EVALUATING THE ROLE OF FINANCIAL INCENTIVES IN TEACHER RETENTION: A STUDY ON THE SPECIAL HARDSHIP ALLOWANCE IN CHALLENGING AND HARD-TO-STAFF SCHOOL ENVIRONMENTS

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#parasaedukasyon #parasabata #padayon

Abstract

This study examines the relationship between financial incentives and teacher retention intention in the Philippine public school system, with a focus on the Department of Education's Special Hardship Allowance (SHA). Guided by the Theory of Compensating Differentials and Organisational Justice Theory, it explores whether receiving the SHA and being satisfied with its implementation influence a teacher's intent to remain in their current post.

The analysis draws on secondary survey data from 740 public school teachers assigned to hardship-post schools, including both SHA recipients (treatment group) and non-recipients (control group). Binary logistic regression models were used to address two main questions: (1) whether SHA status predicts intention to stay, and (2) whether satisfaction with SHA implementation—clarity, fairness, transparency, and sufficiency—affects retention intent among recipients. Models were adjusted for socio-demographic, professional, and geographic variables.

Results show that SHA recipients were significantly more likely to intend to stay than non-recipients, suggesting that the allowance acts as an effective incentive. However, satisfaction with SHA implementation did not significantly influence retention intent. Instead, two place-based factors—residence within the school's local area ("barangay") and longer service in the same school—emerged as the strongest predictors across models.

These findings contribute to limited Southeast Asian literature on teacher incentives, while highlighting the importance of geographic embeddedness over policy perceptions. Future research using longitudinal or qualitative methods is recommended to explore how financial incentives interact with teachers lived experiences in challenging school environments.

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List of Abbreviations

BHROD-SED	Bureau of Human Resource and Organizational Development – School Effectiveness Division
DepEd	Department of Education
DBM	Department of Budget and Management
EBEIS	Enhanced Basic Education Information System
HI	Hardship Index
HP	Hardship Post
JC	Joint Circular
LMIC	Low- and Middle-Income Countries
NBC	National Budget Circular
PH	Philippines
SDA	Secondary Data Analysis
SHA	Special Hardship Allowance
UN	United Nations
UNICEF	United Nations Children's Fund
UNESCO	United Nations Educational, Scientific and Cultural Organization

Chapter 1. Introduction

1.1 Background and Context

Teachers play a pivotal role in achieving educational goals and ensuring that every student reaches their potential. However, the global teacher shortage poses a significant threat to the attainment of Sustainable Development Goal 4 (SDG4), which aims for inclusive, equitable, and quality education for all (UNESCO and International Task Force on Teachers for Education 2030, 2024). Numerous studies have highlighted the importance of teacher motivation and retention in realising global and national educational goals. Teachers' motivation to join and stay in the teaching profession are driven by both intrinsic and extrinsic factors (World Bank, 2009; DepEd and Southeast Asian Ministers of Education Organization Regional Center for Educational Innovation and Technology (SEAMEO INNOTECH), 2020) and by monetary and non-monetary benefits (UNESCO-IICBA, 2017). In particular interest to the researcher is the experience of teachers exposed to hardship posts described as "extraordinarily hard, uncomfortable and extreme difficulties" (DBM, 2007; DepEd and DBM, 2021) or remote and "hard-to-staff" areas (See *et al.*, 2020; Evans and Mendez Acosta, 2023). Studies have shown there are many difficulties in attracting and retaining teachers for schools in these hardship posts (DepEd and UNICEF, 2020; Burke and Buchanan, 2022; Evans and Mendez Acosta, 2023). One key initiative to address this challenge has been to provide financial compensation and incentives for teachers who would be assigned to schools considered as hardship posts.

Like other countries, the Philippines (PH) continues to strengthen its programs and initiatives for teacher welfare and development. The Special Hardship Allowance (SHA) was introduced to address the challenges of attracting and retaining teachers in remote and difficult-to-staff areas. The Hardship index was developed to objectively categorise the schools as hardship or non-hardship posts based on a pre-determined cut-off score. Consequently, the schools that meet the cut-off score are identified as hardship posts

and thus its teaching employees are eligible to receive the SHA. Despite its implementation, there are concerns about the adequacy and effectiveness of the SHA in motivating teachers to remain in these challenging environments.

1.2 Purpose of the Study

This study examines how the Special Hardship Allowance (SHA) influences the motivation and retention of public school teachers assigned to hardship posts in the Philippines. Anchored in the SHA Monitoring and Evaluation (M&E) Framework and drawing on national survey data from 2024, the research investigates both the effect of SHA receipt and the role of satisfaction with its implementation on teachers' stated intent to remain in their current school assignment. It seeks to generate empirical insights that can inform the policy review and refinement of SHA as a national incentive strategy.

This study is also driven by the researcher's previous professional engagement with the Philippine Department of Education, where persistent challenges in teacher welfare and staffing were frequently observed. First-hand experience in policy implementation exposed both the promise and pitfalls of policies and incentive programs like the Special Hardship Allowance (SHA). Motivated by a desire to bridge policy design with empirical evidence, this research aims to critically assess whether and how financial incentives influence teacher retention, with the broader goal of informing equitable and sustainable education reforms.

By combining theoretical and statistical analysis with a grounded understanding of the education bureaucracy, this study contributes to policy improvement in a way that is both evidence-based and institutionally informed. More broadly, it affirms the need for retention strategies that not only compensate hardship but also embed teachers within the communities they serve. In doing so, it seeks to support the design of more equitable, embedded, and sustainable approaches to improving teacher deployment in underserved areas.

1.3 Research Questions and Hypotheses

This study emerged from the researcher's policy engagement with SHA design and monitoring at the national level, where recurring implementation challenges prompted a deeper inquiry into its actual influence on teachers' willingness to stay in underserved

schools. The opportunity to engage with a highly committed policy team—deeply invested in ensuring that the SHA policy benefits teachers in the most challenging contexts—made this research both personally and professionally meaningful. The policy's clear monitoring and evaluation (M&E) framework and the availability of robust national survey data offered a rare and valuable platform for evidence-based inquiry. This context not only enabled but also motivated the researcher to rigorously explore how and to what extent SHA influences teachers' willingness to stay in hardship posts. Specifically, the study aims to respond to the following research questions:

Research Question 1 (RQ1): Effect of SHA Incentive Status on Retention Intention Does a teacher's SHA incentive status (recipient vs. non-recipient) significantly predict their intention to stay in a challenging school environment?

Hypothesis 1 (H1): Teachers who receive the Special Hardship Allowance are more likely to express an intention to remain in their current school assignment compared to those who do not receive the allowance.

Research Question 2 (RQ2): Effect of Incentive Satisfaction on Retention Intention Does satisfaction with the Special Hardship Allowance significantly predict teachers' intention to stay in hardship posts?

Hypothesis 2 (H2): Higher levels of satisfaction with the SHA – as measured through perceptions of process clarity, transparency, fairness, and sufficiency - are associated with increased likelihood of teachers intending to stay in their current hardship post.

1.4 Significance of the Study

The significance of this research lies in its potential to inform and enhance educational policies and practices. This study is particularly relevant to the Philippine education sector, where many schools in remote and underserved areas face persistent challenges in attracting and retaining qualified teachers. By evaluating the effectiveness of the SHA, the research provides timely evidence to inform the ongoing policy review and guide the development of more responsive and equitable teacher retention strategies. This research narrows its scope to classroom-based public school teachers assigned to hardship posts with the intention of generating a more focused understanding of their lived experiences, particularly the contextual factors that influence their job satisfaction,

perceived fairness of the SHA, and decisions to stay or leave their current assignments. The findings can support the Department of Education and national policymakers in strengthening the design and implementation of teacher compensation and incentive programs, ensuring more effective use of resources and improved conditions for teachers in hardship posts, and ultimately contributing to better learning environment for the students.

