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Education Policy in the Philippines: Coordination Challenges

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Abstract

Educational systems around the world have undergone major transformations since the 1980s, but too often efforts to reform the governance of education has been misguided. Dominant approaches to restructuring education focus heavily on decentralization and school based management ignoring other market and government failures that an empowered local government or schools can address. This paper proposes a framework for reforming governance and education and applies it in the case of the Philippines. As shown by Philippine experience, decentralization has been identified as a solution to chronic underspending for the sector, inadequate service inputs like classrooms and buildings, and poor quality of education, which stymies the capacity to address other structural-functional issues. The paper assesses the political, analytical and operational dimensions of education governance to generate insights on how reforms can further be pursued.

Keywords: education policy, governance of education, Philippines

Introduction

Educational systems around the world have undergone major transformations since the 1980s, largely due to the growing recognition of its central role as a driver of economic and social development. In developing countries, the Millennium Development Goals and its successor Sustainable Development Goals played a catalytic role in pushing it to the center of development debates. Most countries have been more successful at quantitative expansion of school places and attendance rather than providing quality education. We can look back to the experience of these countries to learn lessons from their experiences, especially regarding their efforts to implement the policy of universal education.

At early stages of a country's development, the policy emphasis is understandably on quantitative expansion of education, especially at the primary level. Lack of resources are the main concern at this stage and resource mobilization is a major preoccupation for policymakers. The importance of quantitative expansion and resource constraints wanes as near-universal enrolment in primary education is achieved. Increasingly, the quality of education and equal access to it become more central concerns, as a well-educated workforce is believed to be essential for achieving higher levels of development. As governments quickly find out, expansion of enrolment by building schools and recruiting teachers are simpler tasks compared to using them to provide quality education to all.

Governments are slow in recognizing the changing nature of the problem and continue to focus on mobilizing additional funding for improving school facilities and teachers' salaries, assuming that extra resources are what is needed to improve education. Faced with resource constraints, they turn to tapping into private sources in the form of tuition fees and private donations. The additional resources that are thus generated and spent often have little to show, however, to the disappointment of policy-makers. A more problem centered approach to reform would have shown that the main policy problem was lack of clarity about the goals of the reform and the mechanism by which they are achieved rather than lack of resources.

To the extent policymakers think beyond financing issues in their education reforms, the thinking in recent years has concentrated on expanding the role of local governments and school management and allowing greater choice to households, loosely described as decentralization. While these measures, in conjunction with additional resources, can be expected to improve performance, they do not cover the entire gamut of policy and administrative measures necessary for establishing an effective education system. While decentralization can help, it can play only a small, albeit critical, role in the broader reform that the sector requires. The objective of the paper is to propose a framework for reforming the governance of education and applying it to the case of schools' reforms in the Philippines.

Framework for Education Reforms

Before contemplating education reforms, it is necessary to understand the core goals of education *policy* (distinct from the core goals of education itself which are more complicated). The vital role of the government in education is so widely assumed that its essential purposes are easily overlooked. The primary goal of education policy is to meet the shortfalls in the supply of education that would otherwise occur due to the market's inability to provide it to those without the ability to pay for it. That households cannot ascertain the quality of the education due to information asymmetries also necessitates government action to correct the failure. It is imperative for the government to cover the shortfalls in the quantity and quality of education supply due to the enormous and numerous positive externalities that flow from it. Governments can, technically speaking, solve all these problems through a combination of policy tools such as regulations, subsidy, information, and so on.

However, the case for government intervention to correct market failures is more solid in theory than in practice. Quantitative expansion of education to meet demand shortfall is easier than to supply relevant and quality education. Governments often don't know what education to provide and in what quantity. Governments are also often not much wiser than households in assessing the quality of education. That governments are straddled with rigid rules and processes operating in a non-competitive environment makes it particularly difficult to devise and execute necessary interventions. These government failures have the potential to make an undesirable situation worse unless handled carefully.

Given the depth and breadth of market failures in education that pose insurmountable barriers to intervention, governments need to work around them. Instead of trying to eliminate the sources of the problem, it is easier to alter the relationships among the key stakeholders so that their expectations and actions are more aligned to the needs of the society rather than their own self-interest. The purpose of this intervention is to simultaneously address conjoined problems of market and government failures.

To do what governments must do if the education sector is to perform effectively, policymakers must have an overall understanding of the necessary governance functions. First, it is necessary to identify the essential governance functions specific to education. Second, policymakers must determine the agency and level of government best placed to perform it. Next, they need to offer sufficient incentives, impose necessary constraints, establishes operational processes, and institute accountability mechanisms so that the stakeholders behave in the desired manner. Finally, it is necessary to ensure that there exists adequate capacity on the part of the government and their societal partners to perform the functions. Concentration on decentralization as an all-encompassing reform strategy distracts from the pursuit of a more problem-centered approach targeting specific shortcomings.

