high expectation of audit quality. Given this matter, this study investigated the effect of audit risk on audit quality. The respondents are 385 auditors that were randomly sampled to answer the self-constructed questionnaires with Cronbach Alpha of .859 for audit risk and .806 for audit quality. The statistical analysis for the Pearson product-moment correlation coefficient was computed by using SMART PLS. The results of the study discovered a positive and small significant effect between audit risk and audit quality. The perception of audit risk by auditors in Ghana is high. It then concludes that Ghanaian auditors recognized possible audit risk during their audit engagement. This can be improved through audits conducted in accordance with ISA's, which must follow the risk-based approach. Also, a practical test based on the audit risk assessment of critical risks should be done.

**Keywords:** *inherent risk, control risk, detection risk, audit quality, auditors*

The profession of auditing is under scrutiny in the world today. This is because of how to ensure, obtain, and maintain audit quality. The role of the auditor is vital to both internal and external users of financial information. Auditors are relied upon to give assurance and express an opinion of the financial statement. The users of the financial information trust that the information provided by the auditor is free from bias and any material error, hence their high expectation of audit quality. According to Tepalagul and Lin (2015), audit quality is derived from auditors' competence and independence.

Amidst various audit issues, the one that caught the world's attention is the Enron's scandal. Their auditors, Arthur Andersen, were fingered for shoddy audit work due to their independence risk (Osemeke & Osemeke, 2017). Also, a further study by Shahzad et al. (2018) noted that audit quality was a key contributing factor to the global financial crisis. Pritchard and Scott (2018) stated that in current Tesco and BT Group scandals, including PricewaterhouseCoopers (PwC), have culminated in the unprecedented termination of major business partnerships three decades ago. In the year 2020, the Financial Reporting Council (FRC) branded the level of audit quality in the UK's top seven firms as 'unacceptable', after its annual inspection cycle found a third of the audits reviewed needed improvements. KPMG South Africa's involvement in a political corruption scandal is also proving to have even more far-reaching implications, which risks affecting KPMG's international operations (Hakami & Rahmat, 2019). The failure of the audit as a vector of providing information critical to national and human development.

Recently in Ghana, the Bank of Ghana (BoG) collapsed seven banks at a pace of eight-month from October 2017 to May 2018, and Peprah (2018) asserted that the financial woes of the banking industry are attributed to audit quality. Andani (2018), the President of Ghana Bankers Association, also stated that some of them as independent examiners of financial statements and independent checks against fraudulent practices in the now extinct banks, external auditors struggled to live up to their sacred obligations. He ended by saying the auditors "failed everybody."

Due to the challenge of the need to have a high standard audit quality, the International Auditing and Assurance Standard Board (IAASB, 2014) has prepared a framework for audit quality. This standard is meant at making sure that high-quality auditing, assurance, and auditing professionals adhere to standards. Also, to create a public trust for audit and its outcome. Again, the IAASB hopes to enhance the consistency and quality of practice all over the world and reinforcing public confidence in the global assurance and auditing profession.

A key area of concern for audit quality is audit risk (Brown et al., 2016; Christenen et al., 2016; Segal, 2017). Audit risk occurs when the auditor does not present a true financial statement fairly and impartially. It involves the failure of the auditor to disclose a material error in the financial statement. The premises of audit quality regarding the audit quality, elements of input, process and output, interactions, and contextual factors that start from audit risk (IAASB, 2014). Again, all this research seemed to have been carried out outside Ghana.

The present study sort of addressing these gaps by extending the audit quality discourse into Ghana by considering a correlate of audit risk on audit quality, the perspective of auditors in Ghana. As a result, the research sorts to answer the question:

# 1. Is there a significant relationship between audit risk and audit quality?

The null hypotheses of the study is:

1. There is no significant relationship between audit risk and audit quality

According to Nikolovski et al. (2016), the concepts of audit risk and materiality in the financial audit are linked. Auditors concentrate on the areas where the probability of error or failure is high. The issue of risk of the audit is when the auditor presents an opinion on the financial statements, which are not presented impartially and fairly. When the financial statements information taken in its wholeness are fairly represented when they are not is what is referred to as audit risk (Pittman et al., 2019). The failure of the auditor to disclose a material error in the financial statement is audit risk. Auditors are expected to give reasonable assurance in the financial statement that is no such error exists (Knechel & Salterio, 2016; Zamboni & Litschig, 2018). The audit risk is the risk that is linked to the financial statements. This happens when the auditors are not objective, realistic, and cannot detect material misstatements due to errors or fraud. These risks have the components that the financial statement has false assertions, and auditor's failure to disclose these errors.

Based on the auditor's own assessment of the financial risk, they change the nature, timing, and extent of the audit actions (Chan & Vasarhelyi, 2018). If it is assessed that the risk will be high, then dependable evidence must be collected. The goal is to reduce the overall risk to the lowest level as well as achieving more desired confidence.

According to Graham et al. (2018), inherent risk is a danger or doubt from a group or individual error statement with the assumption that there was acceptable internal accounting control. The auditor assessment of inherent risk is based on their professional judgment (AICPA, 2018), with regards to factors that influences the appearance of inherent risk and the occurrence are uncontrolled. Nikolovski et al. (2016) stated these factors consist of: conditions in the company set in the context of the partnership: the company-customer and the financial statements; Specific accounts and transactions under review. General economic circumstances have a significant impact on the level of leadership of the inherent risk and, therefore, on the financial statements ' misstatement.

Control risk indicates that the internal control mechanism in an organization will timely detect or prevent incorrect material claims (Kaya, 2018). According to Knechel and Salterio (2016), control risk defined as the risk that internal control could not prevent the correction of the material misstatements. The auditor must document the fundamentals use to control structure (Hale et al., 2017). The control elements are based on a revision of the previous audit reports, through interviewing the employee of the department of supervision concerning the performance of their duties and updating of working documents.

The audit practises also encompasses the risk of detection, notwithstanding the inherent risks and control risks. Detection risk results from an insufficient or inadequate audit procedure (Patel et al., 2019). It includes the test of some transactions on a random basis or for some reason and selected transaction samples. This audit risk is considered as the possibility of the existence of errors the auditor cannot disclose because of an independent investigative procedure in which the auditor has to tests the details again (Li et al., 2019). The detection risk has an impact on the assessments of the insufficiency of the structures of internal control and supervision.

There has not been any clear definition of audit quality. The quality aspect of auditing focuses on professional standards, operational audit processes, and detection of

fraud. This helps to reduce audit risk, improve financial credibility, and achieve the goal of the audit process. In the professional standards, auditors must develop plans, budgets, and programs (Cameran et al., 2016). These requirements give justifications to the financial resources used and the time spent in the audit. They also emphasize the prominence of supervision and performing the audit, and this is done with professional due care. The professional due care enhances the auditor's ability to detect and report errors and fraud, which may be present in the financial statements (Christensen et al., 2016). The ability of the auditor in fraud detection reduces audit risk and increases the credibility of the audited financial reports. Audit quality includes the main elements that create an atmosphere that maximizes the probability of good quality audit that focus on opinions and reputation

Audit quality combines compliance with the relevant audit standards and procedures (Krishnan et al., 2016). Audit quality is as an agency relationship (Goodwin & Wu, 2016). It arises when a principal engages another person as their agent to do a service on their behalf. To perform the service, the principal delegate some decision-making powers to the agent, in this case, the auditor. This delegation of authority by the principal or owners of the firm and the division of labor are supportive in encouraging an efficient and productive economy. This requires the principal to trust the agent for the delegated responsibility. The agent or auditor must work in the interest of the principal. However, independence risk of the auditor affects and impairs the quality of the audit.

Audit quality is measured directly and indirectly. The direct measurement approach concerns itself with the audit process. The audit process approach is an ex-post perspective of audit quality. The ex-post perspective hinge on the peer review program results in measuring audit quality (Vinson et al., 2018). Others say ex-post perspectives are the going-concern qualification issue in the previous audit as against a bankruptcy firm (He, 2018). Other literature depends on the observance of abnormal accruals and the level of commitment for the accounting standards.

Handjojo et al. (2020) analyzed the effect of SPM and management of audit risk on audit quality. The sampling method used was purposive sampling, with the conditions of auditors working in KAP in Semarang and at least one year working. The findings of the study are aspects of SPM that have a positive effect on audit quality are independence, personal assignments, supervision, employment, promotion, acceptance, and client sustainability. Whereas consultation, professional development, and inspection have no effect on audit quality. The three aspects of risk management (inherent risk, risk control, and detection risk) do not affect audit quality.

Gao and Zhang (2017) studied audit quality as it related to audit standards in audit risk and professional judgment. The study focused on how auditing standards offer a remedy to the auditors' misalignment of investors' interest. They noted that auditing standards restrict auditors' professional judgment, and it affects their compliance mentality and reduces the incentive to be competent. They concluded that stricter auditing standards affect in both audit quality either positively or negatively. Furthermore, severer audit standards increase audit fees, which benefit auditing firms.

Graham et al. (2018) considered the encounters in planning the audit scope and procedures for a group firm that has different geographical locations for its subsidiaries. Auditing all the subsidiaries for a group entity is infeasible. Therefore the auditor has risk from components and not audited. It also has a normal sampling risk, which results from the application of audit procedures to some subsidiaries. Auditing standards do not state



the treatment of risk factors and deliberate on what share of a multiple component entity should be a selection for audit to issue an unqualified audit opinion to cover the group. The study provided a step-by-step approach to addressing this problem and to eliminate the audit risk in group accounts reporting. This is aimed at providing knowledge on judgment and experience in auditing to improve quality.

Mubako and O'Donnell (2017), examined auditors with knowledge on fraud risk as related to early detection would become less skeptical when it comes to signaling financial misstatement. The study has a theoretical framework that suggested that contrast effects could cause a reduction in skepticism about doubtful changes when the auditor is at the planning phase of assurance engagements. We piloted a laboratory experiment with experienced auditors in analyzing a year over year changes in accounts to evaluate misstatement risk for cost and revenue. They manipulated fraud risk on revenue alongside an inconsistent fluctuation in cost. Participants who knew of the existence of fraud risk assessed as high for revenue and low for costs in misstatement risk. Auditors with the knowledge of fraud manipulation were mindful of audit quality.

Brazel and Schmidt (2018) investigated audit risk on audit quality as to why auditors are not able to lower audit quality as a result of fraud. Sampling firms across several industries, they established that auditors with larger industry expertise, tenure, and audit committee with bigger tenure are less likely to be linked with companies that show large contradictions between the reported revenue growths. They observed that audit committees with knowledgeable industry chairs are more likely to relate to bigger inconsistencies that are higher fraud risk than audit committees without professional chairs. The outcome proposed that the audit process can limit fraud risk in early detection.

### Conceptual Framework

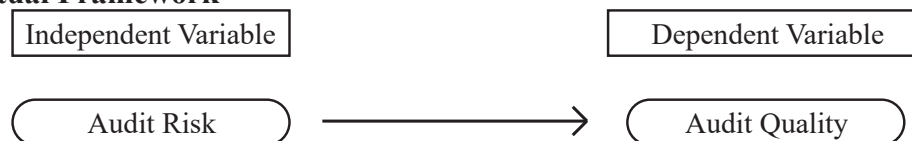


Figure 1. *Conceptual Framework for Explaining the Correlate of Audit Risk on Audit Quality*

### Methodology

#### Research Design

The research design is a blueprint for the entire research project (Saunders et al., 2016; Sekaran & Bougie, 2016) and defines how the research question was answered, how data was collected and analyzed, and finally highlights the ethical issues encountered in the research process. This quantitative study was based on a correlational research design. The correlational design was used to explore and observe the relationships between the independent variable of audit risk on the relationship to audit quality. The research applied the parametric inferential statistical treatment.

#### Population and Sampling technique

The study was conducted among auditors in Ghana. Random sampling was utilized to select the 385 respondents, of which 253 (66%) were males and 132 (34%) females.

### Instrumentation

Self-constructed questionnaires with Cronbach Alpha of .859 for audit risk and .806 for audit quality was used for this study. The items in the questionnaires were measured by using a 4-point Likert type scale, based on Vagias' (2006) Likert scale commendation, which ranged from Strongly Agree - 4, Agree - 3, Disagree - 2, Strongly Disagree-1.

### Data Analysis

The statistical analysis for the Pearson product-moment correlation coefficient was computed by using SMART PLS.

### Ethical Consideration

The respondents considered in the distribution and in answering the question ethical considerations for anonymity and confidentiality.

## Results and Discussions

### Significant Relationship Between Audit Risk and Audit Quality

The study discovered that there is a small and positive significant relationship between audit risk and audit quality ( $r = .105$ ,  $p = .040$ ). It also discovered that two of the sub-variables of audit risk (Inherent risk and detection risk) has no significant relationship between inherent risk and audit quality, as shown in Table 1. The implication is that when audit risk is high, it will cause poor audit quality. Consequently, when the risk levels are high, the auditor must conduct additional procedures to reduce the risk to an acceptable level that will cause an excellent audit quality such an increase in the size of sample testing. Therefore, the study rejects the null hypothesis that there is no significant relationship between audit risk and audit quality.