Beyond the Philippines, this study contributes to the global discourse on teacher retention and incentive-based policies. The study aims to contribute empirical insights that may inform future improvements in teacher welfare and retention strategies in similarly challenging environments. The evidence generated from this study may also offer valuable evidence for international policymakers and education systems seeking to improve teacher motivation, equity, and educational outcomes in hard-to-staff areas.

1.5 Scope and Limitations

This study focuses solely on public school teachers assigned to hardship posts who are eligible for the Special Hardship Allowance (SHA). While the SHA policy also covers school heads, multi-grade and mobile teachers, and ALS coordinators, these groups are excluded to allow a deeper exploration of classroom teachers' experiences, particularly the contextual factors affecting their job satisfaction, perceptions of fairness, and retention. The study is also restricted to the self-reports of teachers' experience with the SHA and does not assess the broader SHA environment such as implementation costs, cost-effectiveness, or alternative incentive models. These areas offer valuable directions for future research and policy evaluation.

1.6 Structure of the Dissertation

The dissertation follows a coherent structure that builds from context to empirical insight and policy relevance. Chapter 1 introduces the study, outlining the background, research problem, objectives, and significance, followed by the formulation of two research questions and an overview of the study's scope and limitations. Chapter 2 provides a critical review of international and Philippine literature on teacher retention in remote and hard-to-staff schools, identifying key influencing factors and evidence gaps. Chapter 3 outlines the theoretical grounding, drawing on the Theory of Compensating Differentials and Organisational Justice Theory. Chapter 4 details the research design,

which employs secondary data analysis and logistic regression to examine the impact of the Special Hardship Allowance (SHA) on teachers' retention intentions. Chapter 5 presents the findings, beginning with the socio-economic and professional profile of respondents—used as control variables—and then reports results from the four-step progression of the logistic regression models addressing the main research questions. Chapter 6 interprets these findings in relation to the theoretical framework and existing literature, drawing out policy implications for SHA reform and broader retention strategies. Chapter 7 concludes the study with a synthesis of key insights and outlines recommendations for policy and future research.

Chapter 2. Literature Review

This chapter offers a critical yet pragmatic synthesis of international and Philippine scholarship on teacher retention, with a deliberate lens on remote and hard-to-staff settings. It unfolds in five parts. Section 2.1 takes stock of the global retention challenge. Section 2.2 presents the five factors that most consistently shape teachers' decisions to stay or leave. Section 2.3 narrows the focus to challenging school environments. Section 2.4 traces the policy evolution of SHA in the Philippines. Section 2.5 surfaces the evidence gaps that make the present study both timely and necessary.

2.1 The Global Challenge of Teacher Retention

Teacher retention refers to the capacity of education systems to keep qualified, competent, and motivated teachers within the profession over time. It reflects not only the technical challenge of staffing classrooms but also the broader health of the profession—how well systems support teacher development, protect their well-being, and sustain their long-term commitment. While some degree of attrition is expected due to retirement or career shifts, consistently high or increasing turnover rates are widely seen as disruptive to school stability and detrimental to learning outcomes (Ingersoll and Strong, 2011; OECD, 2019).

The issue of teacher retention has gained renewed attention in international education policy due to its scale and implications. UNESCO and International Task Force on Teachers for Education 2030 (2024) estimates that over 44 million new teachers will be needed globally by 2030 to meet education targets, not only to expand access but also to replace those who leave the profession. Alarmingly, the global attrition rate in primary education has nearly doubled, from 4.6% in 2015 to 9% in 2022. This trend is particularly concerning in low- and middle-income countries where the demand for teachers is rising, but the systems in place to retain them remain fragile. Moreover, the effects of COVID-19 have exacerbated these trends, accelerating burnout, health-related exits, and dissatisfaction with work conditions (Doan, Steiner and Pandey, 2024; UNESCO and

International Task Force on Teachers for Education 2030, 2024). As the Global Education Monitoring (GEM) Report highlights, high teacher turnover undermines not only continuity of instruction, but also broader reform efforts aimed at improving education quality (UNESCO, 2024).

Retention matters not only for operational efficiency but for education quality. Research consistently shows that teacher experience contributes to improved student outcomes, particularly in the first five to ten years of teaching (Papay and Kraft, 2015; OECD, 2020). High turnover disrupts school culture, increases recruitment and training costs, and weakens institutional memory (Ingersoll and Strong, 2011). Retaining skilled teachers is therefore seen as essential for education system resilience and long-term improvement.

2.2 Key Factors influencing Teacher Retention

Several interrelated factors influence teacher retention. Motivation is a central dimension, encompassing both intrinsic drivers—such as commitment to learners and professional purpose—and extrinsic incentives, including salary, benefits, and job security. In the Global Report on Teachers (UNESCO and International Task Force on Teachers for Education 2030, 2024), the top factors essential for addressing teacher shortages and enhancing retention:

a. Ensure fair and competitive pay
b. Promote teacher well-being
c. Improve working conditions
d. Enhance teacher autonomy and professional growth
e. Strengthen supportive leadership and psychosocial support

Ensuring fair and competitive pay focuses on aligning salaries with teacher responsibilities, societal value, and regional public service standards is essential to attract and retain high-quality teachers. Fair and competitive compensation remains a core element in efforts to retain qualified teachers. While salary alone does not determine whether teachers stay, persistent concerns around low pay, delayed disbursements, and opaque compensation systems continue to undermine motivation in many contexts. The 2024 UNESCO Global Report on Teachers notes that in nearly half of all countries, teachers earn less than other public sector professionals with equivalent qualifications, reinforcing perceptions that teaching is undervalued both economically and socially.

(OECD, 2020) similarly reports that low salaries relative to hours worked and the demands of the role are frequently cited as key drivers of attrition, particularly in lower-income systems.

Second, teacher workload and well-being are similarly critical. Ensuring emotional support, manageable workloads, and a psychologically safe environment helps reduce burnout and encourages teachers to remain in the profession. In the United States, a large-scale survey by RAND (Doan, Steiner and Pandey, 2024) found that burnout and emotional stress significantly increase teachers' intent to leave the profession, with those experiencing poor mental health being twice as likely to exit. Similarly, an Australian study by (Papay and Kraft, 2015; UNESCO and International Task Force on Teachers for Education 2030, 2024). In crisis-affected contexts such as Colombia, Kenya, and Myanmar, UNESCO's Teacher Task Force noted that while well-being interventions were valued, their impact was contingent on how well they were adapted to local risks, gender dynamics, and cultural expectations (Henderson, 2025). These findings underscore that well-being must be understood not only as a personal issue but as a structural condition requiring system-wide responses.

Third, improving working conditions contributes meaningfully to teacher motivation and institutional commitment. Adequate school infrastructure, learning materials, and administrative support are essential in creating a professional environment where teachers feel equipped and empowered (Papay and Kraft, 2015; UNESCO and International Task Force on Teachers for Education 2030, 2024). Evidence from the GEM Report and case studies in sub-Saharan Africa, including Malawi and Ghana, indicate that teacher dissatisfaction is strongly linked to overcrowded classrooms, lack of teaching materials, and delays in salary payments (Evans and Béteille, 2021; UNESCO and International Task Force on Teachers for Education 2030, 2024). Conversely, where facilities and workloads were better managed, teachers expressed stronger commitment to stay, particularly when these improvements were coupled with fair performance evaluations and local community support (Evans and Béteille, 2021).

