THE QUALITY OF HIGHER EDUCATION IN THE PHILIPPINES WITH THE ESTABLISHMENT OF THE COMMISSION ON HIGHER EDUCATION

By

Corinne V. Bernaldez

THESIS

Submitted to
KDI School of Public Policy and Management
in partial fulfillment of the requirements
for the degree of

MASTER OF PUBLIC POLICY

2011

THE QUALITY OF HIGHER EDUCATION IN THE PHILIPPINES WITH THE ESTABLISHMENT OF THE COMMISSION ON HIGHER EDUCATION

By

Corinne V. Bernaldez

THESIS

Submitted to
KDI School of Public Policy and Management
in partial fulfillment of the requirements
for the degree of

MASTER OF PUBLIC POLICY

2011

Professor Younguck Kang

THE QUALITY OF HIGHER EDUCATION IN THE PHILIPPINES WITH THE ESTABLISHMENT OF THE COMMISSION ON HIGHER EDUCATION

By

Corinne V. Bernaldez

THESIS

Submitted to
KDI School of Public Policy and Management
in partial fulfillment of the requirements
for the degree of

MASTER OF PUBLIC POLICY

Committee in charge:

Professor Younguck KANG, Supervisor

Professor Taejong KIM

Professor Jaeun SHIN

Approval as of October, 2011

ABSTRACT

THE QUALITY OF HIGHER EDUCATION IN THE PHILIPPINES WITH THE ESTABLISHMENT OF THE COMMISSION ON HIGHER EDUCATION

By
Corinne V. Bernaldez

Studies have shown that education is important in the development of a country. On average, countries with higher levels of education and skill boast of higher levels of productivity and economic growth. Recognizing this, the 1992 Congressional Commission on Education created two more agencies, the Commission on Higher Education and the Technical Education, Skills and Development Authority, to help the Department of Education in strengthening education/training activities to meet labor market and social demands of the future. This study looks at the effect of CHED on the quality of higher education after more than a decade of existence using four quality indicators namely: (1) performance of students in board exams, (2) status of program accreditation, (3) employability of graduates, and 4) faculty profile. Previous studies were reviewed and statistical data from CHED were analyzed to observe if there have been improvements since the creation of CHED. Although there were moderate gains in the number of faculty with master and doctoral degrees, and the number programs that have been accredited, these were counteracted by the almost double increase in the number of higher education institutions in the country. Overall, no significant improvements could be discerned from the four quality indicators.

How can I say thanks for the things you have done for me?
Things so undeserved, yet You gave to prove your love for me.
The voices of a million angels could not express my gratitude.
All that I am and ever hope to be I owe it all to thee.
To God be the glory

Title of Song: My Tribute (Psalm 30:12)

ACKNOWLEDGMENTS

This thesis would not have been possible without the scholarship from the Korean government, Colombo Plan and KDI School. Moreover, I would also like to thank my professors, especially Prof. Younguck Kang for guidance and direction in writing this thesis. I am indebted to my directors, Dr. Jean C. Tayag and Dr. Libertad P. Garcia from the Commission on Higher Education for believing in me. I am also grateful to the Commission on Higher Education and the assistance of my colleagues from the CHED Research Division, Office of Management Information System, the Faculty Development Program Secretariat, and Office of Quality Management for data and information. For the times when I felt discouraged about my thesis, the encouragement and support of my family, especially my mom, and numerous friends were invaluable. My utmost gratitude goes out to all of them.

Table of Contents

LIST OF TABLES

LIST OF FIGURES

CHAPTER I

Introduction

Studies have shown that on average, countries with higher levels of education and skill boast of higher levels of productivity and economic growth (Machin and Vignoles, 2005 as cited in Son, 2007). Recognizing this, call for education reforms were strong in some countries including the United States, United Kingdom and New Zealand from the 1980's through the 1990's, The value of education was underscored in the document *"A Nation at Risk: The Imperative for Educational Reform"* where education was seen as what "undergirds American prosperity, security, and civility (The National Commission on Excellence in Education, 1983)". A National Commission on Excellence in Education was created in 1981 as an outcome of the Education Secretary's alarm over "the widespread public perception that something is seriously remiss in our educational system. (The National Commission on Excellence in Education, 1983)" The findings of the National Commission were presented in the said document.

Similar sentiments were also felt in the United Kingdom regarding their education system. There were concerns about the widening of access and educational inequality as well as fears about poor and falling standards of UK

education (Machin and Vignoles, 2006). This lead to the passing of the Education Acts of 1988 and 1993 by the Thatcher-Major governments (Young and Levin, 1999) which introduced “market mechanism” in order for schools to raise standards the standards of the UK education system (Machin and Vignoles, 2006).

Meanwhile in New Zealand, 1988 saw the start of education restructuring which was part of the whole package of public sector reform. There was a feeling among the government circles that the management of education needed to be overhauled (Perris, 1998). A Commission was created and headed by Brian Picot, an industrialist, to look into the situation (Young and Levin, 1999). The effect of the education reform was the decentralization of governing and managerial responsibilities of educational institutions from the Department of Education towards community control. However, these communities were accountable to the Department of Education (Perris, 1998).

Considering the importance of education in the development of a country (Hayami and Godo, 2005), the Philippines was not far behind in these education reform endeavors. The tri-focalization of Philippine education system was a result of the Congressional Commission on Education (EDCOM) in 1992. The findings of the study called for the creation of two more agencies to strengthen the “education planning and administrative offices so they can more effectively direct

education/training activities toward meeting the labor market and social demands of the near future (The Task Force on Higher Education, 1995).” This strategy was supposed to halt the perceived decline of the quality of education in the country.

The decline was very much evident in the results of the science achievement test given by the 1988 International Assessment of Educational Achievement for 10 year old students from 13 countries where the Filipino children scored lowest at 9.5 over 24. Moreover, the National College Entrance Examination results showed that only 50 percent of examinees were qualified for admission to a four-year degree program (Congressional Comission on Education,1992). Furthermore, the results of the board examinations in various professions from 1985-1989 showed that out of the 18 professions, only half have passing average rates of more than 50 percent. Accountancy, which had the largest total of examinees during this period at 87,849, only had 21.48 percent passing average (Congressional Commission on Education, 1992).

The implementation of the tri-focalization policy resulted to the division of the education system into three with the Department of Education overseeing basic education, the Commission on Higher Education (CHED) governing undergraduate and graduate education, while the Technical Education and Skills Development Authority was granted authority over technical-vocational and middle level education.

CHED was previously the Bureau on Higher Education under the Department of Education, Culture and Sports until it was established through the “Higher Education Act of 1994”, also known as Republic Act 7722. It “is responsible for formulating and implementing policies, plans and programs for the development and efficient operation of the system of higher education in the country (CHED).”

The Commission is appended to the Office of the President for administrative purposes. It oversees both public and private higher education institutions as well as degree-granting programs in all public and private post-secondary educational institutions. CHED keeps an eye on 2,060 higher education institutions. These schools are either public or private in nature. The Public HEIs are divided into 110 SUC main campuses, 334 satellite campuses, 77 LUCs, ten other government schools (OGS), one CHED supervised institution (CSI) and five special HEIs.

The difference between the SUCs and the LUCs is that SUCs are chartered institutions established by law with the government administering and financially subsidizing these institutions. LUCs, on the other hand, are created through resolutions or ordinances and financially supported by the local governments concerned. Each SUC has its own autonomous charter. State universities have

board of regents who formulate and approve policies, rules and standards, while state colleges have board of trustees with the same functions.

Table 1 Different Types of Public HEIs in the Philippines

Public HEIs	Creation	Funding	Administration
State Universities and Colleges (SUCs)	Autonomous charter and established by law	National government	Board of regents (university) Board of trustees (college)
Local Universities and Colleges (LUCs)	Created through resolutions or ordinances	Local government units	Board of regents (university) Board of trustees (college)
CHED Supervised Institution	Not chartered but created by law	National Government	CHED
Special HEIs	Created by law	National Government	Government agency specified by law

Source: CHED website

The CHED chairman heads these boards but with the CHED Order No. 31, CHED commissioners were also authorized to head the boards of regents and trustees of the SUCs. Presidents, together with the school staff and support units implement the policies and take care of the day to day management of the SUCs. Aside from SUCs and LUCs, there are other public higher education institutions like the OGSs, CSI and special HEIs. The CSI is like the SUCs in that it is established by law and administered, supervised and financially supported by the government. However, this public post-secondary institution is not chartered. Meanwhile, OGS are "public secondary and post-secondary education institutions usually technical-vocational education institutions that offer higher education programs." Special HEIs, on the other hand, are also created by law and directly under the government

agency specified by the law. These usually are schools for military science or national defense (CHED).

There are 1,523 private HEIs in the country which are classified as either sectarian or non-sectarian tertiary education institutions although Tan divided the non-sectarian as profit and non-profit non-sectarian schools (Tan, 2002). Sectarian schools are either Catholic or Protestant in persuasion (Arcelo, 2003) while non-sectarian schools are private schools not owned by any religious organization. Private HEIs are created through the Corporation Code that provides special laws and general provisions to govern these entities. CHED oversees the private HEIs by setting minimum standards in terms of program offerings, curriculum, administration and faculty academic qualifications, etc. which are embodied in the policies, standards and guidelines (PSGs) formulated by CHED. Better performing private HEIs are granted autonomous or deregulated status in order to recognize their consistent commendable performance in providing education, research and extension services.