Table 1. *Correlation Between Audit Risk and Audit Quality*

		Audit Quality
Audit Risk	Pearson Correlation	.105*
	Sig. (2-tailed)	0.040
	N	385

\*Correlation is significant at the 0.05 level (2-tailed).

The outcome of this investigation is supported by Rose (2015) a similar study that noted that audit risk could be addressed with the use of enterprise resource management will affect audit quality. In addition, this result is contrary to Handjojo et al. (2020) study that states that inherent risk, control risk and detection risk do not affect audit quality.

The audit risk element of inherent risk perceived by the auditor was low, with control risk being perceived as high and final the detection risk also being perceived as high. The overall perception of auditors about audit risk was high. With the association between audit risk and audit quality exist a positive and small relationship. The perception of audit risk by auditors in Ghana is high. It then concludes that Ghanaian auditors recognized possible audit risk during their audit engagement. This can be improved through audits conducted in accordance with ISA's, which must follow the risk-based approach. In addition, an effective test based on the audit risk assessment of critical risks.

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## Organizational Culture: A Survey of Perception Among Automobile Industry in Ghana

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### Abstract

Organizational culture differs from organization to organization, from location to location and region to region because differing job values, beliefs, norms, and orientations of organizations across distinct nations are affected by nationality. Culture either positively or negatively influences almost every aspect of organizational life either positive or negative by controlling social order and engaging the workforce for a common goal. The culture was therefore important to determine the perception of organizational culture in the automobile industry in Ghana in terms of value, belief, and norms. One major challenge which continues to confront the practitioners in the Automobile industry continues to solve is the inability to satisfy customer-specific problems of before and after-sales service; in terms of customized vehicle, delay, cost, and failure of parts affecting the value expectation and relationship of automobile industry customers. The study, therefore, assesses the perception of 319 respondent from a target population of 1,778 staff who deals with manufacturing, sales, and after-sales service of vehicles. The study applies both quantitative research and descriptive-correlational research design by utilizing a 5-point Likert-type scale questionnaire. The questionnaires went through the validation test to get the right information. The reliability of Cronbach's alpha of 0.672 was obtained after the pilot study. The results showed that the respondents have moderate levels of Values ( $M = 3.50 \pm 0.68$ ), Beliefs ( $M = 3.36 \pm 0.71$ ), and Norms ( $M = 3.18 \pm 0.61$ ). Among the three of the sub-variables of organizational culture, Values has the highest mean score while Norms has the lowest. The findings showed that there is a strong organizational culture of the feeling of pressure to continually improve performance based on long-lasting consistent belief.

**Keywords:** *organizational culture, values, beliefs, norms*



The challenge of products and services of poor quality is argued to have an adverse effect on clients. Such products and services could have adverse impacts on keeping clients than gaining new clients. Meeting client expectations and needs in a customer-driven market are essential to maintain and improve market share (Coleman, 2017). It is, therefore, important to determine the perception of organizational culture in the automobile industry in Ghana reference to the issues of value, belief, and norms. One major challenge which continues to emerge in the automobile industry is the inability to resolve customer-specific problems relating to before and after-sales service; and in terms of customized vehicle, delay, cost, and failure of spare parts that affect the value expectation and relationship of automobile customers (Yadav & Joseph, 2017). Other key issues confronting the automobile industry relate to the inability of customers to receive the full benefits of their investments, lack of vehicle performance, rampant vehicle accidents, loss of property (vehicle) and human life through accidents, high fuel consumption per kilometer usage, lower resale value, reduced vehicle warranty, and shortened vehicles life leading to dwindling profits (Zhang et al., 2017).

An example of the challenges was evident in Ford Motor Company when in 1971-1976, the quality issue of Ford Pinto and Mercury Bobcat failed to pass the rear-end collision test. The location of the fuel tank between the rear bumper and rear axle caused issues resulting in over 100 deaths and a recall of 1.4 million vehicles ultimately and terribly undermined the reputation of the company because Ford was more focused on profit rather than safety (Powers, 2019).

Ghana's automotive industry continues to face many unresolved challenges that also adversely impact on the environmental and economic distribution of resources in Ghana (Amegah & Agyei-Mensah, 2017). Vehicle emissions constitute about 90% of all atmospheric lead emissions and are the biggest cause of human exposure to lead emissions in Ghana's urban areas. For a short distance of 12km from Graphic road to Weija in Accra, Ghana, the levels of heavy metals particulate matter exceeds the World Health Organization (WHO) and Ghana's Environmental Protection Agency (EPA) standards. It is thought that air pollutants emitted from vehicles causes cancer and lead to health issues such as asthma, heart disease, birth defects, and eye irritation. Car emissions increase carbon dioxide concentrations and other atmospheric greenhouse gasses. Among the causes of such challenges in the automobile industry is the culture of the organization.

**Organizational Culture.** Organizational culture is fundamental to any organization's operations. An organization's analysis of organizational culture registered a strong predictor of the organization's outcomes such as job performance, work commitment job satisfaction, business competitiveness substantial profitability (Raina & Roebuck, 2016). But an innovation which is based on continuous improvement through the culture of learning can proffer better output on the operations of the organization. For example, innovations through quality improvement and problem-solving are achieved through the activities of work teams (Lodgaard et al., 2016). However, the secrecy feature of a rigid organizational culture exhibited through the application of some theories on organizational culture present possible drawbacks because it reduces organizational flexibility in rapid problem-solving (Jena & Memon, 2018).

The environmentalist theory of VBN (value-belief-norm) notes that values affect pro-environmental behavior through pro-environmental convictions and personal norms. The more people endorse the culture of organizational objectives' values, the stronger

they believe that values could have negative impacts, the more they feel responsible for the problems caused by the negative activities, and the more they feel personally obliged to reduce those bad behaviors (Hiratsuka et al., 2018). Nazir et al. (2016) postulate that culture influences almost every aspect of organizational life by maintaining social order and engaging the workforce for a common goal. Culture consists of a network of meanings embedded in ideologies of norms, values, and beliefs that unite individuals and enable them to interpret and comprehend the world out there (Bonvillain, 2019).

Beliefs and values will predict much of the conduct that can be observed at the level of the artifacts at this conscious stage. Organizational culture is described as the strategic and consistent strategy of an organization's precious resources, where individuals who operate in it contribute to the accomplishment of their goals. It is a constantly evolving mix of norms, values, assumptions, attitudes, and beliefs that adapt to the individual features, preferences, and behaviors of the staff (Girma, 2016). The arguments of the TQM challenge have emphasized the concept that some people tend to create in-group relationships with a specified leader while others develop out-group relationships (Qu et al., 2017). These relationships are applicable through in-group relationships (better communication, reciprocal allegiance and support, and more time and energy being put into the work by in-group members) and out-group relations (use of formalized control by a leader, little mutual allegiance and support, and less participation by out-group members in the work Brown) (Brown & Pehrson, 2019).

In developing total quality management, business excellence cannot be accomplished simply through rudimentary enhancement policies, but through the promotion of the ability to do the correct things through a constant and enduring set of standards and values (Gibbs, 2019). Many intellectuals refer to such values, norms, behaviors, beliefs, and environment as organizational culture (Håvold & Olstedal, 2018). Hence, the critical part of the TQM journey is, therefore, understanding an organization's cultural profile and mapping this profile to the measures required to achieve a change (Paro & Gerolamo, 2017).

The organizational culture plays a major role in establishing an atmosphere in which individuals can make the best use of their capacity and understand their potential for the advantage of both the organization and themselves (Hamlin, 2016). The role of organizational culture's in enhancing competitiveness and increasing productivity and revenues has encouraged senior executives in many organizations to investigate methods to manage and change the organizational culture (DeCenzo et al., 2016).

Organization culture does not only differs from organization to organization, but also differs from location to location and region to region because differing job values, beliefs, and orientations of organizations across distinct nations are affected by nationality (Nedelko & Brzozowski, 2017). For instance, the working principles, views, and orientations of a multinational company such as IBM differ in separate nations due to the impact of the domestic culture on its staff (Deresky, 2017). Therefore, De Mooij (2018) strongly argues that the cultural values of each organization need to be specifically identified and that relying on reported values and beliefs of a parent company in one region may not be a reliable measure of a subsidiary's culture in another region.

**Values.** The values of a culture are its ideas of what is good, right, reasonable, and just (Tarhini et al., 2017). Values in materialistic are convictions of what is right or ideal for the company set of values and goals focused on wealth, possessions, image, and status (Kasser, 2016). For example, American sociologist Robert K. Merton claimed that

wealth success power and prestige are the most important values in American society, but it's not everyone that has an equal opportunity to attain those values (Mongardini, 2018). Functional sociologist Talcott Parsons also noted that Americans share the American labor ethic which promotes hard work (Little, 2018). Studies indicate that a culture centered on the right values is crucial to enhance agility values, perhaps most of the components of culture, helping employees to understand what the organization stands for and what is expected of them (Sidky, 2017). Studies indicate that a culture centered on the right values is crucial to enhancing agility values, perhaps the most the component of culture, helping employees to understand what the organization stands for and what is expected of them (Sidky, 2017). Moreover, values associated with social norms (sociology) are a combination of coercion, peer-pressure, personal and world-view values, social-cultural and community indoctrination, etc. (Roux et al., 2017).

Values of family-owned businesses' values are long-lasting consistent beliefs about what's important to an individual or organization. They become standards that rely on people's lives as a result, they fail to adapt to changing business and family conditions to make their choices (Ward, 2016). There is a distinction between values instilled by indoctrination and values gained by the introspection of oneself. Persons who have been indoctrinated tend to be unaware of the fact, whereas people who hold self-developed values tend to be aware of the process itself, are less prone to outside control, and are more flexible when it comes to analyzing the substance of ideas and thoughts (DiPaolo & Simpson, 2016). Values build on information sharing where the growing interest in big data has driven several businesses to develop Big Data Analytics (BDAC) capabilities to boost the firm's performance (Akter et al., 2016). Studies also indicate a positive relationship between the core organizational values and financial performance (Pedersen et al., 2018). Celebrating and communicating high performance can build a value system of culture. While success typically strengthens culture, leaders need to be sensitive to the impact of the success, as it may also lead to complacency, overconfidence, and potential erosion of positive cultural norms (Warrick, 2017).

**Beliefs.** Beliefs are the ideas or morals people hold true to. Values are deeply embedded and essential to conveying and transmitting the beliefs of a culture (Chafi & Elkhousai, 2017). Individuals have specific beliefs in society but also share collective values (Porter & Kramer, 2019). To explain the difference, Americans typically agree that anyone who works hard enough will be successful and wealthy in the American dream. Underlying this belief is the American value that wealth is good and important (Godfrey & Wolf, 2016). Beliefs are contextual: they stem from experiences learned as a result of the cultural and environmental situations that we have faced (Stodter & Cushion, 2017). A belief can transform into a value when the individual's dedication to it grows and also finds it essential (Porter & Kramer, 2019).

Belief is the position of that is the case or true of something. Philosophers use the word "belief" in epistemology (study or theory knowledge) to refer to personal attitudes connected with true or false ideas and concepts (Alvesson & Sköldbberg, 2017). However, Kegan and Lahey (2016) indicated that belief does not involve active self-examination and scrutiny. For instance, if a worker thinks the promotion will boost revenues and just believe that it will. It is of the fact that groups, organizations, and societies in which certain beliefs of such nature works for them with other beliefs and values, normally lead to situations full of conflict and ambiguity (Rahim, 2017). This may result from insufficient stability of

membership, insufficient shared history of experience, or the presence of many subgroups with different kinds of shared experiences. Ambiguity and conflict also result from the fact that each of us belongs to many groups and as a result what we bring to any given group is influenced by the assumptions that are appropriate to our other groups (Sue et al., 2019).

In another sense, beliefs can go through a transformation in organizations, where a subordinate depends on founders' and leaders' suggestions to achieve a goal. If a group has that share of perception of the success, then the group gradually becomes transformed into belief. Beliefs at this conscious level will predict much of the behavior that can be observed at the level of the artifact (Ward, 2016). However, if those convictions are not founded on previous experience, they may also represent "espoused theories," predicts what people will say in several circumstances but may be inconsistent with what they are going to do in circumstances where those convictions are going to work (Lu et al., 2017). A business can thus claim that it values individuals and has high-quality standards for its products, but its record can contradict what it says (Cooley, 2017). If the espoused beliefs are fairly in line with the fundamental assumptions, then articulating these beliefs into a working philosophy can be useful in bringing the group together, serving as a source of identity and key purpose, which is also one of TQM's excellent variables (Msomi, 2017). Espoused beliefs often leave large areas of behavior unexplained, leaving us with a feeling that we understand a piece of the culture but still do not have the culture as such in hand (Spradley, 2016). Workplace flexibility research has also had mixed results for employees and employers, with varied consequences. Flexibility in the workplace is defined as a formal or informal agreement between an employer and an employee which provides individual job control over flexibility (Kossek & Thompson, 2016).