Fourth, enhancing teacher autonomy and professional growth opportunities supports retention by reinforcing teachers’ sense of professional identity. Studies from England and Canada have found that when teachers are given space to exercise judgment, access continuing education, and envision a long-term career path, their job satisfaction and

intent to stay increase significantly (OECD, 2019; National Foundation for Educational Research (NFER), 2023). In Singapore and Finland, teacher evaluation and promotion systems are structured around developmental goals rather than compliance, which has helped elevate the teaching profession and build a stable workforce (OECD, 2020; UNESCO, 2024). A recent comparative study by Evans and Mendez Acosta (2023) further confirms that career progression mechanisms—especially when transparent and merit-based—are associated with higher retention rates in countries such as Ethiopia and Malawi, though effectiveness varies depending on institutional capacity.

The fifth factor focuses on supportive school leadership and positive school climate as pivotal in retaining teachers. School leaders who actively engage in mentoring, foster collaborative teaching environments, and provide regular instructional feedback can positively influence teachers' motivation and professional satisfaction (Ingersoll and Strong, 2011; UNESCO and International Task Force on Teachers for Education 2030, 2024). In Zimbabwe, for instance, the presence of a strong, community-embedded leadership culture in rural schools was associated with improved retention among science and mathematics teachers, despite challenging resource conditions (UNESCO and International Task Force on Teachers for Education 2030, 2024). Similarly, a global review by (See *et al.*, 2020)concluded that teacher retention improves when school heads prioritise trust, collegiality, and instructional support. On the other hand, poor administrative support and weak school leadership—often characterised by top-down decision-making and lack of recognition—remain persistent push factors in countries such as South Africa and India (OECD, 2019). The 2024 GEM report indicated that only 77% of principals observed classroom teaching in 2023, down from 81% in 2015 (UNESCO, 2024). This decline limits mentoring and support, weakening teacher morale and professional identity.

2.3 Teacher Motivation and Retention in Challenging Contexts

Two key studies (See *et al.*, 2020; Evans and Mendez Acosta, 2023) offer valuable evidence on strategies for attracting and retaining teachers in hard-to-staff or challenging schools. These are typically schools located in remote or underserved areas, or those serving socioeconomically disadvantaged communities. Common challenges in these settings include high teacher turnover, lack of infrastructure, limited access to basic services, and difficulty maintaining a stable teaching workforce. (Evans and Mendez

Acosta, 2023) conducted a systematic review of 33 studies from 22 low- and middle-income countries. The studies focused on government policies aimed at improving teacher deployment in remote areas, using mainly quantitative methods such as randomised trials and quasi-experimental designs. See, Morris, *et al.* (2020), meanwhile, reviewed 120 studies from both high- and low-income countries. Their review covered a broader range of research designs, including qualitative and mixed-method studies, and looked at what helps teachers stay in schools facing persistent disadvantage.

Across both studies, several common findings emerge. Financial incentives—such as salary bonuses or hardship allowances—can help attract teachers to hard-to-staff schools but tend to have limited impact on long-term retention if implemented alone. Interventions that combine financial incentives with mentoring, professional development, and clear career pathways are more effective. Teachers are also more likely to stay when they work in supportive environments, with strong school leadership, manageable workloads, and opportunities to grow professionally. The two studies differ in focus and emphasis. Evans and Acosta look more closely at national-level deployment policies in low-income settings, with a focus on recruitment. See et al. place more weight on school-level factors, including school culture, relationships, and working conditions. Together, these studies point to the need for a comprehensive approach that addresses both the external and internal factors shaping teacher decisions to stay in challenging school environments.

In their policy brief on teacher motivation, incentives and working conditions, World Bank (2009) highlighted that financial incentives are more effective than other types of incentive types, but these had to be powerful enough to have incentive value and should only be given to the appropriate or intended recipients. In a mixed-methods study using logit regression and interviews, Jiang and Yip (2024) found that providing living subsidies had a positive effect on retaining in-service teachers in rural schools, particularly when the subsidy amounted to at least 15% of a teacher's monthly salary and was aligned with teacher feedback and expectations. Policy satisfaction and a clear sense of purpose also contributed to the program's success.

In Sub-Saharan Africa, research by UNESCO-IIEP and Education International (2021; cited in UNESCO and International Task Force on Teachers for Education 2030, 2024)) highlights that delayed payments and limited clarity in salary progression have

contributed to early exits, especially among teachers assigned to rural or hard-to-staff areas. Similarly, findings from the Andhra Pradesh randomised controlled trials in India showed that while performance-based pay improved teaching quality, it did not influence teachers' decisions to stay in the profession long-term (Muralidharan and Sundararaman, 2011).

These results reinforce the view that financial incentives must be substantial, well-designed, and part of a broader package of support to make a meaningful impact on retention in hard-to-staff schools. Together, these studies point to the need for compensation reforms that are not only financially adequate but also integrated into broader strategies for career development and professional recognition. While financial compensation remains necessary, the GEM report (UNESCO, 2024) highlighted that pay alone is insufficient. Poor recruitment planning, lack of professional growth pathways, and disempowering work environments contribute to teacher dissatisfaction and early departure from the profession (Doan, Steiner and Pandey, 2024; UNESCO and International Task Force on Teachers for Education 2030, 2024)

2.4 The Philippine Policy Landscape on SHA

The Philippine basic education system serves over 24.8 million learners across 57,235 schools, supported by nearly 1 million personnel (DepEd, 2024b). Despite continuous reforms—such as the MATATAG Agenda and K to 10 curriculum recalibration—the system faces persistent challenges, including low learning outcomes, infrastructure gaps, and unequal teacher deployment, particularly in remote and disadvantaged areas (DepEd and UNICEF, 2020; DepEd, 2024b). The Philippines' continued low performance in international assessments, including PISA 2018 and 2022 (OECD, 2018; DepEd, 2024b), underscores the urgency of improving teaching quality and school-level conditions. While DepEd retains the largest share of the national budget, 14% or approximately €12.14 billion in FY 2025, teacher development and welfare remain pressing priorities under the current administration's five-point agenda.

One longstanding intervention is the Special Hardship Allowance (SHA), mandated by Republic Act (RA) 4670 on the Magna Carta for Teachers to compensate teachers in difficult posts up to 25% of their monthly salary (DBM, 2007). Operationalized through DBM National Budget Circular No. 514 (2007), the SHA was designed as a financial

incentive for teachers exposed to difficult conditions, including transport inaccessibility, exposure to conflict, and multi-grade teaching loads. Despite its intent to improve teacher deployment in underserved areas, the implementation of the SHA policy faced significant bottlenecks which resulted in inconsistent interpretations of hardship and created disparities in SHA distribution even among teachers facing similar conditions (DepEd and UNICEF, 2020). Administrative inefficiencies further burdened division offices, often resulting in delayed disbursements and inadequate documentation.

In 2021, a major policy shift was introduced through a DepEd and DBM Joint Circular No. 1, replacing subjective interpretations with a centralized, data-driven Hardship Index (HI). Using official data from the Enhanced Basic Education Information System (EBEIS) and Philippine Statistical Authority (PSA), The HI assigns a composite score to each school based on eight indicators: (1) travel time to the Schools Division Office, (2) travel cost, (3) municipal poverty incidence, (4) recorded incidents of violence, (5) existence of temporary learning spaces, (6) access to telecommunications, (7) water availability, and (8) electricity access (DepEd and UNICEF, 2020). Each variable is normalized and combined into a single index score between 0 and 1, where a higher score signifies more severe hardship. If a school meets the HI cut-off score, then all teaching staff in that school are automatically eligible for the SHA, with a uniform rate of 25% of their monthly salary as stipulated by Section 19 of RA 4670. This reform standardized SHA allocation, reduced administrative inconsistencies, and aligned with global frameworks for incentivizing teacher retention in challenging contexts (Muralidharan and Sundararaman, 2011; Evans and Mendez Acosta, 2023)

Since its rollout, the number of eligible schools increased from 3,446 in 2021 to 5,258 in 2023, and recipients rose from 52,234 to 73,021 teachers. Funding also doubled from ₱2B in 2021 to ₱4.08 billion in 2024 (approx. €65.3 million) (DepEd BHROD-SED, 2025a). Current policy enhancements aim to further refine the system by integrating more hardship variables, improving geographic targeting (e.g., Google Maps), and strengthening validation of school-level data (DepEd BHROD-SED, 2025b). These developments reflect a maturing policy environment, yet questions remain regarding the SHA's sustained effectiveness in improving teacher satisfaction and retention—particularly in the most underserved school contexts. Anchored in the overall SHA Monitoring and Evaluation Framework, the SHA monitoring survey conducted from

August to December 2024 was intended to provide the endline data and evidence to inform the policy review (DepEd and UNICEF, 2020).