Table 2 Number of HEIs with Autonomous and Deregulated Status as of July 2010

Status	No. of HEIs
Autonomous for 5 years	33
Autonomous for 3 year	14
Deregulated for 5 years	8
Deregulated for 3 year	5
Total	60

Source: CHED Data

.

“Higher education in the Philippines is characterized by the diversity of its origins, plurality in its mission and regional accessibility (Arcelo, 2003).” The advent of CHED meant that there was an agency that could concentrate solely on steering the higher education sector in the country. The position of a CHED Chairman is equivalent to a cabinet secretary level, similar to that of the Secretary of the Department of Education. The Commissioners, on the other hand, are equivalent to undersecretaries. From a mere bureau being headed by a director, CHED became a separate and independent entity from DECS, specializing on the problems and needs of higher education.

However, the problem with this specialization brought about by tri-focalization is that the three education agencies focused exclusively on the problems and concerns of their subsectors without taking into account issues that concern the whole educational sector. These issues and concerns require a concerted effort from the three agencies. Moreover, problems and issues sometimes overlap while some efforts become duplicated among the three agencies. These problems were pointed out by the 1998 Philippine Education Sector Study and PCER (as cited by Manasan, et.al, 2007) declaring that the tri-focalization made it difficult to prepare sectoral policy and to allocate resources across the different subsectors rationally. Per PCER recommendation, a National Coordinating Council for Education (NCCE)

was created to resolve trans-subsectoral concerns but this council proved to be shortlived. There is still no formal forum where intra-subsectoral issues can be discussed effectively.

Though more than a decade has passed since the tri-focalization policy has been in effect, Tullao (2003) notes that the education sectors in the country are still deemed inadequate and the ills of higher education need to be rectified. He cites the following problems that need to be addressed: “lack of qualified teachers, absence of research activities, underdeveloped graduate programs and inadequacy of academic programs.”

This study is a significant attempt to explore how the tri-focalization policy that led to CHED’s creation has contributed to the improvement of quality of education in the country and if the division of authority among the education sectors is the best solution to the declining quality problem. Moreover, it wants to determine:

1) How effective CHED policies have been in increasing the quality of education in the country in terms of performance of students in licensure examinations, accreditation status and employability of graduates; and
2) The strengths and weaknesses of the tri-focalization policy and CHED organizational structure.

In order to review the status of the higher education sector since the establishment of CHED, I reviewed documents related to the tri-focalization of the education sector while concentrating on higher education. I also reviewed several previous studies already done regarding the topic. From the literature, several indicators were identified as measures of quality like performance in licensure examinations, accreditation status, and employment of graduates of the programs. Moreover, there are also factors that affect quality e.g. faculty qualification, curriculum, qualifications of students entering the program, instructional and library facilities and resources, and tuition fees (The Task Force on Higher Education, 1995). This study concentrated on the indicators such as faculty qualification, performance in licensure examinations, accreditation and employability of graduates because of time and resource constraints. I compared the data from 1985 to 2008 to see if there have been improvements to the higher education subsector. The study focused on these measures because they are easily quantifiable. However, these may not capture the true picture of what goes on within the classrooms that may actually determine the quality of education.

This paper is divided into four chapters. Chapter 2 starts with an overview of the education system in the country before focusing on CHED and the policy

measures implemented by CHED over the years. Chapter 3 is a discussion and analysis of the state of higher education using the qualifications of faculty, performance of graduates in licensure exams, accreditation, and employability of graduates as indicators to measure the quality of higher education in the Philippines at present. The last chapter presents the summary and conclusions of the study.

CHAPTER II

Higher Education System in the Philippines

Overview of the Education System

Before the tri-focalization of Philippine education in 1994, there was only one department that oversaw the education sector in the country. By virtue of Executive Order No. 117 of 1987, the Department of Education, Culture and Sports was mandated to formulate, plan, implement and coordinate policies, plans, programs and projects in the areas of formal and non-formal education at all levels, supervise both public and private educational institutions, establish and maintain complete, adequate and integrated system of education relevant to the goals of national development (Arellano Law Foundation). It had six bureaus including the Bureau of Higher Education, which developed, formulated and evaluated programs, projects and educational standards for higher education (Arellano Law Foundation).

Philippines has three levels of education, following the 6-4-4 plan of education (Guzman, 2003). Elementary education has six years, secondary education has four years, and higher education is mostly four years except for accountancy and engineering courses, which have five years. However, a high school graduate may choose to enroll in a non-degree technical or vocational school

instead of going to college. Medicine and law, on the other hand, requires a bachelor's degree before admission, with medicine requiring bachelor's degree in the sciences (Arcelo, 2003). The Philippines has the shortest pre-university education in East Asia, with only ten years as compared to thirteen years for countries like Japan, Hong Kong, and Singapore.

Goals of National Development

ARTICLE XII

NATIONAL ECONOMY AND PATRIMONY

Section 1. The goals of the national economy are a more equitable distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the under-privileged.

The State shall promote industrialization and full employment based on sound agricultural development and agrarian reform, through industries that make full and efficient use of human and natural resources, and which are competitive in both domestic and foreign markets. However, the State shall protect Filipino enterprises against unfair foreign competition and trade practices.

In the pursuit of these goals, all sectors of the economy and all regions of the country shall be given optimum opportunity to develop. Private enterprises, including corporations, cooperatives, and similar collective organizations, shall be encouraged to broaden the base of their ownership.

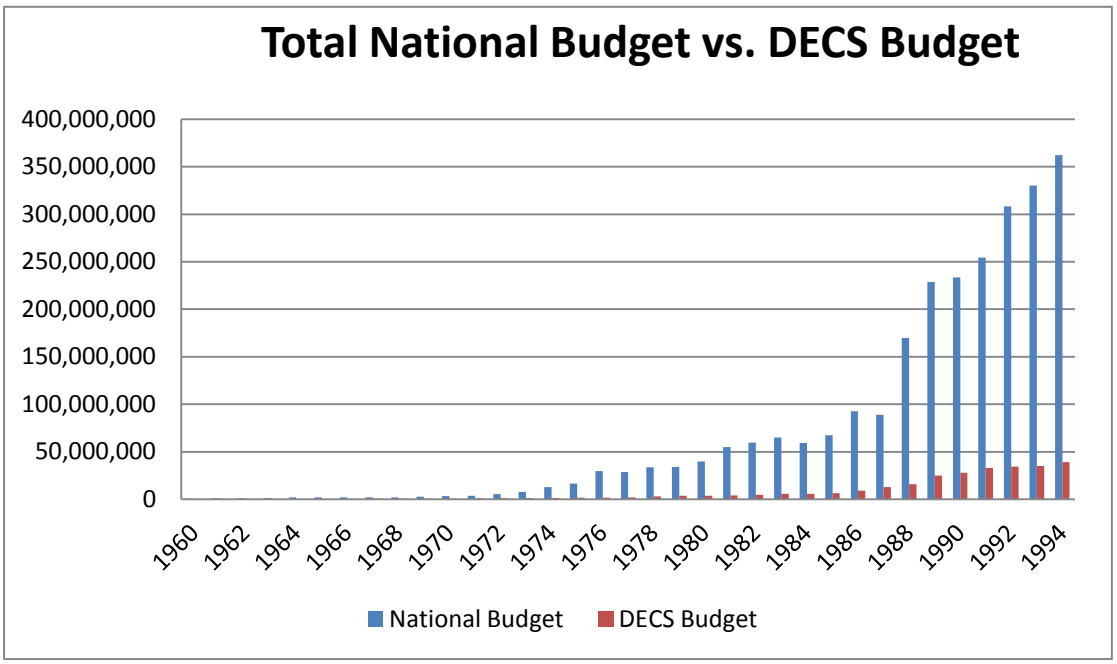
Source: The 1987 Constitution of the Republic of the Philippines

According to Herrin's (1990) paper titled, "*An Assessment of Population, Health and Education Policies in the Philippines, 1986-1988*," although the educational sector was able to take in the rapidly increasing school-age population, this was at the cost of the overall quality of basic education. This decline in quality

was characterized by little progress in increasing literacy rates and “by the low survival rates and achievement levels among elementary and secondary students.” Inequality also characterized educational opportunities, as there was a big disparity in the quality of elementary and secondary education within the public school system and the inability of low income students to access private secondary and tertiary schools (Herrin,1990).

Herrin also linked the decline of basic education to the low priority the government gave to education by citing that the share of the DECS budget from the national budget declined sharply from an average of 25% in the 1960s to only 11% in 1985. In 1986 the share increased to 13% and continued to rise until it peaked at 20% in 1989 (Herrin, 1990). However, it fell to 15.1% in 1990 and further still to 14.3% in 1994 (Economic and Social Commission for Asia and the Pacific, 2000). The figures from the two sources cited above are higher than the figures from the Department of Management where the 1986 share of DECS to the National Government budget was at 9.87% with only a negligible rise at 10.94% in 1989 and rose slightly more at 12.07% in 1990. By 1994, share of the budget for education fell once again to 10.81% (NSCB, 1997).