Functions in Education Governance

Effective governance of the education sector requires performance of three categories of functions: political, operational, and analytical as depicted in the following table:

Table 1. Framework for Education Governance

	Governance functions	Location of responsibility
POLITICAL	• Setting direction, goals, and objectives.	Central
	• Mobilizing resources for achieving goals	Central
	• Building political support and establishing collaborative arrangements with partners	Local
OPERATIONAL	• Designing organizational structures and the powers and responsibilities of the different agencies and levels of governments, keeping coordination challenges in mind.	Central and regional govts
	• Designing policy tools (regulations, standards, incentives, etc)	Central and regional govts
	• Allocating necessary financial and human resources and establishing an appropriate budgeting and personnel system.	Central and regional govts
	• Ensuring efficient management of schools	Schools
	• Ensuring accountability by establishing mechanisms for monitoring, review and audit, and meting out rewards and penalties.	National Regional and local
ANALYT	• Designing appropriate curriculum	Central and regional
	• Generating intelligence: information and analysis for decision-making (e.g. Educational achievements, equity, productivity, human resource needs, etc)	Central, regional, local, schools

Political Functions

The most important political policy function in education, indeed any sector, is to set the overall strategic direction and goals, and medium- to short-term objectives: what is it that the government seeks to achieve through its policy measures and within what time frame? Is it to provide essential education to all, reduce regional or socio-economic disparities, or train a work-ready workforce and so on? While these are not necessarily mutually exclusive goals, not all can be pursued simultaneously, at least not easily and not in the medium to short term due to practical difficulties. Next, it is necessary for governments to mobilize the fiscal and political resources necessary to support the measures being taken to achieve goals.

While providing basic education to all children is within the fiscal means of most governments, higher quality education requires better facilities and better paid teachers that require additional resources which often must come at the expense of other sectors. Similarly, objectives such as promoting equity or national integration requires political will and capacity to counter likely opposition from groups who do not benefit and may even lose out. Finally, governments need to strengthen their links with societal partners and enjoy their trust and support to push through difficult politically difficult measures. Many a reform efforts around the world flounder in the face of opposition from teachers' unions and apathy from the population. Governments also need the support of business, who can contribute finances as well as labor market information for education. As such, political alliance between the government and civil society is essential for effective education policy reform.

Operational Functions

Once the government has set the political direction and mobilized resources and built support for the reform measures, it needs to put them in operation which comprises numerous interrelated and intertwined tasks. Significant failures to perform these tasks will trip the reforms and indeed it is for failure in this area that reforms often go awry.

The first task is to plan the delivery of the new programs and adjust the existing program as necessary. In education, in addition to curriculum issues, there is the vital task of designing the organizational structures and their roles, powers and responsibilities. This is perhaps the most important operational task because assigning tasks to wrong agencies or insufficiently clarifying the relationships among them would stymie concerted action. It is in this broader institutional context that school-Based management needs to be conceptualized, and not as separate reforms as is common. Another critical operational task is to design necessary rules, regulations, and standards to control agencies' and their officials' behaviour accompanied by appropriate incentives and disincentives to reward and improve performance. Similarly, the concerned agencies need to be allocated financial and personnel resources necessary to acquit their responsibilities backed by a robust budgeting and personnel system. Finally, it is critical to establish robust accountability mechanisms for monitoring, reviewing and auditing performance, and meting out rewards and penalties as appropriate. All of the other efforts may come to naught if agencies and their officials realize that there are no penalties for poor performance and no reward for exceeding expectations.

Analytical Functions

Designing and operating modern education system is a complex task involving immense challenges overcoming which requires sophisticated analytical work on the part of policymakers.

Designing appropriate curriculum so that children receive the intended education, for example, requires analysing vast data and drawing policy-relevant conclusions about them. Effective education policy also requires data and analysis of trends regarding educational achievements, equity, productivity, human resource needs and so on, all of which require elaborate and complex analytical tasks. The vital and growing importance of analytical skills and resources are yet to be fully understood and addressed in most governments.

Allocation of Governance Functions

As important as the identification and provisioning of governance functions is the need to ensure that right agencies and levels of government are tasked with the appropriate responsibilities. Strategic direction and goals, for instance, must necessarily come from the highest level of the government, while local governments and service delivery units (e.g. Schools) must set their own operational objectives aligned with overall goals. The overall responsibility for mobilizing fiscal and political resources is similarly the responsibility of the central government even in situations when education spending is the responsibility of local governments. Without such an arrangement, local governments with weak finances, tenuous political support, or low policy capacity will be left behind. Education, similar to other complex sectors, requires a modicum of collaboration across agencies and with partners that are best undertaken at the local level whereby families, businesses, and teachers collaborate to achieve goals and objectives.

Most operational functions – designing organizational structures, policy tools, accountability mechanisms, and fiscal and personnel systems - are the responsibility of regional governments, though central and local governments are intricately involved. As such, the regional governments need to be given the responsibility and commensurate financial and other resources to perform the functions.

Analytical functions are a responsibility of all level of governments.