2.5 Evidence Gaps and Contribution of the Study

Despite increasing global attention to teacher retention, key research gaps remain—especially in low- and middle-income countries (LMICs) and in remote or hard-to-staff school contexts. Much of the existing evidence focuses on financial incentives, with limited analysis of how these interact with broader factors such as leadership, professional development, and working conditions (See *et al.*, 2020; Evans and Mendez Acosta, 2023). UNESCO has called for more context-specific and system-aligned research where the need for incentives should be embedded within broader strategies for teacher well-being, leadership, and career growth (UNESCO, 2024; UNESCO and International Task Force on Teachers for Education 2030, 2024).

Teacher perspectives are also underrepresented, particularly in studies that aim to inform national policy. Moreover, relatively few studies have explored how gender, ethnicity, or age influence retention patterns in difficult posts, limiting the applicability of findings across diverse teacher populations. Most evaluations are short-term and concentrated in urban or accessible areas, offering limited insight into long-term retention in more challenging environments. In addition, questions around the cost-effectiveness, implementation, and sustainability of incentive programs are rarely explored in depth.

While not able to address all the gaps mentioned above, this study on the Special Hardship Allowance (SHA) in the Philippines contributes to the global evidence base by offering new insights from a Southeast Asian LMIC context, using quantitative methods to explore how financial incentives influence teacher motivation, satisfaction, and intention to stay. By situating the analysis within the broader system of teacher welfare and policy reform, the study provides relevant evidence not only for national policymakers but also for international education actors seeking to improve teacher retention in comparable settings. As such, this research adds to the growing research base aimed at supporting more equitable and effective teacher workforce strategies around the world.

Chapter 3. Theoretical Framework

This chapter lays out the theoretical foundation for the study. Section 3.1 revisits the Theory of Compensating Differentials (TCD) and positions it within the Philippine teaching context. Section 3.2 introduces Organisational Justice Theory (OJT) and explains why perceptions of fairness can amplify—or blunt—the impact of monetary incentives.

3.1 Theory of Compensating Differentials (TCD)

The Theory of Compensating Differentials (also called the theory of equalising differences) offers a labour economics perspective on why financial incentives are used to attract and retain workers in less desirable jobs. The theory postulates that disamenities, or non-wage job characteristics, can reduce the attractiveness of a job which then requires additional compensation to make up for the loss in job utilization (Rosen, 1986). It proposes that when working conditions are undesirable—such as in isolated, high-risk, or under-resourced school environments—higher pay is required to compensate for the "utility loss" associated with those job attributes.

In the context of education, this theory has frequently been used to justify hardship or rural allowances for teachers assigned to challenging posts. Several studies confirm the utility of this approach. Jiang and Yip (2024) observed that living subsidies influenced teacher retention only when they met or exceeded 15% of monthly salary and reflected teacher feedback. Similarly, Bobba *et al.* (2025) reported that financial incentives significantly improved the distribution of higher-quality teachers in remote Peruvian schools.

These findings affirm that financial incentives like SHA can be effective retention tools—but only if the level of compensation is perceived as sufficient and the disamenities are clearly recognised in the policy's design and implementation. The provision of such

allowances is grounded in the assumption that compensation can offset the negative utility of challenging work conditions (UNESCO-IICBA, 2017).

Applying this theory presumes a functioning choice set (Muralidharan and Sundararaman, 2011), adequate information (See *et al.*, 2020; Evans and Béteille, 2021), and low mobility costs (Evans and Mendez Acosta, 2023; UNESCO and International Task Force on Teachers for Education 2030, 2024). These conditions which are only partially met in the Philippine public school system. In the Philippine public system, mobility is constrained by limited vacancies and strong family ties. Consequently, the SHA may need to be sizeable—or supplemented with non-financial support—to shift behaviour. Thus, TCD can offer a critical frame for interpreting the influence of SHA status (recipient vs. non-recipient) on retention intention, especially in the context of hardship.

3.2 Organisational Justice Theory (OJT)

Organisational Justice Theory focuses on how individuals perceive fairness in organisational decisions, particularly looking into the areas of distribution of resources, transparency of processes, and quality of communication and interpersonal treatment (Colquitt *et al.*, 2001). In this study, OJT is applied to examine how teachers evaluate their experiences with the SHA—not just whether they receive it, but how fairly and transparently the process is perceived to operate. This includes distributive justice (who gets the allowance), procedural justice (how decisions are made), and informational justice (how decisions are communicated). As an example, Zhou and Ma (2022) showed that salary satisfaction—closely tied to perceptions of fairness—reduced turnover intention among Chinese teachers.

In this study, OJT helps explain not only the outcomes of SHA implementation, but also how its legitimacy and perceived fairness may shape teachers' intention to stay. This is especially relevant in the Philippines, where policy delivery and field-level implementation often face bottlenecks that affect how teachers experience and interpret incentive programmes (Jarousse, Prouty and Rooke, 2019).

3.3 Integrating TCD and OJT

By combining the Theory of Compensating Differentials and the Organisational Justice Theory, this study captures both the perceptual and economic dimensions of teacher retention in hardship contexts. TCD provides an explanation of how the financial value of the incentive influences a teacher's cost-benefit decision to stay while OJT addresses how the process and implementation of SHA affect satisfaction and trust. Together, these theories allow for a holistic understanding of how policy design and delivery influence retention outcomes.

Chapter 4. Research Design and Methodology

This chapter outlines the research methodology applied to evaluate the influence of financial incentives, particularly the Special Hardship Allowance (SHA), on retention intention of teachers in challenging and hard-to-staff school environments in the Philippine public school system. The chapter discusses the rationale for secondary data analysis, provides an overview of the dataset and its preparation, and explains the research design, sampling strategy, and data analysis methods. It also reflects on the researcher's positionality, ethical safeguards, and methodological limitations of the study. This methodological approach was employed because it reflects a pragmatic use of existing monitoring data to address policy-relevant questions crucial to addressing teacher retention in challenging school environments and its contribution to quality learning outcomes.

4.1 Rationale for Secondary Data Analysis

Secondary data analysis (SDA) re-examines data collected by others to answer new questions or reassess prior conclusions (Cohen, Manion and Morrison, 2017). Its key advantages are speed, cost-efficiency, and the extensive coverage of many large-scale datasets, which strengthens external validity (Goodwin and Heaton, 2012; Johnson, 2014). Yet SDA limits a researcher's control over data quality, assumes rigorous original collection, and may leave gaps between available variables and the current research agenda (Vartanian, 2010). Ethical risks are lower because files are usually anonymised, but issues of original consent and contextual sensitivity can persist (Cohen, Manion and Morrison, 2017).

This research uses the Philippine Department of Education's 2024 SHA monitoring survey. Utilizing this dataset provided significant savings in time and financial resources and avoided logistical obstacles of reaching remote schools. The trade-off was having

less control over data collection, requiring extensive cleaning and verification with Department counterparts before analysis.