Figure 1 Budget of the DECS Compared to the National Government Budget (in thousand pesos)

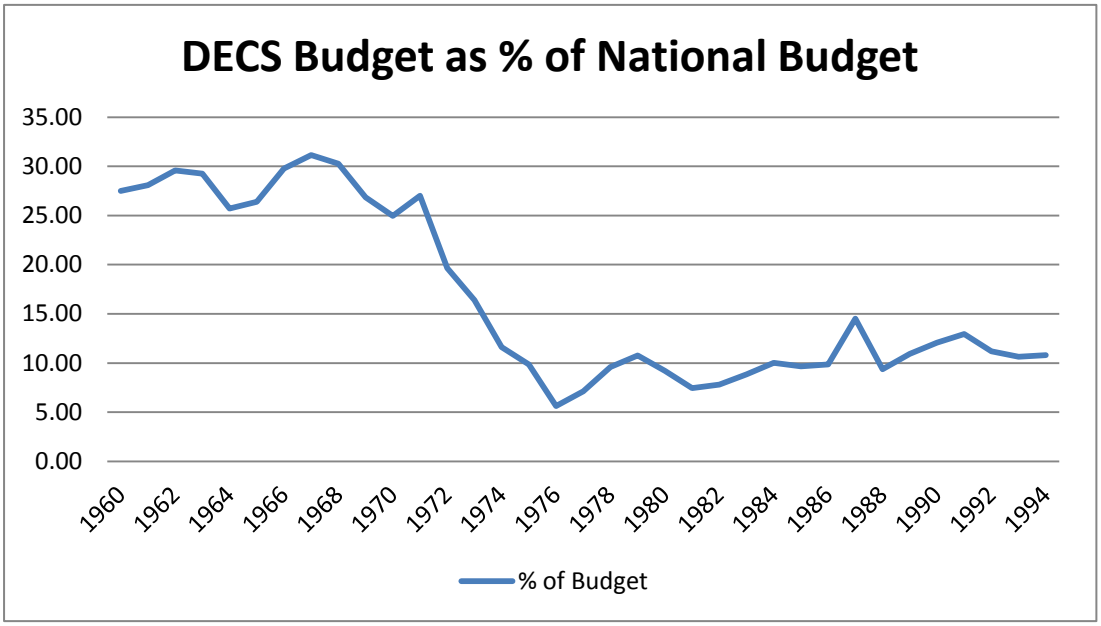


Source: 1997 Philippine Statistical Yearbook

Inequality of access to tertiary education was the major problem of higher education identified by Herrin and is largely due to the "quality-tuition structure". This means that there is a direct relationship between the tuition the school charges with the quality of teaching. The higher the tuition fee, the better the school. Because of stringent admission requirements, low income students found it difficult to enter public higher education institutions that offered high quality education with low tuition fees. Usually, these low income students come from low quality elementary and secondary schools that left them ill-equipped to compete with students from higher income families who had access to better basic education. Moreover, private higher education institutions who offer high quality education also charge higher

tuition, making them harder to access for the low income students. This means that low income students found it harder to access high quality public and private tertiary schools (Herrin, 1990).

Figure 2 Budget of DECS as Percentage of the National Government Budget



Source: 1997 Philippine Statistical Yearbook

In his paper, "*Some Issues in the Economics of Tertiary Education",* Canlas (1987) mentioned that social scientists generally agreed that there were serious problems facing the tertiary education sector in the country. They were concerned with the inability of the sector to "respond to the manpower needs of a technologically changing environment, its inability to deliver higher education to a wide base, and the deterioration in academic standards (Canlas, 1987)." Taking an economic approach, he viewed provision of higher education as a market transaction and the issues besetting the sector as relating to market failure. He looked at

issues associated with the “role of government in higher education, rates of return from investments in human capital, an absent or limited loan market for tertiary education, tuition fees, and finally, labor market policies in shaping household investment decisions for education (Canlas, 1987).” However, the aim of the paper was not to provide cut and dried solutions or settle the debates regarding the future of higher education in the country but to show areas where government could focus its intervention.

In order to study the problems overwhelming the education sector, the Congress of the Philippines constituted the Congressional Commission on Education (EDCOM) in 1991. Four books encompassed the whole report of the twelve-month study on the condition of education and manpower training in the country. The report looked at the areas of concern common to the different levels and types of education. It also looked at the opinions, views, and ideas of multi-sector groups involved in the education services, professionals and experts in the field as well as national leaders engaged in education and training. Technical papers on the different aspects of education and training were also included. Their findings were summarized as follows: “Two principal reasons for the continuous decline of Philippine education: a) we are simply not investing enough in our educational system; and b) our education establishment is poorly managed (Anonymous).”

Public tertiary institutions, both chartered and non-chartered, get their budget mainly from the national government, either separate Congressional appropriations for chartered institutions or from DECS for the non-chartered institutions. On the other hand, private tertiary institutions rely heavily on tuition fees, while some schools are given funds by private persons or foundations (Congressional Commission on Education, 1994). According to the EDCOM report, government subsidy to public HEIs was 50 percent of total current expenditure of all HEIs in 1987 even though it only served 15 percent of total higher education enrolment. This was in contrast to only 10 percent of total 1987 budget for higher education given as assistance to private HEIs which served 85 percent of total higher education enrolment. This has led to concerns whether the money given to the public HEIs have been spent efficiently and effectively.

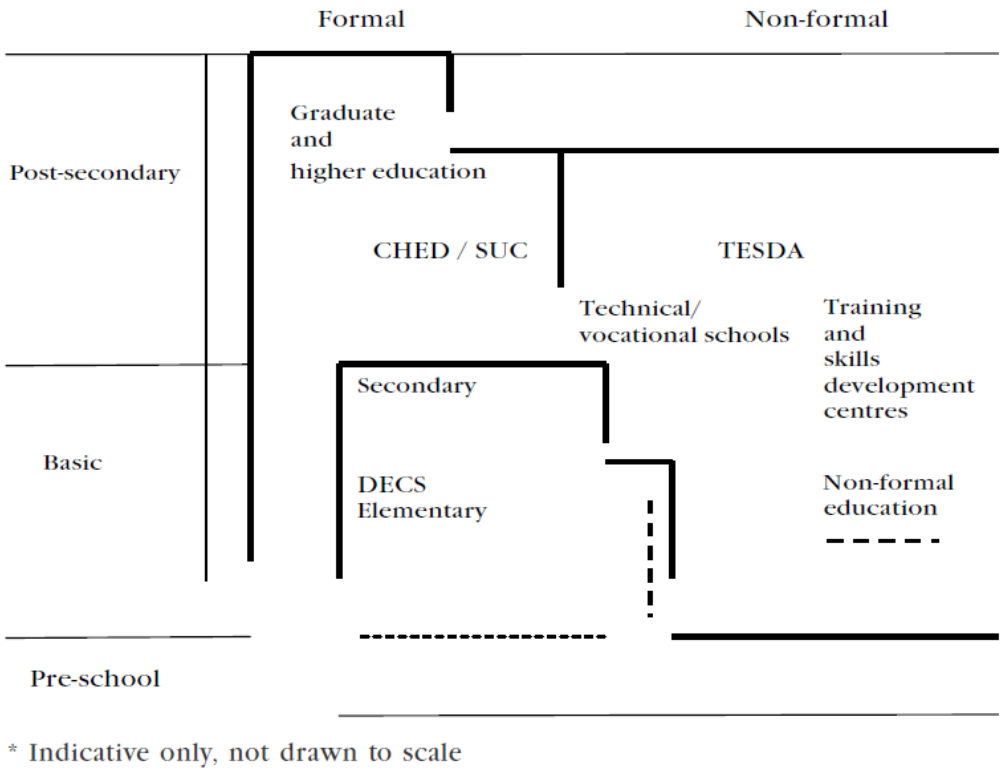
The EDCOM Report resulted in a "12-item Legislative Agenda and a comprehensive set of program recommendations and operational priorities (UNDP, 2009)." Part of the reforms implemented was the tri-focalization of the Philippine education system with the Congress passing RA 7722 to create CHED and RA 7796 to create TESDA. This approach focused the DepEd's mandate to basic education, which included elementary, secondary and non-formal education (Guzman, 2003). Moreover, this approach hoped to overcome the weaknesses of basic education with

DepEd paying more attention on institutionalizing “quality-enhancement programs” for elementary and secondary education sectors. (Arcelo, 2003) The figure below shows the dynamics of the three agencies.

The problem with the way EDCOM viewed the educational process “as a formal hierarchical structure consisting of discrete programs, each with its own specific goal, arranged ladder-like, whereby the lower rung generally leads to the next higher” was that it failed to institute a mechanism for the educational agencies to coordinate with each other. The Presidential Commission on Education Reform of 2000 called for the establishment of the National Coordinating Council for Education “in order to resolve trans-subsector concerns e.g. as an assessment mechanism and articulation between levels, and a more harmonized approach to total education planning and resource allocation (PCER, 2000).”

The Task Force on Higher Education, created shortly after EDCOM was completed, made a study on specific issues on higher education, taking off from the EDCOM findings and recommendations. It was divided into five sub-task forces tackling the issues of quality and efficiency. The findings were summarized in the publication “*Philippine Higher Education in the 21st Century: Strategies for Excellence and Equity*.” The study admitted up front that their findings were just a description of the status quo (The Task Force on Higher Education, 1995). The

Figure 3 Tri-focalization of the Education Sector (Arcelo, 2003)



Task Force identified three indicators of quality for tertiary programs, which are: performance in board examinations administered by the Professional Regulations Committee (PRC); accreditation status of the programs; and employability of the graduates of the programs. However, they also included other factors that affect the quality of tertiary programs like qualifications of faculty and staff, including research output; quality of students entering the program; instructional facilities and resources; library facilities; curriculum; and tuition fees. Although the Task Force wanted to do a validation of these factors, time and data constraints hindered making such a validation. Because of lack of data, the Task Force (1995) inferred from three alternative sets of information namely: 1) the perception of officials of a sample of

embassies as to what tertiary institutions in the country are comparable quality-wise to international institutions; 2) performance of graduates in professional licensure examinations; and 3) accreditation status of schools. The following is a summary of their findings on quality (The Task Force on Higher Education, 1995):

1. There are tertiary schools in the Philippines which can be considered as at par with schools internationally recognized for quality, while there are also schools considered merely as *diploma mills* [italics from the source].