The overwhelming emphasis on across-the-board decentralization in education reforms has skewed focus and led to unsatisfactory results. Even decentralized system requires the national government to ‘steer’ the education sector not only through the traditional mechanisms of curriculum, operating procedures, accountability requirements but also through performance monitoring and evaluation (Daun 2007a). Bardhan (2002) rightfully argued for the national government to take on ‘activist roles’ like mobilizing citizens, providing technical assistance and coordination of localities, to mitigate the negative outcomes from decentralization. A strong measure of central direction is also necessary to mitigate regional disparities and prevent rent-seeking behavior of local governments (Prud'Homme 1995). These activities require a certain ability to acquire and process information and data to understand where interventions are necessary (Cohen and Levinthal 1990, Ouimet et al. 2010).

Intermediate level of government is expected to localize national priorities and direction based on the local setting through consultations and bargaining with other actors such as local politicians and local counterparts of national government agencies. Establishment of field administration is especially critical where tasks and responsibilities are geographically distributed through deconcentration (Fesler 1968, Rondinelli 1981). Those at the intermediate level are typically expected to carry out inspection and monitoring, which have now included pedagogical support, technical advice, capacity building of local staff and performance evaluation (Daun 2007b). As an intermediary, units at this level of administration require high levels of analytical capacity to localize policies and standards but only require moderate level of managerial capacity since intermediate levels are responsible for budgeting but are not delivery units. They should also have medium level of political capacity because of the need to create vertical integration of programs with both the national and local levels and horizontal coordination with other agencies and regional politicians.

Decentralization reforms are often guided by the subsidiarity principle, which stipulates that matters ought to be handled by the lowest or least centralized competent authority (Daun 2007b). In education, it has taken the form of School based management (SBM) which seeks to award operational autonomy to schools so that they can manage their affairs with minimal day-to-day involvement of higher levels of government (Caldwell 1993a). While the degree of autonomy of school administrators can vary, Caldwell (1993b) identified five areas of knowledge and skill every administrator should have: a) learning and teaching approaches, b) managing relations with national and local agencies as well as teachers, students, parents and other members of the community, c) evaluation of administrative processes, d) leadership, and e) strategic planning. These areas primarily pertain to marshalling of resources towards achievement of a defined set of objectives, requiring high levels of managerial capacity from school administrators and less of political and analytical capacities.

Patterns of Education Reform

Education reforms around the world, especially in developing countries, have been characterized by two dominant themes in recent decades: decentralization and school based management (SBM). Egged on by international donors and inspired by New Public Management thinking (Dunleavy and Hood 1994), governments have pursued the two separate but closely linked lines of reform with varying degrees of enthusiasm and success. While there are significant variations across individual cases, the basic idea underlying the reforms is that allowing greater autonomy to local governments will improve performance by increasing competition among local governments and schools and promoting local participation in

education affairs. It is argued that the increased competition and local participation will enhance efficiency and effectiveness as well as population accountability.

Decentralization is built upon the assumption that governments can better understand and respond to local preferences of the public by bringing down the government to the level closest to the people (Oates 1972, 1977, Weingast 1995, Bennett 1990). Decentralization re-scales the division of labor according to these functions from being solely determined at the nation-state level to one that involved sub-national entities. Dale (2005) argued that the rescaling will occur selectively based on the 'core problems of education'. The choice of scale and degree of transfer of authority will vary considerably based on the historical development of the education sector and motivations for undertaking decentralization (McGinn and Welsh 1999).

Under decentralization, large swathes of responsibility for managing the sector is transferred to lower levels of governments and indeed schools themselves. Based on the subsidiarity principle, decentralization is driven by the belief that programs are best designed and delivered by governments spatially closest to the people, i.e. local governments. The broad pursuit of decentralization stymies systematic consideration of the governance challenges that are unrelated to or cannot be addressed through decentralization. While there are many education functions that may be improved through decentralization, there are many others that need to remain centralized if quality education is to be made available to all in a cost effective and equitable manner. Reforms need to target specific failures in the sector rather follow general principles that may or may not be relevant to the sector. Decentralization is only a partly necessary and certainly insufficient condition for education effectiveness.

The idea behind School-based management is that the managers of schools, i.e. the principals and their associates, should be given more autonomy to run their respective schools as appropriate (Guthrie 1986). As a corollary, the school managers must be rewarded and penalized on the basis of their performance. SBM reforms are by themselves not helpful for achieving the goals of education policy. What is needed is a clearer conception of what exactly do schools need to do as an organizational unit. Pious hopes aside, there is no reason to assume that the schools will perform the required functions simply because they have been conferred decision authority, as assumed by proponents of decentralization. The school management needs to be given clear direction backed by incentives and rewards if they are to achieve their objective.

While decentralization and SBM reforms have provided much needed relief from the rigidities and unnecessary centralization of the past, they have done little to show for all the efforts. The unremarkable outcomes, or even deterioration in many instances, are hardly surprising given that neither

decentralization nor SBM directly address the core governance imperatives of the sector. Their pursuit and application has been more inspired more by faith rather than evidence or rigorous thinking

Education Policy Reforms in the Philippines

Philippines was an early leader in expanding school education in Asia and indeed the developing world, but it lost the lead during the 1960s and 1970s when social development stagnated along with economic growth and political competition. The end of dictatorship and the onset of democracy in the late 1980s fostered pressure for improving the quality of education for all children. The government responded with broad sets of measures over successive periods, with mixed results.