4.2 Overview of the Dataset and Sampling Strategy

The 2024 SHA Monitoring Survey dataset was built on tools originally developed during the 2019 SHA Baseline Study, with technical support from UNICEF. It used a structured questionnaire consisting of four major sections: (1) respondent profile, (2) SHA Awareness, (3) SHA Process experience, and (4) future career plans and hardship insights. The instrument was pilot tested in different school types and geographic areas in the Philippines to ensure its accuracy and ease of understanding by the target respondents. The SHA Monitoring Survey was administered by DepEd PH from August to December 2024. Aside from using the same questionnaire, the same administrative protocols and computer-assisted personal interviewing (CAPI) tool were used which further contributed to the reliability and validity of the research (DepEd, 2024a). To align with the design of the SHA Baseline study, the survey targeted 400 public schools across the country, purposively sampled to obtain 200 schools each that are above and below the hardship index cutoff score of 0.33[1].

The sampling strategy allowed comparison between SHA recipients (schools above the cutoff score 0.33) and non-recipients (schools below the cutoff score 0.33). Due to administrative and availability limitations, the raw dataset consisted of 944 respondents from 359 public schools across fifteen regions[2]. To address the research questions, the study focused on the SHA experience of teachers in hardship posts and will not cover the school heads and teachers in multigrade and alternative learning system (ALS) centres. As shown in Table 1, the study sample consisted of 740 teachers, composed of 374 SHA recipients (treatment) and 366 non-SHA recipients (control). The main dataset has the compiled survey responses of the teacher respondents to form a cross-section individual-level dataset, where each row corresponds to the survey responses of each participant.

[1] The Hardship index threshold score was revised from 0.37 to 0.33 to expand SHA coverage and increase the number of teacher beneficiaries (Bacate, 2023; DepEd, 2023).
[2] The Republic of the Philippines is composed of seventeen (17) regions. However, the National Capital Region (NCR) and the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM) were excluded from the monitoring survey to align with the design of the SHA Baseline Study.

Table 1. Sample Distribution of SHA and Non-SHA respondents

Respondents	Total Number	SHA		Non-SHA	
		count	percentage	count	percentage
Schools	**359**	175	48.75 %	184	51.25%
Teachers	**740**	374	50.54%	366	49.46%

4.3 Data Access and Preparation

This research study was conducted in close coordination with the School Effectiveness Division, the office accountable for the Special Hardship Allowance in the ministry. However, formal access to the dataset for research purposes required coordination with the DepEd Policy Research and Development Division. The researcher's prior affiliation with DepEd PH helped navigate institutional procedures especially in coordinating with the various offices. Ethical clearance was also obtained from the University of Glasgow.

Key data preparation procedures were undertaken to ensure the dataset was accurate, consistent, and aligned with the analytical requirements of the study. Duplicate responses were identified and removed using the Interview Reference Number (IRN), which served as the unique identifier for each respondent. This ensured that the identities of the teacher respondents were anonymized and that each individual teacher was represented only once in the dataset. The dataset was transferred from MS Excel to IBM SPSS (v.29) and the variables were given proper headings, labels, and parameters for missing data. Finally, cases with incomplete responses or conflicting answers—particularly in relation to key variables—were excluded to maintain the integrity of the analysis. Discrepancies in SHA classification, particularly between self-reported responses and school-level eligibility, were addressed by using the official Hardship Index (HI) scores as the definitive basis for grouping. This new criterion for determining the SHA incentive status resulted in 16 missing cases (4.3%) for the likely reason that self-reported non-SHA recipients did not respond to Section II: SHA Experience on the monitoring survey. Listwise deletion was retained as the default treatment to resolve this matter as the percentage was still within the 5% acceptability level for regression analyses, which would likely not distort the validity of the model (Dong and Peng, 2013).

4.4 Research Design

A quasi-experimental, cross-sectional design was adopted to examine the relationship between SHA receipt and teachers' retention intentions. Schools were classified into treatment (SHA) and control (non-SHA) groups based on the DepEd hardship index threshold of 0.33. To assess how financial incentives and teachers' satisfaction of these incentives influence their intention to remain in hardship posts, this study employed binary logistic regression. This method is particularly suited for situations where the outcome variable is binary—in this case, whether or not a teacher plans to stay in their current school assignment (Hosmer Jr, Lemeshow and Sturdivant, 2013). Given the structure of the dataset, key variables were recoded and categorized for clarity and analytical appropriateness (See Appendix B).

4.5 Research Variables and Operationalization

4.5.1 Dependent Variable: Teacher Retention Intention

Teacher retention refers to an educator's expressed plan or willingness to continue working at their current school, particularly in hardship areas. Retention in these contexts is essential to ensure continuity, stability, and student learning outcomes (Papay and Kraft, 2015). Studies show that retention is influenced by job satisfaction, working conditions, and available incentives (Burke and Buchanan, 2022; Evans and Mendez Acosta, 2023).

In this study, teacher retention intention is used as a proxy for actual retention when longitudinal data is limited especially in hard-to-staff school environments. It is measured through teacher's intention to remain in the same school in the next three years. Specifically, based on response to Question 3.1 in the SHA survey, teachers who select "Still teaching in this school" are coded as 1=stay, while all other responses are coded as 0=leave for those who intend to transfer or have other plans.

4.5.2 Independent Variable 1 (IV1): SHA Incentive Status

Incentive status refers to whether a teacher is a recipient or not of the Special Hardship Allowance (SHA), a financial incentive provided by the Philippines' Department of Education to teachers assigned in hardship posts. In this study, SHA Incentive Status is an independent variable used to assess the influence of financial incentives on teacher

retention. Due to discrepancies in self-report responses in the survey, official data on the school hardship index scores was used to determine whether a school met the cut-off score or hardship threshold set by the education ministry. Teacher respondents assigned in schools with HI scores of 0.33 and above were categorized as SHA recipients (1) while those in schools with HI scores below 0.33 were categorized as non-SHA recipients (0).

4.5.3. Independent Variable 2 (IV2): SHA Incentive Satisfaction

Research has shown that satisfaction with financial incentives plays an important role in shaping teacher motivation, job satisfaction, and ultimately, retention in hard-to-staff schools (Muralidharan and Sundararaman, 2011; UNESCO and International Task Force on Teachers for Education 2030, 2024). These perceptions influence whether teachers feel that the challenges they face are being acknowledged and fairly compensated by the education system.

For the second independent variable of this study, incentive satisfaction is treated as a multi-dimensional construct intended to capture not only whether teachers receive monetary incentives, but also how they experience the processes and justifications surrounding the policy implementation. Four sub-dimensions were operationalized, each based on a specific aspect of SHA implementation and teacher feedback:

4.5.3.1 Process Clarity refers to the extent to which teachers find the procedures for availing the SHA straightforward, comprehensible, and free from ambiguity. This captures how accessible and understandable the application or disbursement process is, beyond simply whether the teacher received the allowance. *(Appendix A - Survey reference: Section II, Item 2.1.II.A, "The process of availment is clear and easy to understand.")*

4.5.3.2 Computation Transparency relates to teachers' awareness and comprehension of how SHA amounts are determined. It assesses whether the rationale and calculations behind the allowance are communicated in a clear and open manner, fostering trust in the process. *(Appendix A - Survey reference: Section II, Item 2.1.II.C, "The process of computation is transparent – explained how it is computed.")*

4.5.3.3 Perceived Fairness refers to whether teachers feel that the distribution or percentage of the SHA reflects a just and equitable recognition of the difficulty of

their teaching post. It goes beyond procedural correctness and taps into normative judgments about whether the system treats teachers fairly. *(Appendix A - Survey reference: Section II, Item 2.1.II.D, "The SHA percentage is fair and just.")*

4.5.3.4 Perceived Sufficiency considers whether the SHA amount is deemed adequate in covering the specific costs and burdens associated with teaching in hardship areas. It reflects teachers' judgment of whether the allowance meaningfully offsets the additional demands of their school environment. *(Appendix A - Survey reference: Section II, Item 2.1.II.E, "The SHA is enough compensation for all hardship experienced by teachers in hardship posts.")*

Each of these dimensions is analysed independently based on the teachers' survey responses on a 4-point Likert scale (1=Strongly Disagree, 4=Strongly Agree). Treating SHA satisfaction as four distinct dimensions aligns with established motivational theory (Peng, Lee and Ingersoll, 2002; Hosmer Jr, Lemeshow and Sturdivant, 2013) and may allow the study to pinpoint which policy aspects truly influence teacher retention in hardship posts.