2. Many graduates of Philippine schools are in demand as professionals abroad but a great number of college graduates also work as laborers and domestic helpers overseas.

3. There is a great difference in the quality of tertiary programs offered by the various HEIs as can be gleaned from the performance in licensure examinations.

4. Despite receiving full budgetary support from the government, only few SUCs do well in licensure exams.

5. Many students from accredited schools were top performers for the different programs.

6. Perception is strong on the questionable validity and reliability of licensure examinations as accurate indicators of quality.

7. Tuition and costs are identified as affecting quality in education but there are no reliable cost estimates to validate these factors.

8. Data on schools were difficult to obtain for the study even though schools submit voluminous documents yearly to DECS.

The enrolment rates in the Philippines at all levels are high, resembling those of more developed countries. The reason why Filipinos prize education, particularly college education is because they see a college degree as way to improve their economic status. Moreover, higher education enrolment is largely in the private sector (Orbeta, 2003), at 60.91 percent of total enrolment in higher education for Academic Year 2009-2010 (CHED MIS, 2010). The reason for the high enrolment rate in the private sector is because there are more private than public HEIs in the country. According to CHED data (2010) private schools make up 72 percent of total HEIs in the Philippines. However, as shown in Table 5, the share of private HEIs in enrollment have steadily declined since 1985 with the opening of more public HEIs, both SUCs and LUCs. In Academic Year 2009-2010, there were 2,770,965 students enrolled in higher education.

Table 3 Enrolment from AY 1985-1986 to AY 2009-2010

Academic Year	*Public*	*Private*	*Total Enrolment*	*% Private Enrolment*
1985-1986	209,121	1,192,560	1,401,681	85.08
1986-1987	202,201	1,155,463	1,357,664	85.11
1987-1988	222,436	1,238,109	1,460,545	84.77
1988-1989	233,180	1,346,758	1,579,938	85.24
1989-1990			1,225,305	
1990-1991	298,529	1,251,110	1,549,639	80.74
1991-1992	301,488	1,224,380	1,525,869	80.24
1992-1993	315,021	1,217,131	1,532,152	79.44
1993-1994	342,377	1,241,443	1,583,820	78.38
1994-1995	399,623	1,472,024	1,871,647	78.65
1995-1996	487,489	1,530,483	2,017,972	75.84
1996-1997	550,470	1,510,830	2,061,300	73.30
1997-1998	542,950	1,525,015	2,067,965	73.74
1998-1999	655,629	1,623,685	2,279,314	71.24
1999-2000	717,445	1,656,041	2,373,486	69.77
2000-2001	771,162	1,659,680	2,430,842	68.28
2001-2002	808,321	1,657,735	2,466,056	67.22
2002-2003	815,595	1,611,381	2,426,976	66.39
2003-2004	829,181	1,591,675	2,420,856	65.75
2004-2005	819,251	1,583,064	2,402,315	65.90
2005-2006	849,555	1,633,719	2,483,274	65.79
2006-2007	881,656	1,722,793	2,604,449	66.15
2007-2008	915,191	1,739,103	2,654,294	65.52
2008-2009	982,701	1,642,684	2,625,385	62.57
2009-2010	1,083,194	1,687,771	2,770,965	60.91

Sources: EDCOM Report Book 2 Vol. 3 p.167 for AY 1985/86 to 1989/1990

Reform and Development of Higher Education in the Philippines p. 110 for AY 1990/91 to 1993/94

CHED Data for AY 1994/95 to 2009/10

Public spending for education in 2009 was 15.8 percent of the total government expenditure, with only 12.8 percent of the whole education budget allotted to higher education. This amounted to P23.7 billion with CHED getting P9.5 million and the rest going to SUCs (DBM, 2009). SUCs rely on government support for 80-90 percent of their operating costs while private education institutions rely mostly on school fees. Although the two tables below may vary slightly in figures, these do not differ significantly. We can see that over the years, the CHED's share in the education budget has decreased from almost 3 percent in FY 1998 to just 0.5

percent in 2009. On the other hand, the SUCs share in the budget varies from 12 percent to 15 percent from the period of 1998 to 2009.

However, it is estimated that private colleges and universities receive only about 1 percent of the total budget for the sector considering that they have the lion's share of the market (Arcelo, 2003). Better quality private universities and colleges sometimes receive donations and philanthropic assistance, although these are very few (Tan, 2002). There is a lack of government funding support for private higher education institutions.

Table 4 GAA Budget Share of Education Sector by Agency and Fiscal Year: 1998-2004 (Percentage)

Fiscal Year	DepEd	CHED	TESDA	SUCs
1998	81.67	2.82	0.03	15.48
1999	81.72	2.2	2.13	13.95
2000	82.36	1.79	2.1	13.75
2001	82.36	1.79	2.1	13.75
2002	83.17	0.52	2.45	13.86
2003	83.97	0.19	2.13	13.71
2004	83.97	0.19	2.13	13.71
Average	82.75	1.36	1.87	14.03

Source: CHED AY 2004-2005 Statistical Bulletin

Table 5 GAA Budget Share of Education Sector by Agency and Fiscal Year: 1997-2006 (Percentage)

Fiscal	Year	DepEd	CHED	TESDA	SUCs
1997	Actual Program	92.08	2.29	1.68	
1998	Actual Program	90.49	2.98	1.78	
1999	Actual Program	91.79	1.81	2.30	
2000	Adjusted Program	91.86	1.91	2.16	
2001	Proposed Program	91.04	1.65	2.83	
2002	Actual Program	97.25	0.71	2.04	
2003	Actual Program	97.02	0.60	2.38	
2004	Actual Program	97.11	0.97	1.92	
2005	Actual Program	96.96	0.94	2.11	
2006	Proposed Program	97.07	0.94	1.99	
2007	Actual Program	86.27	0.26	1.66	11.82
2008	Actual Program	85.46	0.45	1.96	12.14
2009	Actual Program	85.30	0.51	1.88	12.31

Note: Only selected agencies were covered to represent each level of education

Sources: FY 1997-20001 Department of Budget and Management as quoted from the 2001 Philippine Statistical Yearbook

FY 2002-2006 Department of Budget and Management as quoted from the NSCB website

FY 2007-2009 General Appropriations Act 2007, 2008, 2009

The Commission on Higher Education

CHED was created through Republic Act No. 7722, also known as the Higher Education Act of 1994. The Commission is composed of five full-time members with a term of office of four years. A Board of Advisers meets with the Commission en banc to assist it in lining up CHED policies and plans with the “cultural, political, and socio-economic development of the nation and with the demands of world-class scholarship”.

The Office of the Chairman and the Commissioners “acts as a collegial body in formulating plans, policies and strategies relating to higher education and in deciding important matters and problems regarding the operation of CHED”. The

Chairman and the four Commissioners also divide among themselves the chairmanship of the board of the 110 SUCs. The Executive Office, on the other hand, leads the Commission Secretariat that puts into operation the plans and policies of the Commission. It manages the overall execution of policies, programs, projects and operations of the various offices. It coordinates with the Higher Education Development Fund Secretariat in the deployment of HEDF funds for the efficient realization of CHED programs and projects.

There are six offices namely, 1) Office of Programs and Standards; 2) Office of Policy, Planning, Research and Information; 3) Office of Student Services; 4) International Affairs Service; 5) Legal Affairs Service; and 6) Administrative and Finance Services. These offices composed the Central Office. On the other hand, there are sixteen Regional Offices, which serve as the forefront offices or the implementing units of the CHED in the sixteen regions of the country. As implementing units, the Office of the Executive Director directly supervises them.

The Office of Programs and Standards aids in making academic development plans, policies, standards and guidelines for higher education programs, including alternative learning systems such as open learning and distance education; develops criteria and instruments in monitoring and evaluating the enforcement of Policies, Standards and Guidelines (PSGs) by the CHED Regional Offices; assists in putting

together the criteria for selecting Centers of Excellence (COEs) and Centers of Development (CODs) in various academic programs and in developing the tools for appraising the impact of COEs and CODs vis-à-vis students, community and country.

It has four divisions and their corresponding disciplinal coverage, as follows:

Division A – Agriculture, Maritime and Engineering

Division B – Criminology; Humanities, Social Sciences and Communications; Business; Legal; and Teacher Education

Division C – Science and Math, IT and Health-related Professions

Division D – Learning Equivalency and Alternative Delivery Systems

Each Division is assisted by a Technical Panel in the formulation of program policies and standards for the disciplines covered. These TPs are composed of recognized experts drawn from the disciplines and professions encompassed by the division.

The Office of Policy, Planning, Research and Information has three divisions, namely; Policy Development and Planning Division, Research Division, and Management Information System Division. The OPPRI is tasked to:

1. Help in the development of sector-wide and CHED-wide policies, plans, and programs;
2. Formulate/implement projects to improve the higher education sector;
3. Gather, process, and analyze higher education data/information
4. Conduct research and other activities needed for policy/decision making, planning, project development and implementation;

5. Assist in promoting and managing research in/on higher education; and
6. Put together and circulate higher education data/information and research outputs.