The purpose of this paper is to understand the organizational forms and policy tools by which education policy reforms have been pursued in the Philippines in recent decades. As we will see, the government has been reasonably clear about its goals but somewhat misguided about how to achieve them. It has viewed and employed decentralization as a multi-purpose and omnipotent tool for achieving disparate objectives that have understandably produced only limited success.

In this paper, we will discuss the policy and organizational reforms to promote primary education in the Philippines. We will find that successive governments have sought to achieve its goals under the rubric of decentralization without understanding if centralization was the key hurdle to education development. Governance of education has certain key imperatives that must be addressed and it is a vital strategic question if the central or local government is best able to meet them. Neither decentralization nor centralization can be expected to improve governance: what is rather needed is a fuller understanding what needs to be done to achieve policy goals and configure the governance arrangements accordingly. The Philippines' education policy has been torn asunder by the overarching and persistent efforts to decentralize despite evidence that local governments cannot perform many functions bestowed upon them.

Decentralization of education

The historical development of the Philippine education system is replete with tensions between centralization and decentralization. Prior to the Education Act of 1940, municipal governments principally financed education, alongside with a small number of religious and private schools. The 1940 education law mandated free and universal primary education for all in order to eradicate illiteracy. Along with revisions in curriculum and pedagogy, rapid quantitative expansion of the educational system occurred primarily during the post-World War II. From 1948 to 1970, the number of elementary and secondary schools increased by 238% and 242%, respectively (Cortes 1980). The task of providing

education necessitated a highly centralized approach following the American model. Public provision became particularly dominant in elementary education with 95.2% of total elementary students in public schools in 1970. On the other hand, majority of secondary students (58.7%) go to private schools. This indicates a rising but unmet demand for secondary education as evidenced by a disappointing net enrolment rate in secondary schools of 46.19%, less than its primary education equivalent of 96.19% in 1979.

Decentralization of education as a solution both to the issues of access and quality has been advocated as early as the 1940s. This is not surprising considering extent of centralization post-World War II. Upon setting up a mission in the Philippines and conducting field studies, UNESCO raised the decentralization imperative because achieving the ends of education given the country's diversity requires deep knowledge of local needs that can feed into education operations (UNESCO 1949, 51). UNESCO envisioned a national office free of operational concerns and devoted to building analytical capacity by collecting and interpreting information to identify fundamental problems relating to education. The national government can never acquire the knowledge needed to respond to day-to-day decision-making, which should be largely left to local governments. The report, which was further substantiated by the Swanson Survey (Swanson 1960), recommended a bigger role for local governments to play, particularly education financing through imposition of special school tax. The logic goes like this: "If more responsibility for financing the schools were given to provinces, chartered cities and municipalities, increased local interest accompanied by better school administration would follow" (UNESCO 1949, 69). Transfer of power and responsibility to the smallest political unit of the government promises a potent remedy to lack of schools and poor quality of education.

Subsequent educational assessments reinforced a change in governance system with heavier local government involvement. As a response to public clamor for greater responsiveness of the education system, former President Ferdinand Marcos established an ad-hoc commission to appraise the "qualitative shortages as pertain to deficient management structures, inability of the system to achieve the goals of human resources development, and the lack of mechanism for channelling resources" in 1969. The study recommended a change in the governance structure of the basic education system to make local governments assume the primary responsibility for administration and financing of basic education. Specifically, local governments can alleviate the shortfall of the education system by taking on the duty of financing teachers' salaries and provision of buildings and sites. The national government should design a system that provides 'equalization funds' for cash strapped governments at the same time encouraging them to seek new sources of financing for education, suggesting an enabling role for central authorities in education governance. In response to the report, Marcos created a ten-year education development program (Educational Development Decree of 1972) shortly after imposing martial law over the country.

It involves “instituting reform in the educational financing system to facilitate the shift of funding responsibility for elementary and secondary education from the national to the local government”.

Despite the percolation of political decentralization of education into the earlier organizational forms, the decentralization that eventually occurred was largely administrative in nature. This became more apparent in the Local Government Code of 1983 and its successor, Local Government Code of 1991. Policy legacy would have guaranteed the devolution of education to the local governments but backroom negotiations by the education bureaucracy have resulted in the exemption of education from decentralization. In the words of former Budget and Management Secretary Benjamin Diokno:

“The original Decentralization Plan of the Executive Department involved the devolution of basic education rather than basic health services. Again as a sign of weakness of the Executive Department, the then Education Secretary lobbied with Congress so that his Department was removed from among the list of agencies to be devolved.” (Diokno 2009, 177)

Manasan offered another, although still a political one, explanation to why education was not devolved. Since teachers serve during the elections as board of election inspectors, there is a fear that devolving hiring of teachers would result in an overly politicized elections (Manasan 2005).