**Norms.** Norms are structured and shared thoughts about what employees should do and feel, how to regulate this conduct, and what punishments should be enforced when behavior does not match cultural expectations (Bauman & May, 2019). Each organization's values and behaviors are distinctive. Some behavioral patterns may be functional and may support the performance of organizational objectives (Qrunig & Qrunig, 2016). Other behavioral patterns or cultural norms may prevent or limit the achievement of organizational objectives (Ju et al., 2016). In sustaining excellence and relevance in an organization, the regulations are reviewed periodically to suit the vision of the organization (Raj et al., 2018). There are expectations of new employees when joining an organization, and that management and employees need to be conscious of the norms of the organization to operate efficiently. Employees would have to acknowledge how sharply norms are defined and how strongly they are enforced. Entering a different scenario often leads to anxiety or stress to some degree (Wilton, 2016). On one hand, a new employee may choose to comply with all the organization's norms, leading to behavioral uniformity and full recognition of organizational principles. This conformity can lead to stagnation, non-responsiveness, and creativity loss. On another hand, a new employee may choose to rebel, disregard all values, or completely leave the organization (Shen & Benson, 2016). The mechanism of adapting to a new society occurs through the mechanisms of stress-adaptation-growth, a cycle that is profoundly ingrained in the innate human urge to strike an internal equilibrium in the face of adversarial environmental circumstances. In terms of adjustment to cultural norms, new employees often discover that the norms are uncertain, confusing, and restrictive. As a result, they may react in different ways when entering an organization (Kim, 2017). While rewriting a new set of mission and vision statements may not be the first option,



there is a feeling of "we don't own them" among workers, and as indicated by the above-mentioned employee, the more workers are driven by a deliberate policy, the greater the shift in behavior. Staff committees have access to information and evidence to support strategy and institutional decisions (Swing & Ross, 2016).

Organizational cultural norms are usually implemented for only behaviors that most group members consider most important (Ginnett, 2019). Pivotal norms are those norms that are crucial for achieving the goals of the organization. While peripheral standards are not vital to the goals of the organization, they promote and add to key standards (Le Roux & Parry, 2017). In an organization, pivotal and peripheral norms continually confront people, and they have to decide whether to comply or not. The pressure to comply with norms differs, enabling some degree of liberty for people to respond to these organizational stresses based on how they perceive the benefits or penalties. The organization also has discretion in its members' degree of conformity (Sah, 2017). The less the person can relate to the new condition to previous circumstances, the higher the anxiety and discomfort emotions. The more expectations the person can fulfill, the less anxiety and discomfort they feel (Tolan & Cameron, 2016). Hence, this study studied the perception of organizational culture in the automobile industry in Ghana reference to the issues of value, belief, and norms.

## **Methodology**

### **Research Design**

The study adopted both quantitative research and descriptive-correlational research designs. Descriptive research because the study describes perceptions of the characteristics of the organizational culture variable. The study also applied the quantitative design to compare and apply weight to the perception of respondents on the various issues being investigated.

### **Population and Sampling Techniques**

The target population was 1,778 staff in the automobile industry of Ghana who deals with manufacturing, sales, and after-sales service of vehicles and the population formed the basis for deriving the sample of 319 respondents for this study. The companies were coded with their number of staff. It was categorized into percentages of employees in the automobile industry to be included in each company and lastly, the total number of respondents (sample) was generated.

For the sample, the Raos of sampling size calculator software was adopted to calculate the required sample size. In the social sciences, 5% sampled population is accepted for a margin of error with a 95% confidence level (Terhanian, 2017). This gave a sample size of 319 staff out of the 1,778 population of the automobile industry in Ghana. A simple random sampling technique (lottery method) was adopted to select the sample from the various industry, departments, and each of 10 regions in the country of Ghana. Out of the 319 staff that was selected as my sample size, a percentage and number were assigned to each company based on its number of staff. Considering the first company with 130 total number of staff in the organization with 25 total number of respondents (Sample), a number was assigned to the 130 staff where a lottery procedure was used to select the sample number of the 25. This procedure was applied to all the other companies to obtain the 319 sample size. The list of staff was sought from the HR Offices for the exercise. With assistance from the HR managers, the selected staff all agreed to participate, because of

that, there was no need for additional numbers to be selected through the same lottery for the companies.

### Instrumentation

The instruments were self-constructed questionnaire based on literature between the years of 2016 to 2020. The questionnaires went through the validation test to obtain the right information. Eleven experts with PhD degrees were engaged to validate all the items. The following reliability of Cronbach alpha was obtained for the variables of the instrument after the pilot study: values 0.660, beliefs 0.644, and norms 0.712. There were 20 items for measurement of values, beliefs, and norms. Values had six items that were used for the measurement, they were self-developed through the guidelines of the literature.

### Data Analysis

Quantitative data (data obtained from questionnaires) was analyzed using the IBM Statistical Product for Service Solutions (SPSS) Statistic version 23. Both multivariate and bivariate techniques were adopted to investigate the variable. The questions were assessed in descriptives and analyzed using the mean, standard deviation, and percentage based on frequencies.

### Ethical Considerations

Ethical clearance for the study was sought from accredited authorities such as AUP Ethics Review Board (ERB) before conducting the survey. The AUP-ERB and Executive Committee of the Research Office reviewed the submission and approved with a study protocol code 2020-ERB-AUP-045.

Also, informed consent was sought from the bosses/supervisors of the respondents before the research was conducted. Respondents were made to understand that participation in the study is voluntary and that they are free to withdraw or decline to answer any question at any time bearing in mind that such withdrawal or decline will not in any way affect them.

## Results and Discussion

### Values

Table 1 presents the perceived level of values among the automobile industry in Ghana. The overall mean score is 3.50 which is interpreted as moderate. The highest mean score is on the item, *“feeling of pressure to continually improve performance based on long-lasting consistent beliefs”* ( $M = 4.94 \pm 0.522$ ), while the lowest is, *“employees are encouraged to stay at post until their retirement”* ( $M = 2.79 \pm 0.676$ ).

Family-owned businesses' values are long-lasting consistent beliefs about what is important to an individual or organization. They become standards that rely on people's lives; as a result, they fail to adapt to changing business and family conditions to make their choices (Ward, 2016). Thus, managers must consider things/activities that will improve performance as important in the organization. Anitha (2016) indicates that affective/continuance/ normative commitments do not have an important effect on employee retention, but rather innovative business models are more likely to tackle corporate sustainability. Organizations rooted for values of flexibility and discretion, company model of innovations bring corporate sustainability and automatically encourage staff to stay at post until retirement. It is also important to engage in things that would encourage staff to stay at post.



Table 1. *Mean and Standard Deviation of Organizational Culture in Terms of Values*

	Mean	SD	Interpretation
Feeling of pressure to continually improve performance based on long-lasting consistent beliefs.	3.94	0.522	Strong
Employees being given more information to improve performance.	3.58	1.042	Strong
Employees being encouraged to resolving challenges innovatively	3.64	1.109	Strong
All employees participating in the celebration of high-performance	3.64	1.233	Strong
The organization being consistent with what they stand for.	3.86	0.97	Strong
Employees being encouraged to stay at the post until their retirement.	2.79	1.172	Moderate
Overall Mean	3.50	0.68	Moderate

**Legend:** very weak=1-1.50; weak=1.51-2.50; moderate=2.51-3.50; strong=3.51-4.50; very strong=4.51-5

### Beliefs

Table 2 presents the perceived level of belief among the automobile industry in Ghana. The overall mean score is 3.36 which is interpreted as moderate. The highest mean score is on the item, *“the belief of employees conveying their ideas to the superior for implementation is possible”* ( $M = 3.59 \pm 1.045$ ), while the lowest is *“employees depend on managers/supervisors’ ideas to achieve their goals”* ( $M = 3.17 \pm 1.092$ ).

A belief can transform into a value when the individual's dedication to it grows and they find it essential (Porter & Kramer, 2019). Whenever employees believe that conveying their ideas to the superior for implementation is possible, it encourages them to place value on their contribution to the organization. Values are long-lasting consistent beliefs about what's important to an individual or organization. They become standards that rely on people's lives as a result, they fail to adapt to changing business and family conditions to make their choices (Ward, 2016). It is important to transfer values that have been tested over a period based on beliefs. Employees must depend on managers/supervisors’ ideas to achieve their goals

Table 2. *Mean and Standard Deviation of Organizational Culture in Terms of Belief*

	Mean	SD	Interpretation
The belief of employees conveying their ideas to the superior for implementation is possible.	3.59	1.045	Strong
The organization encouraging employees to implement their ideas freely.	3.21	1.316	Moderate
Employees depend on managers/supervisors’ ideas to achieve their goals.	3.17	1.092	Moderate
Some employees easily coming up with solutions based on their personal beliefs.	3.48	1.138	Moderate
Overall Mean	3.36	0.71	Moderate

**Legend:** very weak=1-1.50; weak=1.51-2.50; moderate=2.51-3.50; strong=3.51-4.50; very strong=4.51-5.

## Norms

Table 3 presents the perceived level of norms among the automobile industry in Ghana. The overall mean score is 3.18 which is interpreted as moderate. The highest mean score is on the item, “company emphasizing on what is expected of each staff” ( $M = 4.03 \pm 1.152$ ), while the lowest is “standards in organization negatively affecting staff to come out with new creative ideas” ( $M = 2.25 \pm 1.281$ ).

Values associated with social norms (sociology) are a combination of coercion, peer-pressure, personal and world-view values, social-cultural, and community indoctrination (Roux et al., 2017). It is very important for every organization to emphasize on the standards that support the vision, mission, and core values. At one extreme, a new employee may choose to comply with all the organization's norms, leading to behavioral uniformity and full recognition of organizational principles. This conformity can lead to stagnation, non-responsiveness, and creativity loss. At the other extreme, a new employee may choose to rebel, disregard all values, or completely leave the organization (Shen & Benson, 2016). Thus, it is necessary to note the effect of norms that causes stagnation and loss of creativity.

Table 3. *Mean and Standard Deviation of Organizational Culture in Terms of Norms*

	Mean	SD	Interpretation
Company emphasizing on what is expected of each staff	4.03	1.152	Strong
Organization being particular to adherence to all regulations.	3.83	1.244	Strong
Organizational commitment to behaviors that are considered important.	3.88	1.058	Strong
Company punishing employees who flaunt against the norms of the organization.	3.88	1.164	Strong
Periodically review of regulations to suit the vision of the organization.	3.41	1.069	Moderate
Orientation of new employees to learn about the cultural values of the organization.	3.59	1.146	Strong
Being stressed to adherence to the organization's regulations.	2.33	1.211	Weak
Employees resigning due to the regulations in the organization.	2.29	1.116	Weak
Confusion of a new employee about the acceptable standards of the organization.	2.29	1.249	Weak
Standards in an organization negatively affecting staff to come out with new creative ideas.	2.25	1.281	Weak
Overall Mean	3.18	0.61	Moderate

Legend: very weak=1-1.50; weak=1.51-2.50; moderate=2.51-3.50; strong=3.51-4.50; very strong=4.51-5.

In conclusion, poor quality products/services in the automobile industry in Ghana have effects on business. The practice of quality culture is vital and organizational culture is fundamental to any organization's operations. In every organizations, activities that are considered as good or right, what is belief and the standard are crucial to solving poor quality products and services.

A population of 1,778 staff in the automobile industry of Ghana with a sample of 319 indicated that there is a strong feeling of pressure to continually improve performance based on long-lasting consistent belief, there is a strong belief of the possibility of employees conveying their ideas to their superiors for implementation, and also the industry emphasis on what is expected of each staff.

In determining the perception of organizational culture in the automobile industry in Ghana in terms of value, belief, and norms, the results showed that the staff have a moderate organizational culture. This means that, among the three attributes of organizational culture, Values have the highest score as compared to beliefs and norms which are also moderate. Care must be taken because there is a strong organizational culture of a feeling of pressure to continually improve performance based on long-lasting consistent belief. Organizational culture is a strong predictor of an organization's outcomes such as job performance, work commitment job satisfaction, business competitiveness, and substantial profitability.

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## The Effect of Organizational Politics on Organizational Citizenship Behavior

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### Abstract

**T**his paper determined the effect of organizational politics on organizational citizenship behavior. Specifically, it answers questions on the level of organizational politics and citizenship behaviors in private tertiary institutions in Ghana. It further assesses the influence of organizational politics on organizational citizenship behavior. This study employed a descriptive correlation design with a Likert scale questionnaire. The study used purposive sampling to sample 352 respondents, out of which it used 334 for the analysis. The statistical treatment used was a mean and standard deviation and Pearson Correlation. The results showed that respondents' perception of organizational politics is low ( $M = 2.109$ ,  $SD = 0.331$ ), and have low levels of altruism ( $M = 1.738$ ,  $SD = 0.388$ ), civic virtue ( $M = 1.642$ ,  $SD = 0.430$ ), conscientiousness ( $M = 1.680$ ,  $SD = 0.510$ ), courtesy ( $M = 1.738$ ,  $SD = 0.424$ ), and sportsmanship ( $M = 1.787$ ,  $SD = 0.439$ ). Sportsmanship has the highest mean score, while civic virtue has the lowest. There is a moderate positive significant relationship between organizational politics and citizenship behavior ( $r = 0.494$ ,  $p < 0.000$ ). The findings showed the low level of organizational politics and high individualism of employees in private tertiary institutions in Ghana. This will inform improvement in voluntary employee behaviors necessary for institutional success. The study recommends that future research explores citizenship behavior in a comparative study of public and private universities.