For student matters, the Office of Student Services is tasked to develop, recommend, monitor and evaluate the implementation of policies, systems, procedures and programs on matters pertaining to the various student services in Higher Education Institutions. OSS is composed of two divisions namely: Study Grant Division and Student Auxiliary Services Division.

The duty to help endorse Philippine higher education abroad for global recognition is given to the International Affairs Service. It works in concert with all offices of CHED as they pursue their primary functions and objectives to enhance the international orientation and dimension of higher education.

The Legal Affairs Service handles all things pertaining to legal matters. It is tasked to provide efficient and competent legal services to the CHED and its constituents upon being provided sufficient staff, facilities and resources, by rendering rulings, opinions and other legal actions on matters concerning the implementation of RA 8272, RA 7722 and other relevant education laws, CHED memoranda, orders, guidelines, and the preparation, examination and execution of

its programs, systems and procedures as well as issues and concerns affecting the rights and obligations of the various sectors of the education community.

Figure 4 CHED Organizational Structure as of 2007

Source: CHED Personnel Handbook (Draft) (CHED Human Resource Management Division, 2007)

On the other hand, the Administrative Services is responsible for providing the Commission with economical, efficient, and effective services relating to property and supply, records, collections and disbursements, personnel policies and administration, messengerial and other related services.

The Finance Services is responsible for the generation and management of the financial resources of the Commission, ensuring that said resources are generated and managed judiciously and in manner supportive of development objectives. There are two divisions under this, the Budget Division and the Accounting Division.

Policy Measures Implemented by CHED

Over the years CHED has drafted various policies to improve the quality of education provided by the HEIs. One of the earlier policies is identifying, supporting and developing centers of excellence and centers of development. Centers of Excellence are "*units within HEIs with strong graduate programs and undergraduate programs that meet international standards of academic excellence and quality".* Centers of Development, on the other hand are *"units within any HEI with a strong undergraduate program and a strong potential to develop its faculty in research".* The broad criteria for selection are instructional quality, research and publication, extension and linkages, and institutional qualifications (CMO 55 s. 2006). Faculty, performance in licensure examinations, graduate profile, and employment of graduates are included in the instructional quality criterion while accreditation is included in institutional qualifications criterion.

COES and CODS were given funding assistance for faculty development, scholarships, library materials, and development activities. CHED recognizes that in order for an HEI to continue to be excellent or to develop into an excellent institution, there is a need to support the development of its faculty. The faculty development component of the COE and COD project includes graduate educations scholarships, thesis/dissertation grants, and attendance in local and international seminars, workshops, academic and research training (CMO 38 s. 1999). An example of which is in teacher education where almost Php15 million was appropriated by CHED for a four-year period and was expected to produce 59 faculty with master's degree and 37 faculty with doctorate degrees from eighteen centers of excellence and three centers of developments.

Moreover, in 2003 the CHED Dissertation Grant was launched. This program is to financially help faculty members to complete their dissertation work. The following year, the CHED Thesis Grant was also launched which provides monetary assistance to faculty members completing their master's thesis.

Furthermore, CHED initiated its Faculty Development Program in 2004, which also sought to upgrade the academic qualifications of tertiary faculty to master's and doctorate degree levels. The target of the program was to provide

3,500 scholarship slots to faculty members nationwide. The scholars are expected to return to their mother institutions and teach after finishing the program.

In order to recognize the contribution of private higher education institutions to the country's tertiary education system and the need to rationalize the supervision of the HEIs, CHED has granted autonomous and deregulated status to certain private HEIs that "*have consistently shown exemplary performance in the provision of education, research and extension services* (CMO 44 s. 2008)*."* In order to qualify for either autonomous or deregulated status, private HEIs should have the requisite number of COE/CODs and Level IV and Level III accredited programs. The use of accreditation levels in the criteria for granting autonomous or deregulated status to private HEIs shows that CHED acknowledges the importance of accreditation in improving the quality of tertiary education in the country.

Accreditation gives public recognition and information on educational quality. It uses self-evaluation and peer judgment in assessing and upgrading the educational quality of higher education institutions. There are two kinds of accreditations: program accreditation and institutional accreditation. Individual programs of HEIs are evaluated through program accreditation while whole educational institutions are evaluated through institutional accreditation. In the past, the accreditation process in the Philippines was both voluntary and private-sector led.

The Philippine Accrediting Association of School, Colleges, and Universities (PAASCU), the Philippine Association of Colleges and Universities – Commission on Accreditation (PACUCOA), and the Association of Christian Colleges and Universities Accrediting Agency (ACSCAA) were established in 1950s and have been accrediting programs in private education institutions ever since. These three agencies were federated into the Federation of Accrediting Agencies of the Philippines in 1977 in order to provide the "mechanism for the effective coordination, cooperation and sharing of resources among its members (Biglete, et al, 2000). The accrediting body for state universities and colleges, the Accrediting Association of Chartered Colleges and Universities (AACUP) joined FAAP in 1994 but later went on to form the National Network of Quality Accrediting Agencies (NNQAA) with the Association of Local Colleges and Universities Commission on Accreditation (ALCUCOA), the accreditation body for local universities and colleges. Now, there is a federation/network that serves the private HEIs and another for the public HEIs.

However, HEIs complain that the process of having their programs accredited is both expensive and time consuming. So in 2004, CHED provided Federation of Accrediting Agencies in the Philippines (FAAP) Php1.5 million to be given to HEIs applying for accreditation of their programs as support to the accreditation efforts. By 2006, CHED Memorandum Order No. 23 series of 2006 was in effect which provided

the procedures and guidelines for granting financial assistance directly to HEIs undergoing voluntary accreditation. CHED gives two kinds of financial assistance for accreditation and these are:

- CHED Preliminary Survey Assistance for Accreditation (PSAA) – assists HEIs in the expenses incurred in applying for accreditation and which amounts to Php50, 000.00 per program, and
- CHED Institutional Development Assistance for Accreditation (IDAA) – assists HEIs in upgrading their library and laboratory facilities needed to comply with the requirements of the accreditation process. Financial assistance ranges from Php150,000 – 200,000 for improvements to the library and laboratory facilities.

As recently as July 2010, CHED promulgated CMO 28 s. 2010 that put in place systems and procedures for the joint CHED-Philippine Regulatory Commission (PRC) inspection and evaluation of higher education institutions offering board programs. The said memorandum order is "*to determine the compliance of HEIs with existing policies, standards and guidelines governing the operation of board programs being monitored* (CMO 28 s. 2010)*".* In the long run, it is hoped that performance in board exams shall be greatly improved through policy intervention

and remedial measures based on the empiral findings that resulted from monitoring the board programs.

Although performance of graduates in licensure examinations is a good quality indicator of the programs of higher education institutions, it can only measure graduates who undergo professional board examinations and not those graduates from baccalaureate programs with no licensure examinations. The Professional Regulation Commission oversees around forty-three professions including the licensure examination for teachers. It was previously known as Professional Board Examination for Teachers (PBET), which used to be administered by a separate body, the National Board for Teachers led by the DECS secretary, in cooperation with the Civil Service Commission. On the other hand, the yearly bar examinations for the legal profession is administered by the Supreme Court.

CHED policies use faculty and graduate profile, performance in licensure examinatios, and employability of graduates, as indicators to establish the quality of higher educations institutions and their program offerings because these are quantifiable and data is more readily available than other indicators.

CHAPTER III

Data and Analysis

This study uses four quality indicators namely: faculty qualification, performance in licensure examinations, accreditation status, and employability of graduates to measure the quality of higher education in the country before and after the advent of the Commission on Higher Education. Chapman and Adams (2002) state that education quality may refer to “inputs (number of teachers, amount of teacher training, number of textbooks), processes (amount of direct instructional time, extent of active learning), outputs (test scores, graduation rates), and outcomes (performance in subsequent employments).” Nevertheless, it is not only about the inputs from the education institution that affects the quality of education but from the students as well. Valisno (2000) notes that the quality of higher education a student gets depends also on “his/her inputs into the study (inherent abilities, motivation, and discipline). This is in addition to other factors she cited such as “the quantity and quality of school inputs, the effectiveness of the curriculum and teaching method, and the quality of the school and home environment.” However, the measures that compose input and process indicators are hard to measure in the absence of national aggregate data in higher education. Data for these measures are used

more widely in basic education, which is not covered by this study.

Unlike the input and process indicators, the four indicators in this study are easily quantifiable and data are readily available over period of time covered by this study. Nonetheless, it could not be stressed enough that these indicators may not fully capture the reality of what happens in the classrooms that may actually decide the quality of education. However, previous studies on Philippine education like those done by the Congressional Commission on Education (EDCOM), 1990-1992 and the Task Force on Higher Education, 1995, used the same indicators to look at the quality of higher education in the country. By looking at the same indicators, the researcher hopes to compare whether there have been significant changes in the quality of higher education in the country since the advent of CHED through the tri-focalization policy of EDCOM.