Education remains largely the responsibility of the national government but local governments provide supplementary financing of school building as well as its operations of schools. This boosted local government spending education from P0.8 billion in 1991 to P7.9 billion in 1998 largely financed through the Special Education Fund (SEF) (Behrman, Deolalikar, and Soon 2002). The Local School Board has also been revamped to serve a more political role, with the local chief executive as chairman and greater representation from local groups like elected youth representatives, private sector representative and teacher’s organizations. Apart from budgetary responsibilities, the LSB is also supposed to be consulted by the Department of Education for appointments of key local education officials.

Up to this point, the history of decentralization of education in the Philippines makes a clear point about how decisions about organizational forms, despite good intentions, are often misguided. By 2008, SEF expenditure as a percentage of non-personnel expenditure on education is at 41% (Manasan, Cuenca, and Celestino 2011), suggesting a significantly larger contribution of local governments on education than originally thought. Although local governments can spend their SEF on education research, Manasan, Cuenca, and Celestino (2011) found that no local government actually spent anything for research. Local governments allocate a large chunk of their SEF on school construction and repair, and salaries for personnel, indicating that they devote their resources towards operational concerns.

The strong inclination for a decentralized structure culminated in the institutionalization of school-based management in 2001; but the structure that has emerged is lopsided at the middle. Despite

efforts to introduce school-based management, roles and responsibilities transferred to schools have been limited compared to those in regional and division levels (King and Guerra 2005, De Guzman 2007). Moreover, the limited role of the local government units should be re-considered. Local-level bureaucrat's comparative information advantage over local politicians appears to rest more on faith than logic, as articulated by Capuno:

“...education services are less technically complex than health services, which should [be] easier for average local chief executive to manage them. Also, education externality is more interpersonal and less interjurisdictional, unlike health externality that easily crosses borders. Hence, the LGU is likely to internalize the cost and benefits of education services” (Capuno 2008, 21).

Misallocation of governance functions according to capacity becomes more evident given that intermediate levels of government do not flexibility over financial resources. De Guzman (2007) attributes the failure of the government to be truly responsive to the rigid national budgeting process defined by the legislative branch. Not only is it a function of the current administrative processes, but the fact that regional and division offices do not have the capacity to raise their own funds questions their latent capacity for operational efficiency. In fact, as argued by King and Guerra (2005), schools districts with greater access to local financing perform better than those that do not. Moreover, a significant operational bottleneck is plugging the holes of teacher shortfall. But this concern is largely a function of the fact that allocation of centrally hired teachers is constrained by the Magna Carta of Public School Teachers, where teachers could not be relocated without their consent. This is in fact an area where local governments would have relative advantage particularly because of their access to the local labor market.

Political functions

The obsession over decentralization as a panacea to the problems in the education system has resulted in its decades of neglect. Although education holds an important part in Philippine society, it was only in the 1987 Philippine constitution that guaranteed ‘the right of all citizens to quality education at all levels’. The period before saw education’s relegation to a secondary policy priority. From 31.53% in 1957, the share of education spending to national budget went to a low of 7.61% in 1981 and about 16% in 1987 (Dolan 1991).

Setting goals, direction and objectives

An infeasible and unclear objective for the educational system was possibly one of the earliest problems of education policy. There is a clear disconnect between what the education system aspires for and what the system can actually deliver. “The apparent purpose of the education system in practice” as noted by the Presidential Commission to Survey Philippine Education (1970) was to “primarily [prepare]

the student for the next higher year of schooling”. The commission attributed sector’s poor performance to this fundamental policy misalignment:

“The present objectives prescribed for Philippine education which are really goals of the entire social system, and are, therefore, unachievable aims for the educational system alone. Philippine education has not therefore been functioning on the basis of a set of feasible operational objectives that may provide the basis for evaluating its performance.” (Presidential Commission to Survey Philippine Education 1970, 2)

Subsequent attempts to narrow down the objective proved insufficient but the most recent transition of the Philippines to a 12-year basic education cycle opened opportunities to further clarify education policy objectives. Defined in the K to 12 law of 2012, the education policy objective now is to develop a “productive and responsible [citizen] equipped with the essential competencies, skills and values for both life-long learning and employment”. The objective remains lofty but a government-wide program mandated the education bureaucracy to operationalize the objectives by identifying a key result area (KRA), sector outcome and organizational outcome. These objectives comprise the core deliverables of the education system but the issue of feasibility remains. In 2015, DepEd’s committed to a KRA of ‘Poverty reduction and empowerment of the poor and vulnerable’ and a sectoral outcome of ‘Equitable access to adequate quality societal services and access’. While these outcomes involve more than one agency, DepEd specifically seeks to achieve two organizational outcomes: a) Access of every Filipino to a complete quality basic education achieved, and b) Preparedness of every graduate for further education and world of work ensured. The organizational outcomes are instructed of the problems of the education sector but remains vague in how the government seeks to address issue of education governance.