**Keywords:** *private tertiary institutions, organizational politics, organizational citizenship behaviors*

In today's business environment, firms need to remain competitive. Environmental dynamism has necessitated the drive to maximize human resources to achieve both organizational and individual goals. Organizations, whether governmental or nongovernmental, profit-making or charitable, domestic, or international, all strive to be effective and efficient (Shalamanov, 2017). Owners of productive capital through managers or agents need to motivate and drive employees towards organizational goals by enhancing organizational citizenship behavior. Human beings are, by nature, not homogenous. They have different perceptions of causal factors of organizational citizenship behavior (OCB). The workforce has become heterogeneous, making management more challenging than it was some decades ago as employees have become more educated and knowledgeable.

Harrell-Cook et al. (2017) have asserted that workers in the U.S. are unwilling to engage in discretionary activities. They commented that if employees involved in voluntary work activities could save \$450 to \$550 billion in their economy. There is high employee turnover in most schools in Kenya that even the dedication of remaining employees in those institutions is questioned. High individualism has led to workers focusing on what they can gain from employment and work to correlate with the reward (Odek, 2018). The Ghanaian situation among academicians is not different from the U.S.A and Kenya as their workload affects them to partake in discretionary activities to give some savings to the universities (Dwomoh et al., 2019). The acceptable workloads by the National Accreditation Board are 1:15 for sciences and 1:18 for humanities; but it is ranging from 1:37 for sciences and 1:42 for social sciences (National Council for Tertiary Education, 2016).

All winning companies are increasingly relying on employees who take on extra-role activities such as safety implementation, training new employees, and promoting its product, characterized by market competitiveness. Organizational citizenship behavior in educational institutions includes helping students and peers and participating in other beneficial school activities. Organizations' success and failures reflect numerous factors, especially aspects that depend on employees' behavior.

To effectively utilize human resources, organizations need to increase employee organizational citizenship to drive employees to do more than job descriptions. There is the need to 'go the extra mile' to make organizations function as a set of interdependent parts working towards achieving the mission, vision, objectives, and strategies. Tania et al. (2017) postulate that employees' high literacy in organizational citizenship behavior contributes to companies' success. Therefore, stakeholders must pay attention to organizational citizenship behavior. Private tertiary institutions' success depends on human resources' organizational citizenship behavior amidst competition from state-funded public universities. Thus, organizations rely heavily on workers whose actions determine the success of the firms.

According to Njage (2017), organizational citizenship behavior refers to individual discretionary actions not rewarded but supports an organization's efficient and effective functioning. These activities are critical for attaining the company's objectives; however, the official reward structure does not expressly recognize them. It is a cluster of discretionary, organization-facilitating activities that add to performance's psychological and social context but do not bring monetary rewards for the worker under the formal reward system. Though these behaviors enhance organizational development are not included in the job description (Jain & Rizvi, 2018).

In 2018, Organ asserted that organizational success depends on quantitative and qualitative dimensions, referred to as corporate citizenship behaviors. Organ (2018)

defined it as an “individual at-work activity which is voluntary, not expressly or specifically acknowledged by the structured rewards program, and in the aggregate promotes the organization's efficient and successful functioning” (p.4). These voluntary behaviors have five dimensions: altruism, civic virtue, conscientiousness, courtesy, and sportsmanship.

According to Özduran and Tanova (2017), altruism is assisting a particular colleague in fulfilling a task to solve an organizational problem. Khan et al. (2017) described altruism as selfless employee behavior where they are concerned about other people's welfare and helping employees who have been absent from work.

Civic virtue is demonstrated by actively participating in the organization's operations and programs by being truly worried about its well-being, seeking its benefit, and assuming responsibility for ensuring its support. Hence, it is employee engagement (Harvey et al., 2018). Ahmad (2018) maintained that civic virtue is the attitude that indicates whether a person represents an organization they are affiliated to positively, as well as how that individual promotes his or her organization outside after working hours. Therefore, civic virtue shows a sense of belonging within a work environment that increases employee productivity and work satisfaction.

Kumari and Thapliyal (2017) defined conscientiousness as performing one's responsibilities beyond required or minimum job requirements. A conscientious employee engages in additional roles, not in the job description. Moreover, Dai et al. (2018) asserted that conscientiousness is voluntary activities beyond the job's fundamental demands regarding compliance with work regulations, participation, and job results. These voluntary activities significantly improve organizational effectiveness and efficiency (Hameed et al., 2019).

Courtesy teaches and informs colleagues about potential hazards or difficulties that may influence smooth job performance (Özduran & Tanova, 2017). Similarly, Chan and Lai (2017) explained courtesy as relating to behaviors aimed at preventing future issues. According to Kumari and Thapliyal (2017), courtesy treats others with respect and dignity and getting in touch with other colleagues at work (Harvey et al., 2018).

Becton et al. (2017) described sportsmanship as tolerating the workplace's irritations and refraining from participating in trivial organizational problems and appreciating the organization's efforts. Ajlouni et al. (2019) explained sportsmanship as being able to forgive other employees of wrongdoings. Therefore, Nyarieko et al. (2017) mentioned that sportsmanship affects employees' job performance.

Generally, organizational citizenship behavior enables employees to go the extra mile in performing their responsibilities while others do not engage in these discretionary behaviors, more so when such actions are not recognized and rewarded. It enables employees to cope with stress and adapt to unforeseen problems and demanding work schedules through interdependence (Koopman et al., 2016), and employees exhibiting low levels of voluntary behavior is more likely to leave the organization (Ciocirlan, 2017).

Organizational politics influences organizational loyalty, determining organizational citizenship behavior (Saleem et al., 2018). Furthermore, corporate politics is a precursor of the maintenance of organizational membership, which enhances institutional roles' success and encourages individuals to achieve many voluntary actions necessary for organizational life and high standards of success. Therefore, corporate politics influence the maintenance of organizational membership, which also determines organizational citizenship behavior.

According to Jarrett (2017), organizational politics is a range of activities that aim to

use influence strategies to achieve personal or organizational interests—using two levels of analysis: where political actions take place (individual and corporate stages) and sources of power (formal and informal), the author posited four dimensions of organizational politics. These are the 'woods,' which refers to an informal source of influence at the corporate level, and the 'high ground' referring to the formal basis of power at the organizational level. On the other hand, he mentioned the 'weeds,' which is personal influence and informal networks, and the 'rocks' referring to personal political activities derived from formal sources of power in the organization. Therefore, organizational politics refers to using individual or corporate influence derived from formal or informal sources to achieve the desired outcome (Olusegun, 2019). It also refers to utilizing tactics meant to impact desired results and a social mechanism that can contribute to its fundamental functioning. Similarly, Schneider (2016) concurred by asserting that employees could jeopardize their well-being by not participating in organizational politics.

On the other hand, other researchers see organizational politics as a dysfunctional phenomenon that hinders firms from achieving their goals. For example, Javad and Sumod (2018) as well as Mishra and Kodwani (2019) argued that organizational politics involve incongruent activities with organizational goals and usually pursued to achieve self-interests at the expense of the organization. Similarly, Opoku and Arthur (2018) also maintained that employees perceive corporate politics as being self-centered and at the expense of other organization employees.

According to Vigoda-Gadot and Drory (2016), organizational politics influences in-role and out-of-role behaviors since employees with lower perceived organizational politics tend to perform better than those with higher levels of perceived corporate politics. Therefore, organizational politics tend to increase job stress, decreased morale, and a negative view of organizations.

Despite numerous studies on organizational citizenship behavior (Abane, 2016; Agustiningsih et al., 2017; Atta & Khan, 2016; Dwomoh et al., 2019; Njage, 2017), most of these work focused on the impact of extra-role behavior on client reactions and organizational performance (Banahene et al., 2017).

Even though organizational citizenship is vital to organizational success, its development is not straightforward since workers sometimes ignore its value, perceiving that such behaviors are not relevant in improving their performance (Romainha et al., 2019). Though the concept of organizational citizenship behavior is old, it seems people forget its importance; hence, the lack of literature concerning Ghana's problem. Therefore, the study will be of benefit to the institutions and their stakeholders.

The research will fill the knowledge gap and solve organizational citizenship behavior with corporate politics in Ghana's public and private tertiary institutions using the developed program. The study answers the research questions:

- What is the level of organizational politics as perceived by respondents in private tertiary institutions?
- What is the level of organizational citizenship behavior among the respondents in terms of?
  - Altruism
  - Civic Virtue
  - Conscientiousness
  - Courtesy



- Sportsmanship
- Is there a significant relationship between organizational politics and organizational citizenship behavior?

Guo et al. (2019) investigated the moderating impact of organizational politics on the interactions between work engagement, in-role performance, and organizational citizenship behavior directed at organizations (OCBO). The researchers collected data from 107 respondents in China. The research found that job engagement negatively correlated with in-role performance and organizational citizenship behavior directed at organizations when employees viewed the organization as intensely political.

De Clercq and Belausteguigoitia (2017) randomly selected 109 respondents from northern Mexico, and the results showed that organizational politics negatively correlated to organizational citizenship behavior. Hence, respondents' views on self-serving actions and tactics diminished the probability of engaging in extra-role behaviors.

In contrast, Ud Din et al. (2018) researched the influence of organizational politics on organizational citizenship behavior moderated by employee engagement and a sample size of 125 employees of Faisalabad textile organizations. The study showed a positive correlation between organizational politics and organizational citizenship behavior.

Another research was done by Atta and Khan (2016) to examine perceived organizational politics (POP) on organizational citizenship, affective engagement, and participation. The study showed a negative relationship between organizational politics and organizational citizenship behavior, affective commitment, and participation.

Furthermore, Khan et al. (2019) conducted a research using 392 respondents from tourism companies at two different periods in Southern China showed that perception of organizational politics negatively predicted organizational citizenship behavior mediated by moral efficacy.

## Methodology

### Research Design

The study adopted the quantitative design to analyze research questions and explain the cause and effect relationships between variables (Creswell & Creswell, 2017). Specifically, it used a descriptive correlational design to describe the exogenous and endogenous variables and examine the variables' relationship. According to Akinlua and Haan (2019), researchers use the descriptive correlational design approach to understand the relationship between variables and describe variables or phenomena.

### Population and Sampling Technique

According to the National Council for Tertiary Education, the total staff strength in private tertiary institutions with valid accreditation is 3,717 (NCTE, 2016/2017 Report). The demographic profiles show that the population comprises 2,696 males and 1,021 females, representing 72.53% and 27.5%. Aliyu et al. (2019) recommended using the Raosoft sample size calculator in determining the sample size in social sciences. The authors suggested a margin of 5% error, confidence interval of 95%, and a response distribution of 50%. The recommended sample size of a total population size of 3,717, using the Raosoft sample size calculator, was estimated at 349, approximated to 352 due to sampling figures' decimal nature.



The study was conducted among 352 faculty and staff of 33 private tertiary institutions in Ghana with valid accreditation and belonging to the National Council of Tertiary Education (NCTE). Purposive sampling was utilized to sample 352 respondents who are literate and had at least a General Certificate of Examination/ Advanced/ Ordinary Level or West African Senior School Certificate Examination and available to fill the questionnaire. The study used a purposive sampling technique due to the unavailability of a sample frame. The purposive sampling technique is cheaper, more convenient, more manageable, and gives access to willing and ready people to participate in the study (Creswell & Creswell, 2017). However, the study used 334 responses for the analyses. The sample size comprised 229 males and 105 females, representing 69% and 31%, respectively, showing that the males dominated the population (NCTE, 2016). As a result, more males participated in the study than females.

### Instrumentation

A self-developed research instrument was used to obtain information from respondents on the variables under study. The questionnaire was based on the dimensions discussed in the literature review. Specifically, items for organizational politics were 14. The dimensions of organizational citizenship, namely altruism, consisted of nine items, civic virtue comprised nine items, conscientiousness had five statements, courtesy had nine items, and sportsmanship had six items. Organizational politics and organizational citizenship behavior were measured on a 4-point Likert scale ranging from strongly agree to strongly disagree.

Six experts from the Adventist University of the Philippines and two other professionals from Ghana, and one professional from Kenya validated the questionnaire. The research conducted a pilot study at Blue Crest University College, which has a total workforce of 69 out of which the study used 32 respondents to determine internal reliability. According to Rahim et al. (2018), a sample size of 10 to 30 respondents is appropriate in survey research.