Quality of Faculty

The human resource profile of the schools is important to ensure quality and excellence where the qualifications and expertise of the faculty and staff identify the strength of the academe (Biglete, et. al, 2000). Even during the DECS period, master's degree was a requisite for tertiary-level faculty. However, the findings of the Higher Education Research Information Center conducted by the Bureau on Higher Education and the Fund Assistance for Private Education in 1985 (cited in

EDCOM, 1993) indicated that 71 percent of faculty members in 1,034 private and public HEIs had bachelor's degree while 23 percent had master's degrees and four percent had doctorate degrees. In 2004-2005, the percentage of faculty with only baccalaureate degrees was down to 60 percent while those with doctorate degrees increased to nine percent and 30 percent for those with master's degrees (CHED, 2005). By 2009, 34 percent of faculty had master's degrees while those with doctoral degrees remained at around nine percent.

Table 6 Faculty Development Program Scholars by Discipline as of June 2010

Discipline	Graduated	Ongoing	Total
Information Technology	60	293	353
Natural Sciences	172	152	324
Social Sciences	120	158	278
English	107	165	272
Engineering	68	179	247
Mathematics	70	85	155
Others	11	91	102
Grand Total	608	1,123	1,731

Source: CHED Faculty Development Program

The reasons for low quality of college faculty put forth by Johanson (1999, as cited by Orbeta, 2003) were that schools were upgraded from lower-level institutions to higher level institutions. This meant that faculty were only fit for secondary level teaching. The other reason was that there is no incentive to acquire graduate education because of low salaries. More alarming findings were summarised by

Cortes (1994, as cited by Orbeta, 2003) which indicates that faculty that teach in graduate education are underqualified or unqualified, and that “ghost-writing of graduate education theses is fairly common”. Poor research advising also leads to “conceptually bankrupt” and “methodologically flawed” theses and dissertations.

Table 7 Faculty Development Scholars by Component as of June 2010

Component	Graduated	On-going	Total	%
Non-Thesis	521	692	1213	70.08
Thesis	71	211	282	16.29
PhD Local	16	220	236	13.63
Grand Total	608	1,123	1,731	100

Source: CHED Faculty Development Program

As of June 2010, 1,731 tertiary educators have been given scholarships where 608 educators have already graduated while 1,123 faculty members are still undergoing their studies. Seventy percent of the scholars took master’s degree programs with non-thesis track while 16 percent enrolled in programs with thesis requirements. Faculty Development Program is now on its second part which will cover 2010-2015.

The program is a good way to raise the academic qualifications of the tertiary faculty. However, it would appear that improving the research capability of tertiary educators is not the main concern of the program since 70 percent of the grantees are taking master’s degrees with non-thesis track. CHED should also make

use of the Faculty Development Program to enhance the research capacity of its faculty and encourage them to take master's degrees with thesis track.

Performance in the Licensure Exams

Table 8 shows the overall passing rate across all disciplines for the licensure exams from 1994 to 2009. Improvement in the performance in licensure exams from the period 1994 to 2009 seems to be very slight at 34.8 and 36.26 respectively. The trend shows fluctuations in the overall passing rate with peaks and valleys. It peaked in 2000 at 37.23 percent and managed to plateau around the 37 percent mark for three years before it plunged to 31.26. It steadily increased for the next five years and peaking at 38.7 in 2008 before decreasing slightly in 2009.

Historically, accountancy has a very low percentage of successful examinees at 21 percent average passing rate for the years 1985-1989 even though it had the highest total number of examinees. Average passing rate has increased somewhat for the period of 2005-2009 at 30 percent. Teacher education is another profession with large number of examinees but with low passing rate. In 1990, only 11.68% of examinees passed the PBET (Congressional Commission on Education, 1993). However, in 2009, the passing rate for teacher education significantly increased to 25.38 percent (combined results for elementary and secondary), although it is still very low.

From Appendix A, we can see that the average passing rate for all the examinations from 1995-2009 are below 50 percent. Out of 43 programs, only four programs, Geology, Medicine, Metallurgical Engineering and Pharmacy had consistently 50 percent and above overall passing rate, although there are 10 programs which have 50 percent or over average passing rate from 1995 to 2009. Looking at the trend, we can see that for most programs, passing rates have been fluctuating throughout the years although programs like Nursing, Naval Architecture and Marine Engineering, Veterinary Medicine and Agricultural Engineering have been consistently declining since 2006. Appendix B shows that two professional fields, Geology and Medicine also had overall passing rate of above 50 percent from 1985-1989.

Table 1 Performance in Licensure Examinations Across all Disciplines from 1994-2009

Year	**Overall Passing Rate**	**Year**	**Overall Passing Rate**
1994	34.8	2002	37.05
1995	31	2003	31.26
1996	34.4	2004	32.8
1997	32.6	2005	35.4
1998	34.7	2006	37.8
1999	36.5	2007	38.2
2000	37.23	2008	38.7
2001	37.20	2009	36.26

Source: CHED MIS

Looking only at the performance in licensure exams from 1995-2009, we can surmise that the quality of higher education in the country has not increased significantly. Although, there have been some improvements in some programs like accountancy and teacher education, these improvements were slight and still need further enhancement. Improvement in the performance in licensure examinations, however slight, could be attributed to revised policies, standards and guidelines for these programs. The University of the Philippines School of Labor and Industrial Relations (UP SOLAIR) College Secretary Bonifacio S. Macarañas offers a host of factors that could contribute to the fluctuating passing rates for the different licensure examinations. These are: 1) the designated officials who draft the questions; 2) the board members who sometimes adjust the passing rate every year; 3) student preparation; and 4) some students not feeling well on the day of the tests (Business World Online, 2010).

Accreditation Status

One of the findings of the Task Force on Higher Education (1995) was that accreditation as a system and process helped improve the quality of higher education in the country. They noted that many accredited schools were top performers for the different programs. From Table 9, we can see that there has been a sevenfold increase in the number of programs accredited from 1990 to 2009.

However, considering that there are already more than 2,000 HEIs in the country, only 428 tertiary institutions have accredited programs or only 20 percent of the population. It only increased around five percent from 1990 to 2009. Even though the number of HEIs with accredited programs dramatically increased from ninety-nine schools in 1990 to 428 schools in 2009, there was only a slight increase in percentage because the number of HEIs almost doubled from 1990 to 2008. We can infer from this data that efforts toward increasing the quality in higher education can be hampered by the unchecked mushrooming of new HEIs. With education, it is not the quantity of schools that count, but the quality of said schools. From the data, we can see that by 2004, the bulk of accredited programs are in Level II. Level I and Level II trends show that there were years when figures for these levels dropped instead of increasing. This indicates that some programs lost their accredited status or backslid to a lower level, however, the total number of accredited programs continue to increase except for a very slight decrease in 2005.

Since 2006, 217 HEIs have been given CHED-IDAA amounting to Php36,479,707 while 168 HEIs have been given CHED PSAA amounting to Php20,486,450. Considering the huge amount disbursed for this project, it is imperative that CHED monitors how the funds were spent and if these funds were spent for the purpose it was to serve. Moreover, through monitoring, CHED would

be able to identify how effective its interventions are and where else it could effectively intervene.

Table 2 Number of Accredited Programs by Level

	1990	**1991**	**1999**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Number of accredited programs (excluding Candidate Status)	295	295	529	1,560	1,556	1,758	1,843	1,947	2,311
Number of institutions with accredited programs	99	99	198	297	303	386	390	407	428
% of total Institutions with accredited programs	15.54	15.54	13.3	18	16	19	19	19	20
Candidate				51	62	534	547	525	626
Level I	50	50	82	317	322	313	416	506	621
Level II	137	137	336	1,057	1,054	1,155	1,052	1,000	1,086
Level III	108	108	111	186	180	290	375	441	604

Source: 1990-1991 FAAP and DECS Statistical Bulletin as quoted from Congressional Commission on Education Book 2 Vol. 3 pp.201-202

Biglete, Garcia, Bustos and Salazar, 2000

CHED-MIS. 2010

PCER (2000) in one of their recommendations, called for the establishment of common standard for accreditation per discipline because of charges of “forum shopping.” “Forum shopping” means that some schools whose programs are not accredited by one agency, goes to another agency to have them accredited. PCER proposed for the rationalization of the accreditation process so that there shall be a common set of accreditation standards, criteria and procedures adopted for each particular program for all schools and also for a more active oversight of the

accreditation system by CHED. This was endorsed by the Presidential Task Force for Education which led to the creation of the Coordinating Council on Accreditation (CCA) through Executive Order 705-A, series 2008. CCA is composed of a Commissioner of CHED who shall sit as chair, and a representative from each of the five existing accrediting agencies as members. It shall be assisted by a Secretariat based in CHED. As of this writing, CCA is not yet fully functional.

Employability of Graduates

In 2005, CHED conducted a graduate tracer study (GTS) to trace college graduates from 2001-2004 from their schools of origin to their destination after graduation. This approach is called forward GTS and this approach was used because it is more responsive to the needs of the HEIs and helps them plot their strategic course of action from the results derived their institution's GTS. HEIs were selected by region, by size and by type for the national GTS survey through stratified random sampling (Padua, 2005). The selected HEIs sent research coordinators to be trained on the conduct of GTS, which they then conducted when they returned to their institutions. They were required to submit the results of their survey and raw data to CHED for quality audit and consolidation at the national level. The original sample size was 300 randomly selected HEIs plus the 111 SUCs. Problems were encountered even early on. There were selected HEIs that did not respond or

declined to participate in the survey. During the conduct of survey, many research coordinators had difficulty in tracing their graduates because most of the schools have no mechanism to keep track of their graduates after they leave school. This was especially a problem for schools in the national capital region and the other big cities since many of their students come from different provinces and regions where their last know addresses are boarding houses, where they move out after they have finished their studies. Moreover, there were also problems with the capability of the research coordinators to conduct the survey because of lack of skill and knowledge in research and also lack of institutional support, either funding and/or manpower. The final data that the CHED Research Division consolidated came from sixty-three HEIs or only 15 percent of the sampling population.