Building political support and collaborative arrangements

As a result of education tri-focalization, the sector grew to become a large component of government affairs requiring high levels of coordination. Such agencification in terms of setting up the sub-sector education goals required mobilizing different stakeholders at different levels of the government. A Presidential Commission on Educational Reform in 1998 created by Estrada recommended a coordinating mechanism between the three different education agencies. The National Coordinating Council for Education (NCCE) was a formal coordinative mechanism for education concerns, mandated to “harmonize goals and objectives for the entire education system”. Although the NCCE was eventually scrapped, President Gloria Macapagal-Arroyo created the Office of the Presidential Assistant for Education essentially to harmonize crosscutting policies and programs in 2009.

The mandated nature of coordination between the different education agencies indicates an environment deficient of actual harmonization of policies and programs, which also holds true for

horizontal units within the Department of Education. However, this issue was partially addressed by the Governance of Basic Education Act of 2001. The law laid out principle of shared governance, defined as “a principle which recognizes that every unit in the education bureaucracy has a particular role, task and responsibility inherent in the office and for which it is principally accountable for outcomes”. It assigned functions to each level of education bureaucracy from the national level to the school level and served as a mechanism of control to ensure that lower administrative levels perform their functions effectively.

What also becomes evident in a system with clear policy objective is the ease of mobilizing other stakeholders to contribute to the attainment of the goals. The most K-12 reform is a prototype of this achievement in two ways. First, the principle in curriculum design followed by the reformers was to ensure integrated and seamless learning, where lessons are horizontally articulated across subjects (Alonzo 2015). Such an approach necessitated coordinating with various curriculum developers both within the bureaucracy and in the academe. Second, the implications of the reform necessitated a calibrated effort on the part of the three education agencies to lead a multi-sectoral advisory group. Curriculum reform required collaboration to determine what competencies are articulated in the basic education from university and vocational education. The actual extension of the education cycle also meant that colleges and universities would almost have zero enrolment. Identifying competencies needed by the industry necessitated working with the labor department and various industry organizations. New books and instructional materials would have to be coordinated with publishers and writers. All these required a macro-level view of how reforms unravel and stakeholders required to push it forward.

Mobilizing resources

It was not only political support that was imperative but large financial resources need to be available to make the transition work. Working with parents, teachers, students and politicians became a pre-condition for the success of the reform because lack of information was the major source of resistance among these stakeholders. In 2011, the Department of Education then embarked on a massive regional consultation with these stakeholders, partly to gather sentiments and educate them about the program. Financial resources were also sourced from private sector and international development partners. The private sector was tapped through public-private partnerships to construct classrooms. International financing institutions like the Asian Development Bank provided a loan of about \$300 million in 2011. While the PPPs faced numerous delays, the financing provided by IFIs were quick, particularly since the program was only its first phase of development in late 2010. DepEd tapped into existing relationships with AusAid and WorldBank to finance studies and technical assistance on reform design and implementation.

Analytical function

Designing appropriate curriculum

In the past two years, DepEd has been implementing reforms based on assessments to improve not only curriculum design but also structural-functional issues. These initiatives range from the 1991 Congressional Commission on Education to the 2000 Presidential Commission on Education (PCER) and Education for All (EFA) Assessment to the 2006 Basic Education Sector Reform Agenda. The assessments, based on systematic nationwide research, touched on broad issues but curriculum improvement have been at the center of most reforms. The fact that DepEd is comprised of experienced educators partially support this observation. But while curriculum development has been a priority, implementation of the reforms has been dismal. As noted the World Bank and Asian Development Bank (1999), curriculum design improvements have been introduced like reduction in subjects and reduction of contact hours, provision of inputs and re-design of implementation structure continued to lag behind. In fact, much of the design issues like overcrowding of topics and overlapping and duplication of contents (Mariñas and Ditapat 1999) have only been addressed and implemented on a larger scale only recently through the K-12 reform.

Generating intelligence

Although DepEd may be staffed by highly competent educators, the sheer number and relative importance of commissioned education policy assessment throughout the history of the sector imply a constrained capacity to generate policy insights. The DepEd is one of the largest agencies in the country with 722,000 personnel, 88% of which are teachers in 2015. Management positions are likely to be filled from these pool of educators. This has an important implication to generating policy-relevant analysis. First, analysis developed from within may be specialized research on how existing educational interventions can be improved. It was only in 2016 that the Department issued a Basic Education Research Agenda, an effort to synergize education research about the sector. Second, the expertise to generate information how the sector is performing may be lacking, which becomes particularly salient when the reliance of the sector on external consultants is considered. The big role played by experts go as far back as the 1920s with the Monroe Survey on public school system performance. This practice continued up to the early 1990s with the EDCOM report, which contemporary researchers cite up to today.

Part of the reliance on external expertise comes from the lack of legitimacy surrounding the education sector. There was a time that the DepEd was considered to be one of the most corrupt bureaucracy in the country (Carino et al. 1999), which feeds into its capacity to implement any task (Reyes 2007). This is particularly the case of assessing school performance through achievement exams. In 2001, achievement tests for both elementary and secondary levels were abolished partially because

there have been instances of cheating and selling of exams and answers to students. Although the National Achievement Test (NAT) has been reinstated, the same issues arise when an investigation by the National Bureau of Investigation revealed widespread cheating in 2011¹.