The Likert-scale type demands the calculation of the Cronbach's alpha coefficient for internal consistency, and the result ranges from 0 to 1. According to Vaske et al. (2017), alphas from .65 are acceptable. In interpreting the Cronbach's alpha, George and Mallery (2016) provided the following rules of thumb: “ $\alpha > .9$  – Excellent,  $\alpha > .8$  – Good,  $\alpha > .7$  – Acceptable,  $\alpha > .6$  – Questionable,  $\alpha > .5$  – Poor, and  $\alpha < .5$  – Unacceptable” (p. 231). As presented in Table 1 for organizational politics, Cronbach's alpha was .884, and Cronbach's alpha of altruism was .904, that of civic virtue and conscientiousness were .771 and .651, respectively. Courtesy had a Cronbach's alpha of .832, and sportsmanship's Cronbach's alpha was .834. Therefore, the instrument for data collection was reliable since all sub-dimensions scored above .65.

Again, the research used Cohen (as cited in Peprah et al., 2019) absolute correlation values in determining the strength of the relationship, where  $r = .10$  to  $.29$  means *low*,  $r = .30$  to  $.49$  implies *moderate*, and  $r = .50$  to  $1.0$  indicates *high*.

Table 1. *Internal Reliability Analyses Table for Variables*

Variables	Code	Number of Items	Cronbach's Alpha	Verbal Interpretation
Organizational Politics	OrgPol	14	.884	Good
Altruism	AL	9	.904	Excellent
Civic Virtue	CV	9	.771	Acceptable
Conscientiousness	CS	5	.651	Acceptable
Courtesy	CT	9	.832	Good
Sportsmanship	SM	6	.834	Good

Table 2 presents the scoring and verbal interpretation of organizational politics and organizational citizenship behavior:

Table 2. *Scoring System Table for Organizational Politics and Organizational Citizenship Behavior*

Numeric Scale	Numerical Likert Scale average weight	Degree of Intensity	Verbal Interpretation
4	3.3 – 4	Strongly Agree	Very High
3	2.5 – 3.2	Agree	High
2	1.7 – 2.4	Disagree	Low
1	1 --1.6	Strongly Disagree	Very Low

### Analysis of Data

The study used mean and standard deviation to answer the descriptive questions and Pearson's Correlation to answer the relationship question.

### Ethical Considerations

In conducting the study, respondents were aware of the type of information research sought, how they were to participate, its purpose, and the benefits of findings to private and public universities in Ghana. The research instrument for collecting data did not invade respondents' privacy, and the study assured respondents of confidentiality and anonymity of the information supplied. However, the respondents were informed that the findings would be shared broadly through colloquia, workshops, conferences, and publications.

Furthermore, the researcher did not give respondents any financial reimbursement for participating in the study and informed of the right to refuse or withdraw from responding to the questionnaire. The study also sought respondents' consent before data collection and abided by Section 65 of the Data Protection Act of Ghana, ensuring privacy and confidentiality. Therefore, respondents' names and any means of identification were neither stated on the questionnaire nor disclosed to any other persons for questionnaires retrieved personally or retrieved via email and other online mediums.

The Ethical Review Board of AUP considered, reviewed, and approved the research instrument to ensure that the research met ethical standards. The Board assessed the manuscript, informed consent form, and research instrument, and the study was approved by the Board and assigned study protocol code 2020-ERB-AUP-029.

## Results and Discussion

### Level of Organizational Politics

The study measured organizational politics with 14 items, as shown in Table 3. The level of organizational politics in Private Tertiary institutions was scaled *disagree* and verbally interpreted as *low* ( $M = 2.109$ ,  $SD = 0.331$ ). Although organizational politics was low, the highest scored item was *the best way to handle people is to tell them what they want to hear* ( $M = 2.540$ ,  $SD = 0.765$ ), which was rated agree and verbally interpreted *high*. The lowest scored item was *a wise strategy is to keep on good terms with everybody in this institution* ( $M = 1.630$ ,  $SD = 0.663$ ), rated *strongly disagree* and verbally translated as *very low*. Hence, employees in private tertiary institutions in Ghana have a negative view of organizational politics even though they engaged in ingratiation. The findings confirm the assertions of Javad and Sumod (2018). They maintained that organizational politics promote self-interest against the firm's objectives, which are deemed unacceptable at all costs and should be prevented. On the other hand, negative perception of politics in organizations leading to the low-level debunks Schneider (2016) position, who mentioned that employees could jeopardize their well-being if they do not participate in organizational politics. Thus, organizational politics is low because employees in private tertiary institutions in Ghana view the cost of engaging in organizational politics to outweigh the benefits.

Table 3. *Level of Organizational Politics (N = 334)*

	Mean	Std. Deviation	Scaled Response	Verbal Interpretation
Administrators use influence to achieve organizational goals.	2.040	0.672	Disagree	Low
Administrators use their positions to get organizational tasks performed.	1.910	0.723	Disagree	Low
Employees are rewarded for performing organization duties.	2.080	0.722	Disagree	Low
There are unwritten rules that one must follow to achieve goals.	2.350	0.794	Disagree	Low
There are explicit rules that check the conduct of organizational members.	1.950	0.698	Disagree	Low
Employees are rewarded for acceptable conduct.	2.300	0.76	Disagree	Low
There are informal networks that protect the interests of the organization.	2.280	0.677	Disagree	Low
Employees influence the behaviors of others.	1.970	0.516	Disagree	Low
Employees use position power to make decisions that improve organizational effectiveness.	2.160	0.723	Disagree	Low
Employees with expertise are able to influence other organizational members.	2.070	0.766	Disagree	Low
It is wise to flatter important people in this institution.	2.480	0.851	Disagree	Low

{table continues on the next page}

The best way to handle people in this organization is to tell them what they want to hear.	2.540	0.765	Agree	High
I have no interest in using gossip for personal advantage.	1.780	1.025	Disagree	Low
A wise strategy is to keep on good terms with everybody in this institution.	1.630	0.663	Strongly Disagree	Very Low
Organizational Politics	2.109	0.3308	Disagree	Low

Strongly Disagree-1= Very Low; Disagree-2= Low; Agree-3= High; Strongly Disagree-4= Very High

### Level of Organizational Citizenship Behavior

The level of organizational citizenship behavior was measured using five sub-variables, namely altruism, conscientiousness, courtesy, civic virtue, and sportsmanship. Respondents rated the level of citizenship behavior in terms of the sub-variables.

#### Altruism

Altruism was measured using nine items rated on Strongly Agree to Strongly Disagree, as seen in Table 4. The respondents' scaled response of their helping behavior was *disagreed* verbally interpreted as *low* ( $M = 1.738$ ,  $SD = 0.388$ ). Although altruism was low, the highest scored item was *I help others who have been absent from work scaled disagree*, which means *low* ( $M = 2.00$ ,  $SD = 0.815$ ). The lowest item *I am a selfless employee* was rated *strongly disagree* and verbally interpreted as *very low* ( $M = 1.47$ ,  $SD = 0.588$ ).

Table 4. *Altruism* (N=334)

	Mean	Std. Deviation	Scaled Response	Verbal Interpretation
I help others who have heavy workloads.	1.78	0.608	Disagree	Low
I assist others with work-related issues after work hours	1.72	0.54	Disagree	Low
I am ready to lend a helping hand to those around me.	1.65	0.707	Strongly Disagree	Very Low
I help others who have been absent from work	2.00	0.815	Disagree	Low
I willingly help others who have work-related problems.	1.72	0.556	Disagree	Low
I am concerned about other people's welfare	1.64	0.708	Strongly Disagree	Very Low
I help prevent work-related problems from occurring.	1.79	0.477	Disagree	Low
I help others in completing assignments of the organization.	1.88	0.615	Disagree	Low
I am a selfless employee	1.47	0.588	Strongly Disagree	Very Low
Altruism	1.738	0.388	Disagree	Low

Strongly Disagree-1= Very Low; Disagree-2= Low; Agree-3= High; Strongly Disagree-4= Very High

The findings showed that employees' helping behaviors in private tertiary institutions in Ghana is low and may be due to employees only working to commensurate the direct reward. The result confirms Odek's (2018) assertions who maintained that high individualism has led to workers focusing on what they can gain from employment, and employees perform work mostly to correlate with the reward. Additionally, it appears employees in private tertiary institutions in Ghana see helping behaviors as an individual choice, which do not attract any penalty; hence, they decide not to engage in these behaviors.

### Civic Virtue

Civic virtue measurement was done with nine items, as shown in Table 5. The scaled response of civic virtue was *strongly disagreed* with and verbally interpreted as *very low* ( $M = 1.642$ ,  $SD = 0.430$ ). Four items were rated by respondents *strongly disagree* and analyzed *very low*. The respondents scored five items disagree verbally translated *low*. *I defend my institution anytime there is the opportunity* was the lowest-rated item ( $M = 1.48$ ,  $SD = 0.557$ ). These findings suggest that when employees are disengaged, they are not able to affirm their organizations. Therefore, this may affect organizational productivity and job satisfaction. The results confirm the views of Harvey et al. (2018) and Ahmad (2018). They maintained that civic virtue shows employee engagement, which positively increases job satisfaction and employee productivity.

Table 5. *Civic Virtue* ( $N=334$ )

	Mean	Std. Deviation	Scaled Response	Verbal Interpretation
I engage in organizational programs	1.66	0.744	Disagree	Low
I participate in all social activities of my institution	1.86	0.713	Disagree	Low
I say positive things about my organization to outsiders.	1.52	0.599	Strongly Disagree	Very Low
I keep abreast with changes in my organization.	1.7	0.652	Disagree	Low
I seek the benefit of my institution.	1.51	0.599	Strongly Disagree	Very Low
I read announcements of my institution to be informed of happenings in my institution.	1.75	0.69	Disagree	Low
I read memos from my institution to be informed.	1.6	0.596	Strongly Disagree	Very Low
I attend organizational-related functions to build a positive image of my institution.	1.7	0.759	Disagree	Low
I defend my institution anytime there is the opportunity	1.48	0.557	Strongly Disagree	Very Low
Civic Virtue	1.642	0.430	Strongly Disagree	Very Low

*Strongly Disagree-1 = Very Low; Disagree-2 = Low; Agree-3 = High; Strongly Disagree-4 = Very High*

### Conscientiousness

The level of conscientiousness was measured using 5-item questions, as presented in Table 6. The respondents' scaled response for conscientiousness was *disagree* with, verbally translated as *low* ( $M = 1.680$ ,  $SD = 0.510$ ). The highest scored item *I go beyond my work requirements* ( $M = 1.77$ ,  $SD = 0.693$ ) measured as *disagree*, verbally interpreted as *low*. The lowest scored item *I ensure time fully spent at work is fully beneficial to my institution* measured *strongly disagree* and interpreted as *very low* ( $M = 1.55$ ,  $SD = 0.72$ ). This outcome shows that employees perform their job tasks and duties without going the 'extra mile' to perform other functions that negatively affect institutional effectiveness. Hence, it lends credence to the position of Hameed et al. (2019). They argued that discretionary and voluntary behaviors are the most significant component that improves organizational efficiency and effectiveness.

Table 6. *Conscientiousness* ( $N=334$ )

	Mean	Std. Deviation	Scaled Response	Verbal Interpretation
I go beyond my work requirements.	1.77	0.693	Disagree	Low
I participate in voluntary activities.	1.61	0.632	Disagree	Low
I believe in giving an honest day's work for an honest day's pay.	1.7	0.652	Disagree	Low
I do not take extra breaks.	1.76	0.728	Disagree	Low
I ensure time fully spent at work is fully beneficial to my institution	1.55	0.72	Strongly Disagree	Very Low
Conscientiousness	1.680	0.510	Disagree	Low

*Strongly Disagree-1 = Very Low; Disagree-2 = Low; Agree-3 = High; Strongly Disagree-4 = Very High*

### Courtesy

Courtesy was measured with nine items. The scaled response of respondents' courtesy was *disagree* which means *low* ( $M = 1.738$ ,  $SD = 0.424$ ) as presented in Table 7. *I inform others about potential hazards of work* was the highest scored item ( $M = 1.86$ ,  $SD = 0.624$ ), and was scaled *disagree* and verbally translated as *low*. The lowest score item was *I inform my colleagues of changes that impact their work*, which was scaled *strongly disagree* and interpreted as *very low* ( $M = 1.58$ ,  $SD = 0.551$ ). Therefore, the study infers that employees' concern towards others' professional and personal lives is *low* and may be due to organizational climates that do not promote social interactions. This finding contradicts the views of Romainha et al. (2019). According to the authors, courtesy is when workers inform their colleagues of changes that impact their jobs directly or indirectly, thereby helping them better plan for potential issues that may arise.