4.5.4. Control Variables

A consistent set of background characteristics were selected as control variables to account for variation related to demographic and contextual differences across respondents and school assignments. The study only focused on basic social, professional and location characteristics that could provide more nuance to the study given the resource and time limitations (See Appendix B). The study focused on basic social characteristics: sex (male/female), marital status (married/not married), age group (less than 30 years old, between 30 to 55 years old, and above 55 years old), head of household status as to whether the teacher is the main breadwinner of the household, and residency status as to whether the teacher lives within the locality of the school. Geographical location was recategorized into the three big island groups of the country (1=Luzon, 2=Visayas, 3=Mindanao) as the research scope would not be able to dive deeper into the complexities of the fifteen regions. Professional background characteristics included were teaching position level (novice/mid-level/senior), education level (college/graduate degree) and length of teaching in the current school assignment (less than 5 years, between 5-15 years, and above 16 years). For teaching position level, respondents were recategorized into three groups based on their position title. Novice group is composed

of teachers holding entry-level positions which include Teacher I and equivalent non-teaching personnel who are given full teaching responsibilities due to the teacher shortage in hardship posts. Mid-level teachers hold positions above Teacher I but below Master Teacher ranks while Senior teachers are those that hold Master Teacher positions.

To ensure clarity and interpretability in regression output, all categorical variables were assessed and recoded where necessary to set appropriate reference categories *(See Appendix B, Table B.2).* Correct coding and categorization is important because the odds ratios (Exp(ß)) would be interpreted against the indicated reference group (Peng, Lee and Ingersoll, 2002; Hosmer Jr, Lemeshow and Sturdivant, 2013).

4.6 Logistic Regression Models

Binary logistic regression is widely used in educational research, particularly when studying personnel dynamics such as motivation and retention (Peng, Lee and Ingersoll, 2002). The method allows for both continuous and categorical predictors and produces odds ratios that offer interpretable results for policy-relevant discussions. Regression models were developed to correspond with the study's research questions. The resulting coefficients are interpretable in terms of odds ratios, and the significance will be evaluated at 0.05 level. The following section presents the specific models tested and how each contributes to answering the study's research questions.

4.6.1. RQ 1: Predicting Retention Intention Based on Incentive Status

The RQ1 model tests whether being a recipient of the Special Hardship Allowance is associated with a higher likelihood of reporting intention to stay in the current post.

Equation 1:

$$\frac{P(Y=1)}{1-P(Y=1)} = \exp\left(\beta_0 + \beta_1(\text{SHA Status}) + \sum_{j=2}^{k} \beta_j X_j\right)$$

where:

- P(Y=1): refers to the probability that a teacher intends to stay in current school
- Exp(.): refers to the exponential function to transform the log-odds to odds.
- β_0: refers to the intercept; baseline log-odds when all predictors are zero.
- SHA Status: refers to the binary indicator for SHA incentive status
- β_1: refers to the coefficient estimating the effect of receiving SHA on retention intention.

- X_j: refers to the control variables
- β_j: refers to the coefficient estimating the effect of each control variable on retention intention, where j =2, 3…k
- ($\beta_{2\text{-}k} \cdot X_k$): refers to total number of predictors including SHA status and all control variables.

This logistic regression model corresponds to Research Question 1 and allows the study to isolate to what extent the SHA recipient status is associated with teachers' intention to stay in the current hardship post, specifically if the odds of intending to stay are higher among SHA recipients, while controlling for confounding demographic factors. A four-step progression (Model 1 through Model 4) was used to sequentially introduce the control variables and observe changes in the relationship between SHA status and retention.

4.6.2. RQ 2: Predicting Retention Intention Based on Incentive Satisfaction

To capture the multi-dimensional nature of incentive satisfaction, the second regression model was limited to SHA recipients. The RQ 2 model examined how satisfaction with the SHA, as illustrated by the four dimensions, influenced teacher retention intention.

Equation 2:

$$\frac{P(Y=1)}{1-P(Y=1)} = \exp\left(\beta_0 + \beta_1(\text{Clarity}) + \beta_2(\text{Transparency}) + \beta_3(\text{Fairness}) + \beta_4(\text{Sufficiency}) + \sum_{j=5}^{k} \beta_j X_j\right)$$

where:

- P(Y=1): refers to the probability that a teacher intends to stay in current school.
- Exp(.): refers to the exponential function to transform the log-odds to odds.
- β_0: refers to the intercept; baseline log-odds when all predictors are zero.
- Clarity, Transparency, Fairness, Sufficiency: refers to the continuous predictors based on Likert-scale satisfaction scores.
- β_1, β_2, β_3, β_4: refers to the coefficients estimating the influence of satisfaction dimensions on retention intention.
- X_j: refers to the control variables
- β_j: refers to the coefficient estimating the effect of each control variable on retention intention, indexed from $j = 5$ to k

This logistic regression model addresses the second Research Question and allows for a disaggregated analysis of SHA satisfaction dimensions, thus providing targeted insight into which factors matter most for teacher retention. The same control variables were used to manage confounding contextual differences.

4.7 Logistic Regression Procedures

Preliminary logistic regressions were estimated to identify preliminary patterns and to evaluate missing-data strategies. A missing-value analysis, including Little's MCAR test (Little, 1988), indicated that the data were not missing completely at random ($p < .05$). Most gaps reflected the survey's skip pattern where SHA-satisfaction items were administered only to SHA recipients. A minor (4.3 %) mismatch between self-reported SHA status and hardship-index scores introduced additional but negligible omissions, but still below the threshold that would threaten model validity. Given this, listwise deletion was applied, and a four-step progression of the logistic regression models was estimated for each research question. For both research questions, Model 1 focused on entering relevant independent variables; sociodemographic controls were added for Model 2; Model 3 introduced professional-background variables; then Model 4 incorporated school-location indicators (See Appendix C for the SPSS Procedures).

4.8 Ethical Considerations

The research complied with ethical guidelines set by the University of Glasgow and the Philippine Data Privacy Act of 2012 (RA 10173). Only secondary, anonymised data provided by the Philippine Department of Education were used exclusively, and all identifiers were removed or replaced with Interview Reference Numbers (IRNs). The study was designed to ensure that no individual can be traced through its outputs. Data access, processing, and disposal followed the Philippine Data Privacy Act of 2012 and the DepEd Research Management Guidelines. Working files were stored in an encrypted University OneDrive account. Findings are reported solely in aggregate form, without using any individual information.

4.9 Methodological Limitations

While the SHA Monitoring Survey provided a valuable source of data with national coverage and a previously validated tool, some limitations are expected when working with secondary data. Since the researcher was not involved in the original data collection, there was limited control over how certain questions were phrased or coded. Although the survey had been pilot tested, some items could have benefited from clearer wording or the use of scaled responses, rather than open-ended or yes/no formats. As with many self-reported surveys, there is a risk of social desirability bias. Respondents may have felt

cautious about answering honestly—especially on items related to SHA processes or future career plans—due to concerns about how their responses might be perceived. Based on the 2024 Monitoring protocols, DepEd PH tried to minimize this issue by emphasizing data confidentiality during the interviewers' training and actual interview administration. Lastly, some adjustments in the 2024 field implementation also led to the replacement of a few sampled schools and respondents due to availability concerns. While the replacements followed the same eligibility criteria based on the Hardship Index, these changes may have introduced minor differences between the intended and actual samples.