Table 3 Distribution of Respondents by Employment Status

	Never Employed		**Not presently employed**		**Employed**		**No answer**		**Total**	
	N	%	n	%	n	%	n	%	n	%
Grand Total	732	4.11	5,310	29.82	11,740	65.93	24	0.13	17,806	100

Source: CHED OPPRI-RD

The highest number of respondents came from Business Administration and Related Courses, Education Science and Teacher Training, and Engineering and Technology. This reflects the trend from previous studies that the most number of enrollees and graduates come from these programs. It is ironic to note that although aggregate data of graduates from Engineering and Technology courses

ranged from 43,000 to 49,000 every year from 2004 to 2007, the Department of Labor and Employment included engineers as one of the hard-to-fill jobs where there was a need for 47,172 engineers as cited from the 2006 National Manpower Summit (DOLE, 2007). If we are to assume that all the engineering graduates from 2004 to 2007 took the board exams for that period where the passing rates for each year ranged from 38 percent to 41 percent, then when we add the total number of passers for the three years the sum would be around 57,000 engineers. In that case, there should have been an aggregate surplus of engineers instead of a dearth in supply. We can surmise from this circumstance that either the newly licensed engineers are not qualified for the available engineering jobs or that the majority of engineering graduates come from engineering fields other than what are needed by the industry.

From the study, almost 66 percent of the respondents found work within six months from graduation while 24.6 percent of the respondents found jobs after more than a year. This was the same finding in a presentation titled "*Present Labor Market Conditions*" in Angelo King Institute, Manila in 2006 where the mean monthly waiting time for graduates after actively searching for a job was 5.33 months for SUCs other than the University of the Philippines.

Table 4 Distribution of Higher Education Graduates by Cluster: 2001-2004

Discipline Cluster (degree completed)	% of Respondents	Discipline Cluster (degree completed)	% of Respondents
Agriculture, Forestry, Fisheries	7.17	Mass Communication and Documentation	1.53
Architecture and Town Planning	0.77	Mathematics	0.79
Business Administration and Related	26.25	Medical and Allied	3.48
Education Science and Teacher Training	23.53	Natural Sciences	2.63
Engineering and Technology	15.50	Other disciplines	0.01
Environmental Protection	0.85	Personal Service	1.57
Fine and Applied Arts	0.49	Security Services	0.91
Home Economics	0.49	Social and Behavioral Sciences	4.68
Humanities	0.91	Social Services	0.20
IT-Related Disciplines	6.97	Transport Services	0.31
Law and Jurisprudence	0.22	Unspecified	0.72

Source: CHED OPPRI-RD

In 1988, the total of unemployed college graduates was 325,000 or 14.48 percent of total unemployed (2,240,000). This increased to 707,000 unemployed college graduates in 2004 or 16.63 percent of the total unemployed which was 4,251,000 as shown in Appendix C. There was a change in unemployment definition starting April 2005 per NSCB Resolution No. 15 which included the availability criterion. Although results of unemployment before and after 2005 may not be comparable, it is important to note that the share of unemployed college graduates in 2006 and 2007 were 518,000 (18.31 percent) and 479,000 (18.06 percent) respectively. From these figures, we can see that the rate of unemployment of college graduates have risen, instead of decreased from 1988 to 2007. Lack of information on the supply and demand factor of the labor market is

one of the reasons for high unemployment rate in the country. Students and their parents choose courses without knowing the demands of the market, which results to difficulty in finding employment once the student graduates (EDCOM, 1993 and Rubio, 2004). Another reason is that (Canlas 1992, as cited in Orbeta, 2003) many of graduates are currently unemployed by their own choice. These graduates are looking for better job offers.

Mismatch has been a byword in describing supply and demand in the labor market since the late 1980s. This not only describes the manpower supply and the needs of business and industry, it also describes the gap between the competencies of graduates and the expectations of the employers. EDCOM (1993) observed that the "education sector has failed to update curricula, teaching methods, teachers and equipment" in order to meet the skill requirements of the vibrant business and industry sector. These gaps are still echoed by the CEOs more than 10 years later. In the DOLE Secretary's dialogue (DOLE, 2010) with leaders from different sectors of the economy, these were some of the following needs related to higher education that surfaced:

- the need to improve the analytical and communication proficiencies of the students and their corresponding IT skills;
- the need to hone the managerial skills of college graduates;
- the education sector must strengthen its linkage with industry in terms of updating its curriculum offerings to include as a major component of the intermediation strategy the 'train for work' scheme; and

- develop a scholarship scheme for hard-to-fill courses that are slowly being phased out by the education sector due to low enrolment.

However, it has also been posited that the quality of education in the country is not the major reason why unemployment is high. EDCOM cited the Presidential Commission to Survey Philippine Education (PSPE) that as early as 1970, "aggregate output of graduates is much greater than market demand or market needs, thereby resulting in unemployment and underemployment of educated manpower (Congressional Commission on Education, 1993)." The Senate Economic Planning Office (2004) identified high supply of labor and insufficiency of jobs as the two main factors that increased unemployment in the country. These are also similar to the findings of Brooks (2002) which shows that rapid population growth and increased labor force participation explains why unemployment remains high in the Philippines. Moreover, the Investment Climate Survey (ICS) of more than 700 companies validates that education and worker skills were not the major obstacle to good investment climate in the Philippines but such factors as macroeconomic instability, corruption, and institutional quality (e.g. security, regulatory uncertainty, etc.) (Son, 2007).

Since its creation, CHED has been updating the curricula of the different courses and discipline groups particularly Accountancy, Customs Administration, Engineering, Health Sciences, Optometry, Medicine, Information Technology,

Maritime, Teacher Education, and Distance Education and Open Learning (Biglete, et. al, 2000). Curricular updates have been in consultation with experts from the academe and industry of the related courses and/or disciplines and presented in public hearings to gather comments from other stakeholders. The process and implementation takes a long time and the effects of these changes takes longer to manifest.

CHAPTER IV

Summary and Conclusion

CHED was established in 1994 as a result of the tri-focalization policy for the education sector in order to address the perceived decline in the quality of education in the country. The policy brought about a division of authority in the three subsectors of education with basic education under the Department of Education, tertiary education under CHED, and technical-vocational education under TESDA. This study analyzed CHED policies to determine how effective these have been in increasing the quality of higher education in the country in terms of improving the performance of students in licensure examinations, accreditation status of programs, and employability of graduates. Moreover, it also looked at the academic profile of the higher education faculty because the strength of the academe rests on the qualifications of its faculty.

Master's degree has been the basic requirement for tertiary level faculty. Nevertheless, this has not been strictly implemented by the HEIs. In 1985, only 23 percent had master's degree while four percent had doctorate degree. By 2009 this increased to 34 percent for master's degree and nine percent for doctorate degree. One of CHED's efforts in improving the qualifications of the higher education faculty was the Faculty Development Program. It started in 2004 and by 2010, 1,731

faculty nationwide have been given scholarships for master's and doctorate degree where 608 have already graduated. Scholars for master's degree with non-thesis track make up 70 percent of the total population of FDP recipients. The program is now on its second part, which runs from 2010 to 2015.

In terms of improving the performance of students in licensure examinations, there seems to be no overall significant improvements. Moderate gains have been achieved in Accountancy and Teacher Education which could be attributed to changes in the curriculum. However, these two programs are still a long way from achieving 50 percent passing rate. Meanwhile, programs like Nursing, Naval Architecture and Marine Engineering, Veterinary Medicine and Agricultural Engineering have been consistently declining since 2006. So we can say that in the case of performance of students in licensure exams as quality indicator, CHED's contribution to improving quality in higher education is not evident.

As for the third indicator which is the status of the accreditation of programs the number of programs accredited increased seven times from 1990 to 2009. While the number of schools with accredited programs also increased notably in numbers, in total percentage of schools the increase was only five percent. The main reason is that the number of higher education institutions also doubled during the same period. One factor in the increase in the number of accredited schools and

programs could be the entry of public HEIs in to the accreditation system. Previously, the accreditation process was mainly a private endeavor. CHED supported the accreditation process through financial grants for HEIs undergoing accreditation since 2004. From 2004 to 2005, the grants were coursed through FAAP but in 2006, the grants were given to the HEIs directly. Around Php55 million have already been disbursed to HEIs for accreditation purposes. This could also be a factor for the boost in the number of programs and HEIs with accreditation. However, regarding the other issues affecting the accreditation process as surfaced by PCER (20000), particularly the harmonization of the accreditation process, CHED has still to fully make functional the Coordinating Council on Accreditation.

Regarding the employability of graduates, unemployment rate for college graduates rose instead of decreased from 1988 to 2007. Moreover, issues such as oversupply of graduates, lack of information on the supply and demand factors of the labor market, and mismatch between the competencies of the graduates and the needs of the employers. Although CHED has updated curricula of the various programs in consultation with experts from both the academe and industry of related courses, these gaps still persist. One reason could be the slow process and implementation of these updates and the longer manifestation of the effects and the other reason could be weak monitoring of CHED to ensure that all concerned HEIs

are implementing the minimum standards prescribed by CHED.