Table 7. *Courtesy* ( $N=334$ )

	Mean	Std. Deviation	Scaled Response	Verbal Interpretation
I inform others about potential hazards of work	1.86	0.624	Disagree	Low
I teach others about difficulties encountered on the job.	1.81	0.657	Disagree	Low

*{table continues on the next page}*



My interpersonal relationship at work prevents problems from occurring.	1.75	0.541	Disagree	Low
I offer important work updates to others.	1.66	0.534	Disagree	Low
I get in touch with others at work.	1.79	0.708	Disagree	Low
I prevent interpersonal conflicts at work.	1.66	0.589	Disagree	Low
I give necessary details of work to other people when required.	1.72	0.73	Disagree	Low
I help others plan better for potential issues at work.	1.81	0.602	Disagree	Low
I inform my colleagues of changes that impact their work.	1.58	0.551	Strongly Disagree	Very Low
Courtesy	1.738	0.424	Disagree	Low

*Strongly Disagree-1= Very Low; Disagree-2= Low; Agree-3= High; Strongly Disagree-4= Very High*

### Sportsmanship

As shown in Table 8, the research measured sportsmanship with six items, which respondents scaled as *disagree*, which means *low* ( $M = 1.787$ ,  $SD = 0.439$ ). *I refrain from complaining about organizational difficulties* as the highest scored item ( $M = 2.15$ ,  $SD = 0.728$ ), which was scaled *disagree* and verbally translated as *low*. The lowest item *I make peace with others in the organization's interest* was scaled *strongly disagree* interpreted as very low ( $M = 1.63$ ,  $SD = 0.538$ ). Therefore, the finding suggests that tolerance of irritation and work-related problems is low, and this could affect employees' job performance. This finding lends credence to Nyarieko et al.'s (2017) assertions, who maintained that sportsmanship and altruism significantly affect the job performance of casual employees.

Table 8. *Sportsmanship (N=334)*

	Mean	Std. Deviation	Scaled Response	Verbal Interpretation
I refrain from complaining about organizational difficulties.	2.15	0.728	Disagree	Low
I show positive conducts when I face work-related uncertainties.	1.89	0.514	Disagree	Low
I am tolerant of work-related complications.	1.72	0.562	Disagree	Low
I make peace with others in the interest of the organization.	1.63	0.538	Strongly Disagree	Very Low
I keep my emotions in check when others do not react appropriately.	1.68	0.622	Disagree	Low
I encourage other organizational members when they make mistakes.	1.65	0.579	Strongly Disagree	Very Low
Sportsmanship	1.787	0.439	Disagree	Low

*Strongly Disagree-1= Very Low; Disagree-2= Low; Agree-3= High; Strongly Disagree-4= Very High*

From Table 9, the respondents' level of organizational citizenship behavior was *low* as it was scaled *disagree* ( $M = 1.717$ ,  $SD = 0.347$ ). All sub-variables were scaled *disagree* and verbally interpreted as *low*, except civic virtue, which recorded the lowest score was rated *strongly disagree* and verbally interpreted as *very low* ( $M = 1.642$ ,  $SD = 0.430$ ).

Table 9. *Organizational Citizenship Behavior (N=334)*

	Mean	Std. Deviation	Scaled Response	Verbal Interpretation
Altruism	1.738	0.388	Disagree	Low
Civic Virtue	1.642	0.430	Strongly Disagree	Very Low
Conscientiousness	1.680	0.510	Disagree	Low
Courtesy	1.738	0.424	Disagree	Low
Sportsmanship	1.787	0.439	Disagree	Low
Organizational Citizenship Behavior	1.717	0.347	Disagree	Low

### Relationship between Organizational Politics and Organizational Citizenship Behavior

The association between organizational politics and organizational citizenship behavior showed a moderately significant positive relationship ( $r = 0.494$ ,  $p = 0.000$ ) at a 99% confidence interval, as presented in Table 10. The implication is that an increase in organizational politics will lead to a corresponding moderation in the employees' organizational citizenship behavior. In detail analysis, there is a highly significant positive relationship between organizational politics and altruism ( $r = 0.522$ ,  $p = 0.000$ ) while the relationship between organizational politics and civic virtue is moderately significant positive ( $r = 0.445$ ,  $p = 0.000$ ). The study showed a moderately significant positive relationship between organizational politics and conscientiousness ( $r = 0.481$ ,  $p = 0.000$ ). Furthermore, the correlation between organizational politics and courtesy is low significant positive ( $r = 0.186$ ,  $p = 0.001$ ), whereas the relationship between organizational politics and sportsmanship is moderate significant positive. Therefore, the study rejects the null hypothesis there is no significant relationship between organizational politics and organizational citizenship behavior.

Table 10. *Correlation Results of Organizational Politics and Organizational Citizenship Behavior*

		Altruism	Civic Virtue	Conscien- tiousness	Courtesy	Sports- manship	OCB
Organi- zational Politics	Pearson	.522**	.445**	.481**	.186**	.318**	.494**
	Correlation						
	Sig. (2-tailed)	0.000	0.000	0.000	0.001	0.000	0.000
	N	334	334	334	334	334	334

\*\* correlation is significant at the 0.01 level (2-tailed)

OCB-Organizational Citizenship Behavior

This finding contradicts De Clercq and Belausteguigoitia (2017), who found a negative relationship between organizational politics and organizational citizenship behavior when they sampled 109 respondents from Northern Mexico. Similarly, Guo et al. (2019) found out that the moderating influence of organizational politics on the relationship between job engagement, in-role performance, and organizational politics was negative.

Additionally, Atta and Khan (2016) found that organizational politics negatively correlated with organizational citizenship behavior, affective engagement, and participation when they sampled 494 professors of public universities in Pakistan.

Furthermore, a study by Khan et al. (2019) using 392 respondents from tourism companies at two different time periods in Southern China showed that perception of organizational politics negatively predicted organizational citizenship behavior mediated by moral efficacy. The reason for this could be the locations in which these researches were conducted, the sample size and sampling technique, variables used, and sectors in which these researches were conducted.

In summary, the results showed that the level of organizational politics was *low*. Altruism, conscientiousness, courtesy, and sportsmanship were *low*, while civic virtue was *very low* for organizational citizenship behavior. The correlation was *moderate significant positive* for organizational politics and organizational citizenship behavior.

Generally, the faculty and staff of private tertiary institutions in Ghana recounted low organizational citizenship behavior. The *low* organizational citizenship behavior is accounted for by *low* organizational politics. The faculty and staff admitted that organizational citizenship behavior in private tertiary institutions could improve when there is a positive impact of organizational politics. Therefore, private university Administrators should mobilize employees to participate in organizational citizenship behaviors by utilizing positive influence tactics and enlightening employees on how discretionary behaviors contribute to institutional success. The study recommends that future research explores citizenship behavior in a comparative study of public and private universities.

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## An Organizational Loyalty Model for Basic Education From the Effects of Sense of Mission and Power Distance on Organizational Loyalty as Mediated by Work-Family Balance

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### Abstract

**L**oyalty is a mental state that illustrates the association of employees with the organization for which they work, and that influences their decision to remain with the organization. Several studies claim that sense of mission and power distance affect organizational loyalty. However, studies on the mediation effects of work-family balance is not well researched, thus this study was conducted. The population of the study was the basic education teachers from the Union Conferences of an Adventist Division in the Asian territory. Basic education teachers from the three Philippine-wide union field conferences and two from foreign unions (Indonesia and Bangladesh). A total of 367 randomly selected basic education teachers were included in the final analysis. Questionnaires were developed and were pilot tested before final administration. SPSS and AMOS served as tools to generate the descriptive results and the structural equation model. The descriptive analysis revealed a *very high* level of sense of mission, *high* level of power distance, work-family balance, and organizational loyalty. There were *significant relationships* among the following variables: sense of mission and power distance on organizational loyalty, sense of mission and power distance on work-family balance, and work-family balance on organizational loyalty. The mediation analysis revealed that work-family balance *partially mediates* the effects of sense of mission and power distance on organizational loyalty. An organizational loyalty model was derived from these results. This study implies that whenever a positive relationship is given to the employee and benefitted the family, organizational loyalty became the outcome. Thus, benefitting the organization.

**Keywords:** *organizational loyalty model, sense of mission, power distance, work-family balance*

Loyalty in employment has evolved with the advent of “globalization” when employees started to face restructuring, relocations in company, and downsizing. The traditional responsibilities of employer to employees are reconsidered and lifetime employment and devotion is in question. Mehta et al. (2010) claimed that job hopping is a normal event, and people always strive for higher salaries and better working conditions. According to Aityan and Gupta (2012), employee loyalty is declining.

Employees’ loyalty has been quashed due to shortening contracts, outsourcing, automation, and multiple careers (Williams, 2014). On the other side, employees are considered as organization’s architects for they are vital resources and gives significant investment. Iqbal, Tufail, and Lodhi (2015) claimed that the when an employee stayed longer in the organization, the more invaluable he/she is to the company. Loyalty is the kind of faithfulness and trueness for it is an employee’s psychological attachment to the organization.

Leadership plays a role in teacher’s commitment and loyalty. In the history of Philippine educational context, Sutherland and Brooks (2013) viewed loyalty to leadership could come through debt of gratitude, kinship, and camaraderie.

Workers who feel undervalued and unappreciated may consider leaving their jobs for something else (Calitz et al., 2014). Teachers give better performance if they are satisfied with their job. It is very important to provide teachers with the facilities that they need so that they must be satisfied with the status of their job.

Teacher attrition is reported as an international phenomenon. Britain, United States, Pakistan (Khan et al., 2015), and Philippines are some of the countries with significant teacher attritions. In the Philippines, a study conducted by Sarvi et al. (2015) reported that instead of more individuals joining the teaching profession amidst high demand for teachers, the number of teachers leaving the profession has increased. The Philippines faced a net loss of 132 teachers every year which meant that more individuals left the profession as compared to the ones entering it (Philippine Statistics Authority, 2018). This means that the Philippines is not only experiencing a shortage of teachers, but also losing the professionals currently employed nationwide.

New factors today are being studied that can affect the satisfaction of workers. Factors such as workplace spirituality (Hassan & Akhter, 2016), sense of mission (Fukofuka, 2014) and power distance (Neustrom, 2011) are being studied and found out that they are part of things that affect employee retention. Moreover, work-family conflict (Mukanzi & Senaji, 2017)

can inflict damage in the productivity, attendance, and loyalty of the employees, etc. as well as their relationships within the family. Thus, a family-friendly flexibility can be a profitable tool for attracting and retaining employees.

**Sense of Mission.** Sense of mission is an awareness or feelings of an employee/ teacher’s goal in life in the organization by being identified emotionally and committing oneself to the organization’s vision of its future position and how it will be achieved. In education, the Christian teachers’ duty is their solemn responsibility. Bullough and Hall-Kenyon (2012) reported that there was a unique and committed service ethics among those reporting being called to teach. Though it seems unclear, the teacher’s sense of calling yet on the literature entitled *On Teacher Hope, Sense of Calling, and Commitment to Teaching*, 49% of Australian, 45% of English, and 46% of New Zealander teachers stated they always wanted to become a teacher. Moreover, the surveyed teachers have their sense of mission to

strengthen and establish the future generation. James wrote in his letter to the early church, “My brothers and sisters, not many of you should become teachers, because you know that we who teach will be judged more strictly” (James 3:1, NCV).

A sense of mission is an essential fortitude of spirit in an organization. When someone works in the sphere of education, educators without a sense of mission at work may slowly lose the importance of value at work but there comes a difference when teachers reflect together their academic, social, and spiritual qualities that they wanted to see in others. Adventist education qualifies students to be useful and have a joy-filled life, cultivate friendship with God, whole person development, Bible-based values, and selfless service in conformity with the mission to the world of the Seventh-day Adventist (Teaching the Adventist Way, 2004). It further mentioned that the fundamental aim of the school is to equip learners for a life of service to their family, church, and the larger community. With an identified mission statement, teachers who are called, and committed to work as educators in an Adventist educational institution will remain loyal to that institution.

While missions are connected to the significant condition of employee engagement, it is an employees’ belief that his/her work adds to fulfilling the goal that the greatest relationship with their sense of meaningfulness. There is a strong connection between goal contribution and the meaningfulness condition, which stipulates that employees experience the greatest sense of value and worth to their organization when they believe that what they do contributes to achieving the mission of their organization (Gibson, 2013).

**Power Distance (PD).** This refers to the attitude of different cultures to accept status and power differences among its members. It can be seen in the way people accept or respect their leaders. Power distance influences workers for when they perceive injustice and inequality in their work, workers tend to quit (Rafiei & Pourreza, 2013). In high PD culture, workers find it beneficial to cultivate a positive relationship with their leaders for they control their access to important resources (Wei et al., 2017).

Zhang and Begley (2011) mentioned that power distance at an individual level refers to the degree to which an individual accepts uneven distribution of power in an organization. Characteristics like decision making from the highest to the lowest, hierarchical relationships, and supervision of workers are typical on a high-power distance organization. Livermore (2010) mentions power distance as that feeling of separation between leaders and followers. In this setup, power holders are entitled to certain privileges and subordinates are willing to support and accept the views of the superiors.