Given these limitations, the interpretation of the results must remain grounded and cautious, recognising the constraints of the data while highlighting key patterns that can inform policy and practice.

4.10 Epistemological Framing and Researcher Positionality

Guided by a post-positivist epistemology, this study acknowledges an objective reality while recognising that all knowledge of it is shaped by context, bias, and methodological constraints (Creswell and Creswell, 2009). This is particularly useful for educational-policy evaluation, where randomised designs are rarely feasible and causal pathways are influenced by social, institutional, and political dynamics (Robson and McCartan, 2016). The researcher's previous engagement with the Philippines' Department of Education, particularly with the Bureau of Human Resource and Organizational Development, provided not only access to key data and documents but also a deeper understanding of institutional processes and the broader policy environment. At the same time, this proximity required constant reflexivity. The researcher had to maintain a careful balance between insider insight and academic objectivity, relying on verifiable evidence from official documents and relevant literature. By acknowledging this positionality and adopting a post-positivist lens, the research aimed to bridge the gap between policy and practice while striving to uphold academic standards of transparency, neutrality, and rigor.

Chapter 5. Results

This chapter presents the findings of the study, beginning with the socio-economic and professional profile of the teacher respondents, which also serve as control variables in the regression analysis. To address the research questions, two four-step logistic regression models were used. Each model introduces the main predictor/s, followed by control variables. Results for Research Question 1 examine the association between SHA status and retention intention, while Research Question 2 tests how perceptions of SHA Satisfaction interact with teachers' intent to stay. Key statistical outputs are presented and interpreted to assess significance, effect sizes, and model performance.

5.1 Demographic Profile of the Teacher Respondents

5.1.1. Socio-Economic Profile

Table 2 presents the distribution of respondents across five socio-economic characteristics. Among the 740 respondents, 549 were female (74.2%) and 191 were male (25.8%). However, a larger share of men receives SHA, 110 of 191 males (57.6 %) compared to 264 out of 549 females (48.1 %). The majority of respondents were married (n = 517; 69.9%). SHA recipients and non-recipients were fairly balanced among married teachers (49.45% SHA vs. 50.9% non-SHA), though non-married teachers were slightly more likely to receive SHA (53.8 %). In terms of age distribution of respondents by SHA status, the largest share of SHA recipients fell within the 30–55 age range (278 of 572, 48.6 %), yet the highest *proportional* coverage is among teachers under 30 (79 of 126, 62.7 %). Out of the total, 415 respondents (56.1%) were household heads. More than half of them were SHA recipients (54.2%). Among those who were not household heads (n = 325), the majority (54.2%) were non-SHA. Only 221 respondents (29.9 %) teach in their "barangay" or local community, with SHA recipients comprising 39.8 %. In contrast, 55.1 % of those who live outside their local community receive the SHA.

In terms of geographical location, respondents were grouped based on the natural big island groups since the research scope would not be able to do a deeper analysis on regional differences. Out of the total, Mindanao exhibits the greatest relative coverage, with 63.4 % (151 of 238) as SHA recipients, compared with 50.2 % in the Visayas and 39.2 % in Luzon respectively.

Table 2. Descriptive Statistics based on Socio-Economic Background

Socio-Economic Profile of the Teacher Respondents

		SHA Incentive Status					
		non-SHA recipient		SHA recipient		Total	
		Count	Column N %	Count	Column N %	Count	Column N %
Location based on island group	luzon	161	44.0%	104	27.8%	265	35.8%
	visayas	118	32.2%	119	31.8%	237	32.0%
	mindanao	87	23.8%	151	40.4%	238	32.2%
	Total	366	100.0%	374	100.0%	740	100.0%
Sex	male	81	22.1%	110	29.4%	191	25.8%
	female	285	77.9%	264	70.6%	549	74.2%
	Total	366	100.0%	374	100.0%	740	100.0%
Age group intervals	<30 years old	47	12.8%	79	21.1%	126	17.0%
	30-55 years old	294	80.3%	278	74.3%	572	77.3%
	55+ years old	25	6.8%	17	4.5%	42	5.7%
	Total	366	100.0%	374	100.0%	740	100.0%
Marital Status of Respondent	not married	103	28.1%	120	32.1%	223	30.1%
	married	263	71.9%	254	67.9%	517	69.9%
	Total	366	100.0%	374	100.0%	740	100.0%
Head of household	yes	190	51.9%	225	60.2%	415	56.1%
	no	176	48.1%	149	39.8%	325	43.9%
	Total	366	100.0%	374	100.0%	740	100.0%
Respondent is a barangay resident	yes	133	36.3%	88	23.5%	221	29.9%
	no	233	63.7%	286	76.5%	519	70.1%
	Total	366	100.0%	374	100.0%	740	100.0%

5.1.2. Professional Background Profile

Professional background characteristics included were teaching position level, educational level and length of teaching in the hardship posts. Looking at the distribution on teaching position in Table 3, a slight majority hold mid-level ranks (396, 53.5 %), followed by teachers holding novice posts (286, 38.6 %) and senior posts (58, 7.8 %). SHA coverage is highest among novices—184 of 286 teachers (64.3 %)—and falls for mid-level (42.4 %) and senior staff (37.9 %). Nearly half of the sample have taught 5–15 years (359, 48.5 %) in their current school post while 284 teachers (38.4 %) have less than five years', and 97 (13.1 %) have taught in their current school for more than 16 years. SHA uptake is greatest in the two shorter-tenure groups (54.2 % of < 5-year teachers; 52.6 % of 5–15-year teachers) but drops to 32.0 % for those stationed 16 years

or more. In terms of educational attainment, two-thirds of the respondents hold only a bachelor's degree (490, 66.2 %), while one-third possess a master's or doctorate degree (250, 33.8 %). A higher share of bachelor's-level teachers are SHA recipients (54.3 %) than their postgraduate-qualified peers (43.2 %).

Table 3. Descriptive Statistics based on Professional Background

Professional Profile of the Teacher Respondents

		SHA Incentive Status					
		non-SHA recipient		SHA recipient		Total	
		Count	Column N %	Count	Column N %	Count	Column N %
Teaching Position Level	novice	102	27.9%	184	49.2%	286	38.6%
	mid-level	228	62.3%	168	44.9%	396	53.5%
	senior	36	9.8%	22	5.9%	58	7.8%
length of teaching in current school	<5 years	130	35.5%	154	41.2%	284	38.4%
	5-15 years	170	46.4%	189	50.5%	359	48.5%
	16+ years	66	18.0%	31	8.3%	97	13.1%
Education Level	Bachelor's Degree	224	61.2%	266	71.1%	490	66.2%
	Graduate Degree (MA/PhD)	142	38.8%	108	28.9%	250	33.8%
	Total	366	100.0%	374	100.0%	740	100.0%

5.2 Findings for RQ 1: Effect of SHA Incentive Status on Retention Intention

This section presents the findings from the four-step logistic regression model testing whether SHA incentive status significantly predicts teachers' intention to stay in their current school assignment. The models are built cumulatively from a base model with no control variables (Model 1) to one that includes all relevant socio-demographic, professional, and locational control variables (Models 2-4). All models use the binary dependent variable *Retention Intention*, where 1 indicates the intent to stay and 0 indicates plans to leave or transfer.