More recent attempts in improving the integrity of information from DepEd involves systematization of data collection and management. DepEd manages two database systems—Enhanced Basic Education Information System (EBEIS) and Learner Information System (LIS)—that primarily provides data and information on schools and learners. EBEIS covers indicators of input performance such as number of teachers and number of schools while LIS uniquely identifies all learners in the education system including information on gender, sex and name of guardian, among others. LIS is envisioned to include information on achievement results and other performance data.

Operational functions

Designing organizational structures

The extent of centralization and decentralization of organization determines the ability of the education bureaucracy to provide education services in a timely and effective manner and the historical development of the Philippine education system is replete with tensions between centralization and decentralization. The need to quantitative expand the system during the American occupation and after the Second World War necessitated a centralized approach to education. But the rapid expansion suffered from highly uncoordinated public service provision, particularly in rural areas, where the locality could not govern themselves (Zamora 1967). Early assessments by UNESCO (1949) and Swanson (1960) recommended political decentralization to better achieve qualitative objectives of education and envisioned a national office devoted to building analytical capacity by collecting and interpreting information to identify fundamental problems relating to education with local governments responsible for day-to-day decision-making and financing through imposition of special school tax. Despite efforts to introduce decentralization and school-based management, roles and responsibilities transferred to schools have been limited compared to those in regional and division levels (King and Guerra 2005, De Guzman 2007). What has emerged however is what Brillantes (1987) calls as department model of administrative decentralization, where regional offices serve as intermediate level of government. The limited role of subnational governments points to a misallocation of governance function, which becomes more evident when the chronic lack of financing for classrooms and teachers is considered. Empirical analysis in the Philippines show school districts with greater access to local financing perform better than those that do not (King and Guerra 2005) but the regional and division offices, that are at the mercy of a rigid national

¹ <http://newsinfo.inquirer.net/31467/cheating-found-in-grade-school-tests-in-iloilo>

budgeting process, continue operate at a sub-optimal level (De Guzman 2007). Even with the decentralization in the education sector through the Governance of Basic Education Act of 2001, the highly centralized structured was retained with minor delegation of tasks to schools. As lamented by a former DepEd senior official,

“[r]egional offices...continue to try to control situations making operational decisions that are best left to school divisions. Within divisions are district offices which were originally to be phased out by the law on basic education but which were retained after intense lobbying.” (Luz 2009, 12)

Despite the heavy centralization, ensuring adequate staffing continues to be a major cause of concern, particularly at the level of school and division leadership. In 2009, only 35.76% of elementary schools and 57.54% of secondary schools have principals, with about 5% and 9% of elementary schools and secondary schools, respectively being headed by Head Teacher instead of Principals (Luz 2009). There is also no clear mechanism for developing managerial capacities of principals since school leadership is usually given as a token of seniority and not of managerial potential. The education system is also widely spread to the extent that more than 50% of elementary schools are too small to be headed by a principal or head teacher². This severe shortage of principals indicates deficiency in management expertise in the majority of schools. To some extent, this operational capacity deficit justifies the absence of a complete SBM but even the low supply of school division superintendents questions the choice of a highly centralized organizational structure. The number of superintendents are insufficient with 80% of divisions led by a duly-appointed superintendent, 40% of which were bound to retire in five years (Luz 2009). Moreover, despite being the largest bureaucracy, DepEd suffers from major teacher shortages, indicating poor capacity to deliver even and quality education to all. The movement to 12 years of basic education has made the shortage more pronounced. While the government has engaged in a massive recruitment drive, there remains a shortage of 50,000 teachers and 13,000 non-teaching personnel in 2017. The need for non-teaching personnel is indicative of the poor distribution of teachers in the country. Urban areas have a high concentration of teachers, which administrators to appoint teachers to non-teaching positions. There are also schools that have more than the ideal teacher-pupil ratio of 1:40, which shows an imbalance of how teachers are deployed by the national government. Public school teachers managed to include a provision in the Magna Carta of Public School teachers of prior consent for re-deployment.

Organizationally, DepEd appears to fail to turn intelligence to action but recent reforms point to increasing operational acumen of the managers of the education bureaucracy. Bautista, Bernardo, and Ocampo (2009) identified the projectized approach to reforms and lack of mechanisms to translate lessons from projects into policies and programs and institutional pressures from other government agencies as

² A school must have at least 10 full time nationally-hired teachers to be headed by a principal and must have 8-9 teachers to have a Head Teacher.

institutional factors that constrain the speed and the scale to which education assessments transform into actual reforms. In 2015, the DepEd rationalization plan has finally been approved, which ushered an organizational structure that seeks to respond to “long-term education reforms, requirements of the learners and the changing environment, and national government policies”. In 2015, DepEd moved away from a stage-based structure to functional arrangement of bureaus. Initially, bureaus are discretely organized into elementary education or secondary education including alternative education. The 2015 restructuring shifted to a structure that recognizes the operational strands or themes common to these bureaus and established process ownership based on functions like curriculum and instruction, strategic management, and governance and operations. But it remains unclear on whether this restructuring has an impact on the incentives of the education bureaucracy to reorient towards achievement of outcomes. DepEd management has been criticized for excessively focusing on easily measured and controlled activities instead on education outcomes (Monsod 2009). The prevailing ‘culture of obeisance’ (Bautista, Bernardo, and Ocampo 2009), ‘no memo, no action attitude’ (Monsod 2009) and governance by ‘DepEd memo’ (Luz 2009) can easily curtail creativity and flexibility in getting things done. The hierarchical nature of the bureaucracy, despite the movement towards a functional allocation of roles, may serve as a critical bottleneck in improving operational efficiency.