**Work-Family Balance.** Work-family balance refers to the elements that affect a working person in relation to their work and family. It is a condition in which a worker achieved an ideal working relationship between work and life activities. In this study work family balance is measure in terms of supervisor support, work environment, work-time commitment, job involvement, role overload, and family involvement.

Work-family conflict is defined as a form of inter-role conflict between work and family domains and in some respect, they are mutually incompatible (Mihelič & Tekavčič, 2014). It is also defined as a type of inter-role stress that arise from incompatible pressures in the work and family domains (Martinengo et al., 2010). Work-family conflict is perceived today to be a necessary topic in the world of business. This conflict arises when a person is challenged with antagonistic and simultaneous pressures that come out from either their work or family role (Anafarta, 2010).

**Organizational Loyalty.** Organizational loyalty, according to Javed et al. (2014), is a mental state and illustrates the association of employees with the organization for which they work, and that influences their decision to remain with the organization. Organization loyalty is measured through emotional loyalty, moral loyalty, and continued loyalty. Loyalty to organization can also be referred to as employee loyalty. Hence, employee loyalty refers to the psychological attachment of employees to their employer (Anjali & Anand, 2014). It is the extent to which employees identify themselves with the organization's work ethics, objectives of the organization and contribute to the corporate performance.

**Emotional loyalty.** It is the emotional commitment of employees which produces positive behavioral actions like increased production output and defends the organization from negative comments that are detrimental to it.

**Moral loyalty.** It is an employee's psychological and moral attachment to the organization due to the organizational move that encourages bonding among employees and instills organizational pride. It creates and maintains moral relationship-faithfulness and devotion towards the organization.

**Continued loyalty.** It is defined as a sustained and continued service to their place of employment that results in being engaged and continue to work in the organization. The employees also are productive in their work.

This study is rooted on the social exchange theory. Organizations and companies depend heavily on the quality of its workers and workers' loyalty for its long-term success. As what Nasiri et al. (2015) mentioned, employee's loyalty could be a predictor for the success of the organization.

Out of the social exchange theory, Eisenberger et al. (1986) developed a model to explain how the support of organizations affects the employees' behavior. This model is called the organizational support theory. In this theory, employees developed a global perception of how wide the organization care about their well-being and shows appreciation.

Hofstede's cultural dimension theory defines the cultural divide that separates the high and low power distance. This divide is affected by the geographical culture where the employee resides or work. This theory outlines the division between high and low power distance, which can affect loyalty or commitment of the employee to their organization.

This study was conducted to generate an organizational loyalty model based on the results of the analysis on the effects of sense of mission and power distance on organizational loyalty as mediated by work-family balance among basic education teachers.

## Methodology

### Research Design

This study used a descriptive-correlation design to describe the status of how to determine the mediation effects of work-family balance on the relationship between the exogenous variable, sense of mission, power distance, and endogenous variable, the organizational loyalty. This study determined how a set of variables is related or to test hypothesis regarding expected relations. Analysis of Moment Structures (AMOS), and Structural Equation Modeling (SEM) served as tools to measure how the exogenous variable; workplace spirituality, sense of mission and power distance affect the endogenous variable; organizational loyalty as mediated by work-family balance, to answer the problems and treat the data.

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### **Population and sampling Technique.**

The population were the basic education teachers from the Union Conferences of an Adventist Division in the Asian territory. Basic education teachers from the three Philippine-wide union field conference and two from foreign unions (Indonesia and Bangladesh). A total of 367 randomly selected basic education teachers were included in the final analysis.

Out of 367 (100%) respondents, the following identified themselves according to the level of their age: 25 years old and below, 59 (16%); 26-30 years old (51 (14%); 31-35 years old, 40 (11%); 36-40 years old, 48 (13%); 41-45 years old, 51 (14%); 46-50 years old, 48 (13%); 51-55 years old, 33 (9%); and 56 years old and above, 37 (10%). Among these respondents, 304 (82.8 %) were females and 258 (70.3%) were married.

For years of service, 80 (21.8%) served for two years or less; 3-7 years, 78 (21.3%) respondents; 8 to 12 years, 50 (13.6%) respondents; 13-17 years, 39 (10.6%) respondents; 18-22 years, 37 (10.1%) respondents; 23-27 years, 39 (10.6%) respondents; and 28 years and above, 44 (12%) respondents.

For educational attainment, those who had finished Bachelor degrees consisted of 237 (64.6%) individuals, while those 81 (22.1%) had MA units, and 49 (13.4%) for those with MA and higher degrees

### **Instrumentation**

The research instrument used in this study was a self-constructed, paper and pencil questionnaire. Items generated were based on the definitions and dimensions of the variables. The instrument utilized in this study first went through a validation by the 12 panel of experts before the pilot study was conducted 100 teachers.

The instruments of the study comprised of the following sections: Part I of the questionnaire dealt with the respondents' demographic profile questionnaire (DPQ). This instrument consisted of five items: age, sex, civil status, educational attainment, and years of service. Part II consisted of the sense of mission which is unidimensional. Part III contained the power distance that includes high and low power distance. Part III is about work -family balance which consist of supervisor's support, work environment, work –time commitment, job involvement, role overload, and family involvement. Part V deals with the organizational loyalty with three dimensions: emotional loyalty, moral loyalty, continued loyalty. Instrument used in a Union Conference D was translated into its vernacular by a translator who has a PhD and currently employed as Vice President for Student Services in an educational institution and most of all a native of the said vernacular. A pilot study was conducted in selected institutions in Luzon with one hundred eight participants. Garnered data from the pilot study resulted to a reliability between .680 - .898.

### **Ethical Considerations**

Confidentiality in securing the completed questionnaires was upheld. The researcher guaranteed that all data would be for the current research purposes only and all questionnaires were coded to hide the identity of the individuals' responses.

### **Analysis of Data**

Data were analyzed using Statistical Package for Social Science (SPSS). The following statistical tools were used in the study: descriptive statistics including frequencies,



percentage, mean, and standard deviation. Pearson Product moment correlation coefficient (r), and structural equation modeling were the main tools in to analyzing the inferential statements.

## Results and Discussion

### Sense of Mission

Sense of mission is an awareness or feelings of an employee/teacher's goal in life in the organization by being identified emotionally and committing oneself to the organization's vision of its future position and how it will be achieved. With regards to the teachers' sense of mission, the overall mean is very high. This result shows that the direction in teaching life is very clear. They can visualize their sense of value for they can make a difference and impact the life of others. Considering their response, Adventist elementary educators had a very strong affinity to their sense of mission.

Table 1. *Respondents' Extent of Sense of Mission*

Items	Mean	SD	Scaled Responses	Verbal Interpretation
<i>As a teacher</i>				
1. I know that my work has special meaning for this is not "just a job".	4.72	0.51	Strongly Agree	Very High
2. I am proud to be in my teaching profession.	4.66	0.59	Strongly Agree	Very High
3. I experienced the greatest sense of value and worth as a teacher.	4.56	0.64	Strongly Agree	Very High
4. I believe that I have a responsibility to stay in this profession.	4.51	0.72	Strongly Agree	Very High
5. I feel I can make difference here.	4.50	0.68	Agree	High
6. I know that my profession gives me satisfaction.	4.49	0.66	Agree	High
7. my mission is connected with being engaged as an employee	4.47	0.67	Agree	High
8. I am in the teaching profession because of my sense of loyalty to it.	4.45	0.74	Agree	High
9. I am properly informed of the school policies.	4.35	0.77	Agree	High
10. I believe that teaching provides a secure future.	4.28		Agree	High
Overall Mean	4.50	0.50	Strongly Agree	Very High
Legend: 4.50 – 5.00—Strongly Agree				
3.50 – 4.49—Agree				
2.50 – 3.99—Moderately Agree				
1.50 – 2.49—Disagree				
1.00 – 1.49—Strongly Disagree				

As seen in Table 1, teachers consider their work is '*not just a job*' (4.72,  $SD = 0.51$ ), the feel proud of their profession (4.66,  $SD = 0.59$ ) and experienced greater sense of value and worth (mean = 4.56,  $SD = 0.64$ ). The items with the lowest mean are as follows: teachers are properly informed about the school policies (mean = 4.28,  $SD = .77$ ) and

teachers who believe that teaching provides a secure future (mean= 4.28,  $SD = .98$ ) but still interpreted as agree.

These findings lend credence to the conclusion that a sense of calling is common among teachers. Considering these things, their high sense of mission does not depend upon receiving proper information of school policies and having a secure future instead they place more value on what they can accomplish and pursue on making a difference to their students. Fukofuka (2014) also agrees when he said that employees stayed long in an organization because they felt attached to the mission of the organization.

### Power Distance

For the area on power distance, teachers respect and accept this aspect according to the Asian context. They saw that those in the administration has a different kind of power that they can exercise to their subordinates, but they are also given a leeway in regard to their classroom authority as can be seen in the scaled responses, only the one that says that the supervisor's power orientation influences leadership. The others received a scaled response of high.

Table 2. *Respondents' Extent of Power Distance*

Items	Mean	SD	Scaled Responses	Verbal Interpretation
<i>As a teacher</i>				
1. I am aware that supervisor's power orientation influences leadership.	4.50	0.63	Strongly Agree	Very High
2. believe that superiors should be readily accessible to their subordinates.	4.47	0.69	Agree	High
3. am likely to respect hierarchy and rank in the organization.	4.24	0.64	Agree	High
4. know that using power is judged according to its purpose and consequence.	4.21	0.78	Agree	High
5. realize that subordinates are cautious in interacting with supervisors.	4.00	0.80	Agree	High
6. consider that there is a strong sense of status in the administration.	3.92	0.88	Agree	High
7. observe that power holders are entitled to special rights and privileges.	3.90	1.03	Agree	High
8. can perceive that the organization place more responsibility on me.	3.81	1.00	Agree	High
9. am at the top of the classroom hierarchy.	3.68	1.06	Agree	High
Overall Mean	4.50	0.50	Agree	High
Legend: 4.50 – 5.00—Strongly Agree		1.50 – 2.49—Disagree		
3.50 – 4.49—Agree		1.00 – 1.49—Strongly Disagree		
2.50 – 3.99—Moderately Agree				

The result shows that the respondents agree that supervisors had a power that they wield which is similar to Ji and Zhou's (2015) study that subordinates should be sensitive to power discrepancies and must be cautious when interacting with their supervisors. Though there is a belief among teachers that supervisors must be readily accessible to their subordinates, there is somewhat an unexpressed agenda here that could agree. The overall result of this area is the tendency of teachers to an unwritten acceptance that high power distance exists in this part of the world as what Lin et al. (2013) expressed subordinates show deference and obedience to authority figures and that they have an expectation of their inferior position than that of their superior and accept the imbalance of power.

### Work-Family Balance

For the work-family balance and its dimensions, except for role overload, it was interpreted as high. As indicated in their responses, teachers were inclined to the positive side of their work and family. This indicates that their work is not a hindrance to their family and their family is not a hindrance to their work. For the role overload, the response is interpreted as sometimes. This answer pictures a scenario that indicates that there are times when there is a very minimal conflict between their role as teachers and parents.

Table 3. *Levels of Work Family Balance of the Respondents*

Work-family Balance	Mean	Standard deviation	Interpretation
Supervisor support	4.39	0.57	High
Work environment	4.35	0.60	High
Work-time commitment	3.34	0.39	Moderate
Job Involvement	4.41	0.62	High
Role overload	2.97	0.42	Moderate
Family Involvement	4.06	0.98	High
Overall Mean	3.92	0.167	High

Taken as a whole, the result shows accordingly that there is a great need for supervisors to improve and show a genuine concern to their teachers. Kee et al. (2014) supported this result when they said that a good relationship should exist between worker and their immediate supervisors. Umanaheswari and Krishnan (2016) agree with the outcome of the survey when they said that when workers have support from the leadership or organization, workers unleash their potentials for good.

Myrtle (2014) agreed with the result when he said that employees who have family friendly organizations are more loyal, attached and committed to their organizations and they have greater job satisfactions.

### Organizational Loyalty

Table 4 presents the organizational loyalty of the respondents. It showed in the result that the level of organizational loyalty of the basic education teachers was high being emotional loyalty as the highest (4.39) and moral loyalty as the lowest (4.05).