Based on the four indicators, the quality of higher education has not improved significantly since 1994 with the creation of the Commission on Higher Education. Regarding the performance in licensure examinations, moderate gains by some programs have been negated by declining performance of other performance. The overall passing rate has fluctuated over the years, which does not tell overmuch if CHED policies have been effective in improving the rate of passers in the board exams. As for the accreditation status of programs, there were noteworthy increases in the number of programs and HEIs with accreditation over the years. CHED has also supported the accreditation process through financial grants, however, other factors could also account for the increase in the number of accredited programs and HEIs. On the other hand, unemployment rate of college graduates has increased over the years. Moreover, the same issues continue to crop up during discussions regarding the employability of the products of the Philippine higher education system. Although CHED has upgraded the policies, standards and guidelines of the various course offerings in consultation with experts of academe and industry, the gap between the competencies of the graduates and the requirements of the employers is still there. With regards to the upgrading of faculty qualifications, it is not enough for CHED to provide scholarships to faculty but

also to monitor the compliance of HEIs to the minimum requirement of a master's degree for faculty teaching in tertiary education.

The findings do not indicate that the quality of education has improved considerably with the tri-focalization policy. However, going back to the unitary authority for the education sector is not also the answer at this time. Considering the voluminous studies done on the education sector as a whole with studies also done for each subsector, Philippine educations system is awash with recommendations for improvement. I believe that going back again to these studies and carefully implementing the most appropriate recommendations would greatly help in the improvement of the educational subsectors, particularly CHED. Moreover, strict implementation of policies, standards and guidelines and closing of programs that do not meet quality standards would greatly help improve the quality of tertiary education. In this way, the initiatives put in place and already showing promise of improving higher education could flourish along with the recommended actions to further improve the education system in the country.

REFERENCES

15, CHED Memorandum Order No. "Institutional Monitoring and Evaluation for Quality Assurance of All Higher Education Institutions in the Philippines." Pasig City: Commission on Higher Education, 25 May 2005.

Adams, David Chapman and Don. The Quality of Education: Dimensions and Strategies. Series. Manila: Asian Development Bank, 2002.

Anonymous. "PCER Examines the Education System Anew." 10 August 2009. Scribd. 1 November 2009 <http://www.scribd.com/doc/18361335/EDCOMPCER1>.

Arcelo, Adriano A. In Pursuit of Continuing Quality in Higher Education through Accreditation: The Philippine Experience. Paris: International Institute for Educational Planning, 2003.

Arellano Law Foundation. The LawPhil Project. 23 October 2009 <http://www.lawphil.net/executive/execord/eo1987/eo_117_1987.html>.

Biglete, Amelia A., et al. "Strategies for Quality and Excellence." Valisno, Mona Dumlao. The Reform and Development of Higher Education in the Philippines. Manila: Philippine National Commission for UNESCO Education Committee, 2000. 37-70.

Brooks, Ray. Why is Unemployment High in the Philippines? Working Paper. Washington: International Monetary Fund, 2002.

Business World Online. "Number of Board Passers Drops to 35.2%." Business World Online. Quezon City: Business World, 7 April 2010.

Canlas, Dante B. "Some Issues in the Economics of Tertiary Education." Journal of Philippine Development (1987): 164-172.

Central Intelligence Agency. Central Intelligence Agency. 25 July 2010 <https://www.cia.gov/library/publications/the-world-factbook/geos/bm.html>.

CHED. Commission on Higher Education. 6 October 2009 <http://ched.gov.ph>.

CHED Human Resource Management Division. CHED Personnel Handbook. Pasig City, 2007.

CMO 10 s. 2007. "Implementing Guidelines for the Identification, Support and Development of Centers of

Excellence and Centers of Development for Business and Management." Pasig: Commission on Higher Education, 22 January 2007.

CMO 17 s. 2006. "Implementing Guidelines for the Identification, Support and Development of Centers of Excellence and Centers of Development for Health Related Education Programs." Pasig: Commission on Higher Education, 31 March 2006.

CMO 19 s. 2006. "Implementing Guidelines for the Identification, Support and Development of Centers of Excellence and Centers of Development for Information Technology." Pasig City: Commission on Higher Education, 11 April 2006.

CMO 19 s. 2010. "Implementing Guidelines for the Selection of Centers of Development and Centers of Excellence in Maritime Education." Quezon City: Commission on Higher Education, 7 July 2010.

CMO 23 s. 2006. "Procedures and Guidelines on Granting CHED Financial Assistance to Higher Education Institutions undergoing Voluntary Accreditation." Pasig City: Commission on Higher Education, 22 May 2006.

CMO 26 s. 2007. "Criteria and Implementing Guidelines for the Identification, Support and Development of Centers of Excellence and Centers of Development for Teacher Education Programs." Pasig: Commission on Higher Education, 30 April 2007.

CMO 28 s. 2010. "Systems and Procedures for the Joint CHED-PRC Inspection and Evaluation of Higher Education Institutions Offering Board Programs." Quezon City: Commission on Higher Education, 16 July 2010.

CMO 38 s. 1999. "Guidelines for the Implementation of the Centers of Excellence/Centers of Development Project for Science and Mathematics." Pasig: CHED, 6 December 1999.

CMO 44 s. 2008. "Policies and Guidelines for the Grant of Autonomous and Deregulated Status to Private Higher Education Institutions." Pasig City: Commission on Higher Education, 26 August 2008.

CMO 51 s. 2007. "Implementing Guidelines for the Selection of Centers of Excellence and Centers of Development in Agriculture Education." Pasig City: Commission on Higher Education, 15 October 2007.

CMO 55 s. 2006. "Revised Policies and Standards on the Centers of Excellence Project." Pasig: Commission on Higher Education, 2006.

Congressional Commission on Education. Basic Education. Quezon City: Congressional Oversight Committee on Education, 1993.

—. Tertiary Education. Quezon City: Congressional Oversight Committee on Education, 1993.

DBM. "Budget Appropriations." 2009. Department of Budget Management. 5 November 2009 <www.dbm.gov.ph>.

Department of Labor and Employment. "Human Resource Strategy for Productivity and Competitiveness." People Competitiveness Summit 2007. Makati City: Department of Labor and Employment, 15 November 2007.

—. Project Jobs Fit DOLE 2020 Vision: Summary of Findings and Recommendations. Multi-Agency and Cross-sectoral Consultation. Manila: Bureau of Local Employment, 2010.

Economic and Social Commission for Asia and the Pacific. Youth in the Philippines: A Review of the Youth Situation and National Policies and Programmes. Monograph. New York: United Nations, 2000.

Godo, Yujiro Hayami and Yoshihisa. Development Economics: From Poverty to the Wealth of Nations. New York: Oxford University Press Inc., 2005.

Guzman, Allan B. de. "The Dynamics of Educational Reforms in the Philippine Basic and Higher Education Sectors." Asia Pacific Education Review (2003): 30-50.

Herrin, Alejandro N. An Assessment of Population, Health and Education Policies in the Philippines, 1986-1988. Working Paper. Makati: Philippine Institute for Development Studies, 1990.

Levin, Jon Young and Ben. "The Origins of Educational Reform: A Comparative Perspective." 19 January 1999. University of Manitoba. 1 August 2011 <http://www.umanitoba.ca/publications/cjeap/articles/younglevin.html>.

Miclat, Eusebio F. Strategic Planning in Education. Manila: Rex Bookstore Inc., 2005.

National Statistical Coordination Board. 1997 Philippine Statistical Yearbook. Makati City: National Statistical Information Center, 1997.

NSCB. National Statistics Coordinating Board. 2009. 5 November 2009 <www.nscb.gov.ph>.

Padua, Roberto N. Graduate Tracer Study Manual. Pasig City, 2005.

PCER. Presidential Commission on Educational Reform. 15 August 2010 <http://pcer_ph.tripod.com/index.htm>.

Perris, Lyall. Implementing Educational Reforms in New Zealand: 1987-1997. Case Study. Washington DC:

World Bank, 1998.

Rosario G. Manasan, Janet S. Cuenca, and Eden C. Villanueva. "Benefit Incidence of Public Spending on Education in the Philippines." PIDS Discussion Paper Series. Makati City: Philippine Institute for Development Studies, July 2007.

Rubio, Maria Cristina G. "Probing the Unemployment Problem." Policy Insights. Manila: Senate Economic Planning Office, August 2004.

Scribd. 10 August 2009. 23 October 2009 <http://www.scribd.com/doc/18361335/EDCOMPCER1>.

Son, Hyun H. "Human Capital and Economic Growth." 2007. Asian Development Bank. 14 August 2011 <http://www.adb.org/Documents/Produced-Under-TA/41040/41040-Human-Capital.pdf>.

Soriano, Ma. Teresa. "Present Labour Market Conditions." Manila, October 2006.

The National Commission on Excellence in Education. A Nation at Risk: The Imperative for Educational Reform. Commission Report. Washington, DC: United States Department of Education, 1983.

The Task Force on Higher Education. Philippine Higher Education in the 21st Century: Strategies for Excellence and Equity. Manila: Commission on Higher Education, 1995.

Tullao, Tereso S. Jr. "Higher Education and Globalization: An Integrative Report." Tereso S. Tullao, Jr. Education and Globalization. Makati: Philippine Institute for Development Studies, 2003. 1-16.

Vignoles, Stephen Machin and Anna. Education Policy in the UK. London, March 2006.