Allocating resources

DepEd’s budget has steadily increased in the past ten years but the level of resources available does not seem to correspond to the level of fiscal importance it is enjoying. From accounting for 2.8% of budget in 2009, DepEd’s budget has soared to account for 18% of the total budget in 2015. In 2017, the basic education budget stands at Php 543 billion (US\$10 billion), an increase of about 25% from the previous year’s budget. The budget is promising as a large part of it will go to investments in education inputs with only about 3.4% of the budget going to salaries. But DepEd is a chronic underspender as evidenced by its unstable ability to utilize the budget at year-end. Budget utilization rate, which is disbursement over total obligations, is 79.7% in 2012, 57% in 2013, 73% in 2014 and 2015, and 84% in 2016. The current education minister even hired two senior undersecretaries to “bring about...efficient budget utilization, the elimination of underspending without resorting to constitutional violations, and enhanced delivery and accountability systems”³. And the effect of the underspending is clear in the lack of resources like textbooks and classrooms (Reyes 2010). In 2015, DepEd estimates classroom shortages at about 27,499 classrooms on top of the 86,000 built from 2010-2014. Lawmakers estimate a total of 209,539 classrooms would be needed in 2016 in order to achieve a less crowded classroom with 1:30

³ <http://www.philstar.com/campus/education/2016/08/11/1612126/dep-ed-wants-new-undersecretary-post-fiscal-management>

student-teacher ratio⁴. While the government has been busy constructing classrooms, school facilities have been found to widely differ in terms of quality and maintenance across provinces. Northern provinces perform better in terms of ratio of classrooms, toilets and seats, and the disparity is enormous that reallocation of current resources to the denser southern provinces and national capital would not resolve the problem (Figueroa, Lim, and Lee 2016).

Ensuring accountability

Recent government-wide reforms on improving performance management can serve as a motivation for improving accountability mechanisms within the education bureaucracy. Following orders from the president, DepEd along with other executive agencies set in place a single results-based performance management system (RBPMS) linked with a bonus system that forced the performance of delivery units like the schools to be ranked against each other. The performance assessment follows the achievement of targets based on the agency's Major Final Outputs, good governance conditions, and programs and projects by President. In DepEd, schools, divisions, regional offices and central-level offices are assessed differently and arrayed based on performance categories of Best, Better, Good. School performance for example are evaluated based on student achievement scores, dropout rate, liquidation rate of maintaining expenses, and achievement other exemplary performance like demonstrating initiative and uniqueness. Based on a survey of perceptions of civil servants, the World Bank finds better management, trust and teamwork in DepEd as well as positive effects on recruitment of teachers (World Bank 2014). But the extent to which rewards and penalties can be meted out sustainably remains unclear. First, there is widespread opposition to the performance management by the teacher's union. There is a strong perception about the assessment criteria to be largely out of the control of teachers (Torneo 2016). Second, the lack of resources suffered by most schools and divisions eliminates the potency of likely punishments on failure to achieve targets. The RBPMS still rewards poor performance by having 'Good' as the lowest performance category. Additionally, much of the grant of autonomy on the maintaining and other operating expenses of divisions have been experimental and projectized and not performance based (Bautista, Bernardo, and Ocampo 2009).

Conclusion

Education systems are large and complex that it becomes easy to get lost in how to properly reform it. This paper proposed a framework for reforming governance of education. It emphasizes the

⁴ <http://www.gmanetwork.com/news/news/nation/491038/classroom-teacher-shortages-to-welcome-new-school-year-lawmaker-warns/story/>

imperative of reframing the discussions of education reform as a means of improving education policy (not the entire education system). It sharpens the need to take a closer look at structural-functional issues more closely in terms of governance functions.

As we have seen in the Philippine case, the government has been reasonably clear about its overall directions but somewhat misguided about how to achieve them. It has viewed and employed decentralization as a multi-purpose and omnipotent tool for achieving disparate objectives that have understandably produced only limited success. Political support to education has been erratic and suffers from lack of operational objectives. Analytical capacity is severely lacking in generating evidence for improving sectoral performance. Operational capacity remains patchy with significant gaps in staffing key managerial positions.

Further research should be undertaken to understand how each of the levels of the education bureaucracy fair in doing their assigned functions. Capacity of these levels must be assessed to ascertain whether they can perform well given the immense pressure to excel in a system riddled with failures.

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