Table 4. *Levels of Organizational Loyalty of the Respondents*

Organizational Loyalty	Mean	Standard deviation	Interpretation
Emotional loyalty	4.39	0.57	High
Moral Loyalty	4.05	0.45	High
Continued Loyalty	4.04	0.63	High
Overall Mean	4.16	0.20	High

Mustapha et al. (2013) agreed with the teachers when teachers said that they are deeply committed with their teaching jobs, the three said that those who are internally motivated produce good quality of jobs and are deeply committed. This deep commitment can be observed by doing extra efforts for the benefit of the organization

### **Sense of Mission, Power Distance as Correlates to Organizational Loyalty**

Table 5. *Relationship Sense of Mission, Power Distance to Organizational Loyalty*

		Emotional Loyalty	Moral Loyalty	Continued Loyalty
Sense of Mission	Pearson r	.480	.324	.170
	p-value	.000	.000	.001
	VI	Significant	Significant	Significant
Power Distance	Pearson r	.274	.426	.381
	p-value	.000	.000	.000
	VI	Significant	Significant	Significant

There were *positive and significant relationships* among the following variables: sense of mission and power distance on organizational loyalty; sense of mission and power distance on work-family balance; and work-family balance on organizational loyalty. Sense of mission influences organizational loyalty. Employees stayed long because they felt attached to the “mission of the organization” (Fukofuka, 2014). According to Neustrom (2011), there are five different areas; individualism/collectivism, power distance, uncertainty avoidance, masculinity/ femininity, and time orientation, that affect employees.

In a culture when power distance is low, people prefer participative management and worker involvement in decision-making. It results to much interaction among its people (Gibson, 2013) and increases team participation (Zhang & Begley, 2011) but when workers perceive injustice and inequality from their leaders, workers tend to quit (Rafiei & Pourreza, 2013).

Loyalty can be affected by work-family conflict. Family concerns and challenges affect work. Novotney (2013) mentioned that problems like overweight, anxiety, depression, and learning problems among adolescents seriously affect work-family balance.

### **Sense of Mission & Power Distance as Correlates of Work-Family Balance**

The results in Table 6 shows that sense of mission is *positively correlated* to work-life family balance in terms of supervisor support, work environment, job involvement, role overload, and family involvement except for work time commitment. Furthermore, power distance is *positively related* to all the dimensions of work-life family balance except for work time commitment

Table 6. *Relationship of, Sense of Mission & Power Distance to Work-Family Balance*

	Supervisor Support	Work Environment	Work time Commitment	Job Involvement	Role Overload	Family involvement
Sense of Mission	.507	.544	.010	.458	.162	.372
Pearson r	.000	.000	.647	.000	.002	.000
p-value	Significant	Significant	Not Significant	Significant	Significant	Significant
VI						
Power Distance	.387	.360	.064	.329	.182	.269
Pearson r	.000	.000	.222	.000	.000	.000
p-value	Significant	Significant	Not Significant	Significant	Significant	Significant
VI						

Over the past several decades, employers, societies, and individuals recognize that the work and family lives of individuals are intertwined and consistently influence one another (Allen et al., 2014). When conflict arises between the two, Blackman and Murphy (2012) said that it causes damaging effects on essential individual outcomes (e.g., depression, hypertension, substance abuse, family relations) and organizational outcomes (e.g., absenteeism, commitment, turnover, job satisfaction).

### Relationship Work-Family Balance to Organizational Loyalty

Table 7 presents the correlation analysis on the relationship of work-family balance and organizational loyalty. The dimensions of work family balance and organizational loyalty were all positively correlated except for the relationship of work time commitment on moral and continued loyalty.

Table 7. *Relationship Work-Family Balance to Organizational Loyalty*

		Emotional Loyalty	Moral Loyalty	Continued Loyalty
Supervisor Support	Pearson r	.370	.474	.362
	p-value	.000	.000	.000
	VI	Significant	Significant	Significant
Work Environment	Pearson r	.413	.587	.499
	p-value	.000	.000	.000
	VI	Significant	Significant	Significant
Work Time Commitment	Pearson r	.133	.045	.010
	p-value	.011	.389	.843
	VI	Significant	Not Significant	Not Significant
Job Involvement	Pearson r	.362	.491	.278
	p-value	.000	.000	.001
	VI	Significant	Significant	Significant
Role Overload	Pearson r	.237	.170	.142
	p-value	.000	.001	.006
	VI	Significant	Significant	Significant
Family Involvement	Pearson r	.327	.304	.201
	Sig (2-tailed)	.000	.000	.000
	VI	Significant	Significant	Significant

Loyalty can be affected by work-family conflict. Family concerns and challenges affect work. Novotney (2013) mentioned that problems like overweight, anxiety, depression, and learning problems among adolescents seriously affect work-family balance. Abidin et al. (2010) mentioned that in order to reduce work family conflict and enhance work family balance emotional support like emphatic understanding and listening, affirmation of affection, advice, and genuine concern for the welfare of the partner and instrumental support like doing household chores and assisting in childcare should be done. By having a positive family relationship, conflict with work demands can be minimized.

According to Sheikhy et al. (2015), wherever people work, they search in their job something beyond the material rewards and look for something meaningful, promising and demanding that results to balancing their lives. Wagner and Hollenbeck (2013) cited that meaningfulness of work refers to the degree by which a worker sees their job as having an outcome that is useful and valuable to the worker, the company, and the surrounding environment. Work-family conflict is an important issue in today's business world. This is because work-family conflict is an inter-role conflict in which the role demands of family sphere or work are incompatible. Erkmén and Esen, (2014) affirmed that it is bi-directional, for work can interfere with family and family with work. Allen et al., (2014) said that recognize that the work and family lives of individuals are intertwined and consistently influence one another. Thus, a balance is needed.

### Mediation Analysis (Organizational Model)

Figure 1 is the final mediation model after removing insignificant paths and the resulting model show a good fit and shows that the work-family balance has a mediation effect on the exogenous variables sense of mission and power distance to the endogenous variable, organizational loyalty. The analysis generated a partial mediation model because the independent variable has both direct and indirect effects on the dependent variable. It is also a good fit because of what the following indices denote: Chi square = .172; df = 1; p = .679, RMSEA = .000, CFI = 1.000, NFI = 1.000. It is a good fit as reflected in Table 8.

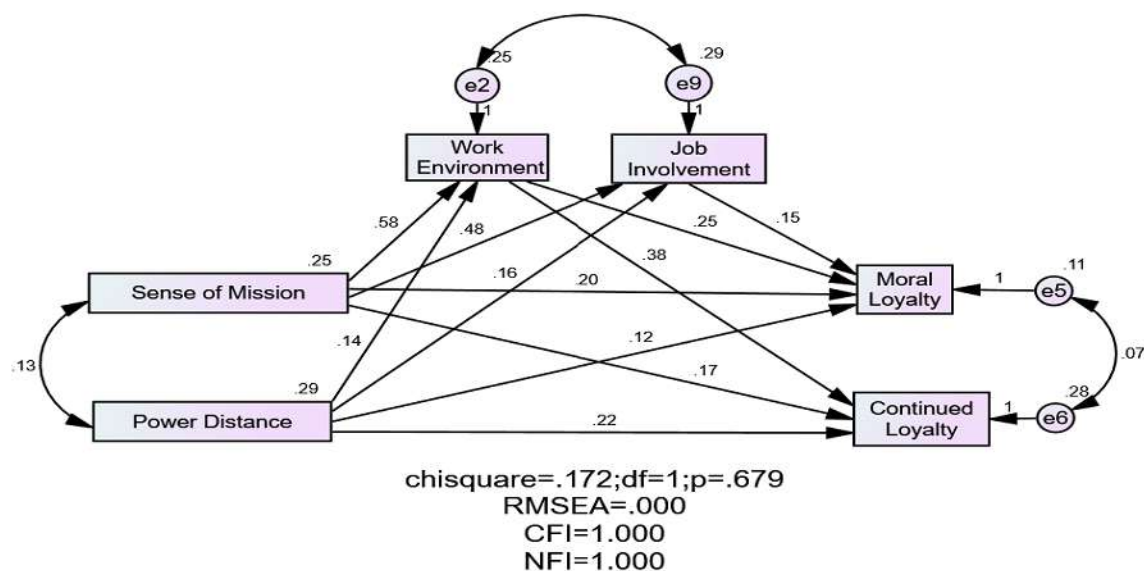


Figure 1. *Final Structural Equation Model of Organizational Loyalty*



Table 8. *Rule of Thumb of Fit Indices*

Fit Measure	Good Fit	Acceptable Fit	This Study	Verbal Interpretation
p-Value	$.05 \leq p \leq 1.00$	$.01 \leq p \leq .05$	.679	Good Fit
RMSEA	$0 \leq RMSEA \leq .05$	$0 \leq RMSEA \leq .08$	.000	Good Fit
CFI	$.97 \leq CFI \leq 1.00$	$.95 \leq CFI \leq .97$	1.00	Good Fit
NFI	$.95 \leq CFI \leq 1.00$	$.90 \leq CFI \leq .95$	1.00	Good Fit

Note: **CFI** = Comparative Fit Index, **NFI** = Normed Fit Index,  
**RMSEA** = Root Mean Square Error Approximation

Table 9 shows the total effect of independent variables to dependent variables. The paths from sense of mission to moral loyalty and to continued loyalty yielded the unstandardized coefficient values of  $B = .360$  ( $p = .002$ ) and  $B = .309$  ( $p = .002$ ), respectively. The paths from power distance to moral loyalty and to continued loyalty yielded the of  $B = .179$  ( $p = .003$ ) and  $B = .273$  ( $p = .003$ ), respectively. This implies a significant positive total effect of independent variables to dependent variables. In other words, the sense of mission and power distance variables are the reason why moral and continued loyalty came into being.

Table 9. *Summary of Path Coefficients of Unstandardized Total Effect*

		Total Effect (c)		
		B	p	VI
Sense of Mission	Moral Loyalty	.360	.002	Significant
Sense of Mission	Continued Loyalty	.309	.002	Significant
Power Distance	Moral Loyalty	.179	.003	Significant
Power Distance	Continued Loyalty	.273	.003	Significant

### The Final Model

Work-life family balance partially mediates the relationship of sense of mission and power distance on organization loyalty. This means that work life balance can improve the effect of dependent variables on organizational loyalty, but this effect is complimented the sense of mission and power distance.

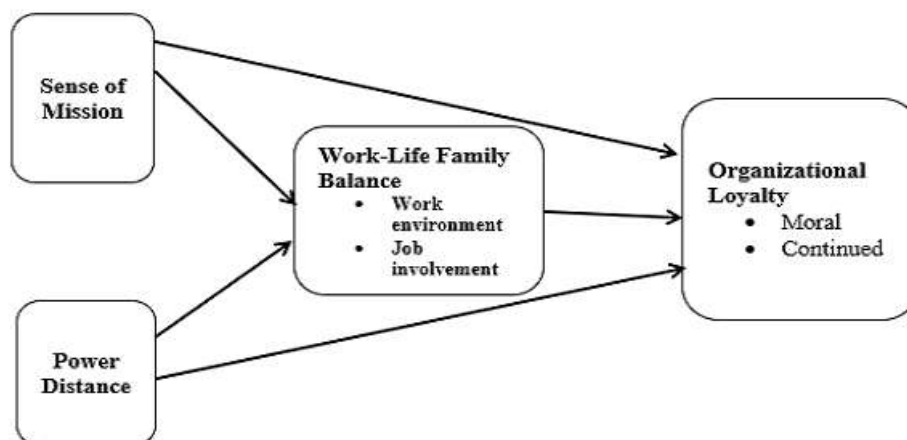


Figure 2. Final Path Diagram of Organizational Loyalty Predictive Model

Sense of mission and power distance showed a *significant relationship* to organizational loyalty. Sense of mission, and power distance are *significantly related* to work-family balance for it influences the role they have in the family. The positive relationship creates a balance between work and family. Work-family balance shows a *significant relationship* between work-family balance and organizational loyalty for when job satisfaction due to work-family balance is attained, the family reaps benefits that result to organizational loyalty.

Fukufuka (2014) affirmed that when workers are attached to the mission of the organization, their tenure can last a lifetime. Mission relates to worker's meaningfulness condition to employee engagement (Gibson, 2013) that meaningfulness condition includes positive work environment that results to high level of commitment and a sense of ownership for their organization when this work environment, being a factor of work-family balance mediates with the moral and continued loyalty.

As shown in Figure 2, work-family balance mediates between, sense of mission, power distance, and organizational loyalty for the results show significant relationship between the exogenous variable and the endogenous variable that passes through the mediator.

Based on the emerging model derived from the study, the work environment and job involvement significantly mediated on the relationship between sense of mission, power distance and organizational loyalty. The sense of mission was mediated by work environment and job involvement to moral loyalty and continued loyalty. Power distance was mediated by work environment to continued loyalty and moral loyalty, while power distance was mediated by job involvement to moral loyalty only.

The results in this study confirmed what social exchange theory is all about. The theory mentioned about rewards minus expenses. The symbiotic relationship that is indicated points that whenever a positive relationship implied in the dependent variables is given to the employee and benefitted the family (the dependent variable), organizational loyalty, became the outcome. Thus, benefitting the organization.

After much shifting from the resultant response of the teachers, a new model emerged that can change how the leadership should strengthen and view organizational loyalty.

As the vanguard that will educate the students, teachers should exemplify a positive relationship with their administrator/leaders, and colleagues to positively communicate with leaders their aspirations, challenges, and needs to strengthen their camaraderie.

Future researchers may perform and make a scholastic review about the results of this study in making a reference or use it as a peripheral source for later research and conceive another line of study using the reverse paradigm of this research.

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