5.2.1 RQ 1 Model 1: SHA Status as Sole Predictor (No Control Variables)

The first model examined the effect of SHA incentive status on retention intention without adjusting for any other variables. The Omnibus Test of Model Coefficients was statistically significant (χ^2 (1) = 11.220, $p < .001$), indicating that the model fit improved significantly with SHA status included. The model explained between 0.015 (Cox & Snell R^2) and 0.020 (Nagelkerke R^2) of the variances in retention intention. Classification accuracy was 56.1%, slightly above chance.

The SHA status variable was statistically significant (B = -0.496, $p < .001$), with an odds ratio (Exp(ß)) of 0.609. This indicates that teachers who did not receive SHA were 39.1% less likely to intend to stay in their current post compared to those who did receive it.

Conversely, SHA recipients were about 1.64 times more likely to stay than non-recipients. These findings support the initial hypothesis that receipt of financial incentives is associated with stronger retention intention.

5.2.2 RQ 1 Model 2: SHA Status + Socio-Economic Control Variables

In the second model, control variables related to socio-demographic background were added: sex, age group, marital status, household head status, and local residency. The full model was statistically significant (χ^2 (6) = 66.864, $p < .001$), with improved variance explanation: Cox & Snell $R^2 = 0.086$ and Nagelkerke $R^2 = 0.115$. The Hosmer and Lemeshow test was not significant, χ^2 (8) = 5.545, p = 0.698, suggesting a good model fit. Classification accuracy also improved to 62.6%, an increase of 6.5% from Model 1.

SHA status remained statistically significant (B = -0.353, p = .024), though the strength of association was slightly weakened (Exp(ß) = 0.703). This suggests that, even after adjusting for socio-economic variables, SHA recipients were still significantly more likely to report retention intention, about 1.42 times more likely than non-recipients.

Among the controls, local residency (living within the "barangay") emerged as a strong and significant predictor (B = 1.206, $p < .001$), with an odds ratio of 3.34. Teachers who resided in the "barangay" or local community where their school was located were over three times more likely to intend to stay, compared to those who lived elsewhere.

5.2.3 RQ 1 Model 3: Adding Professional Profile Control Variables

Model 3 added professional background variables -- teaching position, length of service in current school, and highest educational attainment. The model remained statistically significant overall (χ^2 (12) = 75.066, $p < .001$). The explanatory power increased (Cox & Snell $R^2 = 0.096$; Nagelkerke $R^2 = 0.129$), and the classification rate rose to 63.9%. It is important to note that the Hosmer and Lemeshow test was found to be significant, χ^2 (8) = 17.017, p = 0.03, suggesting the risk for poor calibration of the model.

SHA status remained a significant predictor (B = -0.317, p = .048; Exp(ß) = 0.728), meaning SHA recipients were approximately 1.37 times more likely to report an intention to stay compared to non-SHA recipients. Professional background variables contributed meaningfully, specifically teachers who have been teaching for more than 15 years in their current school had higher odds of intending to stay (B = 0.629, p = .039; Exp(ß) =

1.875), supporting the idea that rootedness and experience strengthen teacher retention intention. Local residency remained a highly significant factor (B = 1.093, p < .001), with an odds ratio of 2.98. Other variables such as sex, age, and education level were not statistically significant in this model.

5.2.3 RQ 1 Model 4: Full Model with Location Controls

The final model added school location based on island group. The full model was statistically significant ($\chi^2(14) = 80.235$, $p < .001$) and retained the same explanatory power (Nagelkerke $R^2 = .137$). The Hosmer–Lemeshow test indicated good fit ($p = .604$), and classification accuracy was 64.6%. The added location control made only a marginal contribution ($\Delta\chi^2(2) = 5.169$, $p = .075$).

SHA status remained a significant predictor ($B = -0.336$, $p = .041$; $Exp(\beta) = 0.715$), indicating SHA recipients had lower odds of reporting an intention to stay than non-recipients (≈28% lower). Professional background variables contributed meaningfully: teachers with more than 15 years in their current school had higher odds of intending to stay ($B = 0.607$, $p = .047$; $Exp(\beta) = 1.836$), while those with 5–15 years were not statistically different from the reference group ($B = 0.275$, $p = .109$; $Exp(\beta) = 1.317$). Local residency remained highly significant ($B = 1.102$, $p < .001$; $Exp(\beta) = 3.011$). Other variables—including sex, age, education level, teaching position, and island-group location—were not statistically significant.

Table 4. Logistic Regression Results on the Effect of SHA Incentive Status on Teacher Retention Intention

Variables	***Model 1*** *SHA Status*	***Model 2*** *+ social controls*	***Model 3*** *+ professional controls*	***Model 4*** *+ location*
SHA Status	0.609*	0.703*	0.728*	0.715*
Social Background				
Sex (base: female)		0.971	1.004	0.983
Age 30-55 yrs old (base <30 yrs)		1.252	1.091	1.101
Age 55+ yrs old (base <30 yrs)		1.020	0.762	0.729
Head of Household		0.938	0.924	0.917
Marital Status		1.179	1.158	1.141
Local Residency ("Barangay")		3.341**	2.984**	3.011**
Professional Background				
Teaching Position – mid (base: novice)			1.239	1.303
Teaching Position – senior (base: novice)			0.857	0.898
Length of Teaching in current school – 5 to 15 years (base: <5 yrs)			1.338	1.317
Length of Teaching in current school – 16+ years (base: <5 yrs)			1.875*	1.836*
Education level – MA/PhD (base: bachelor's degree)			0.946	0.904
Location – Visayas (base: Luzon)				0.730
Location – Mindanao (base: Luzon)				1.125

* Odd ratios significant at $p < 0.05$
** Odd ratios significant at $p < 0.001$

5.3 Findings for RQ 2: Effect of Incentive Satisfaction on Retention Intention

This section examines whether teachers' satisfaction with the Special Hardship Allowance (SHA)—specifically across four dimensions: clarity, transparency, fairness, and sufficiency—predicts their intention to stay in their current school. The analysis used a four-step progression of the binary logistic regression models, gradually adding control variables related to socio-economic background, professional profile, and school location. Results are interpreted using odds ratios (Exp(ß)), model fit indices (Omnibus test, R^2, Hosmer-Lemeshow), and classification accuracy.

5.3.1 RQ 2 Model 1: SHA Satisfaction Only as Predictors (No Control Variables)

The first model included only the four SHA satisfaction dimensions as predictors. Results showed no statistically significant effect of any satisfaction dimension on teachers' intention to stay ($p > .05$ across all). The overall model fit was weak but acceptable, with the Omnibus Test of Coefficients yielding χ^2 (4) = 3.75, p = .441, and the Hosmer and Lemeshow test was not significant, χ^2 (7) = 2.801, p = 0.903. Both Cox & Snell R^2 (.010) and Nagelkerke R^2 (.014) indicated very limited explanatory power. The model correctly classified 54.5% of cases. None of the satisfaction indicators reached significance, though satisfaction with fairness (Exp(ß) = 1.243) and clarity (Exp(ß) = 1.233) showed slightly higher odds of staying, suggesting possible but weak trends.

5.3.2 RQ 2 Model 2: Satisfaction + Socio-Economic Control Variables

Model 2 introduced five socio-economic controls: sex, age group, marital status, household head status, and barangay residency. The overall model fit improved substantially: Omnibus χ^2 (10) = 38.77, $p < .001$, with Nagelkerke R^2 rising to .137. The Hosmer-Lemeshow test remained non-significant (p = .294), indicating good model fit. Classification accuracy improved from 54.5% to 64.0% but still none of the satisfaction indicators reached significance. Among all predictors, only local residency had a significant effect on retention intention (Exp(ß) = 4.312, $p < .001$), suggesting that those living within the school's community were over four times more likely to express intent to stay.

5.3.3 RQ 2 Model 3: Satisfaction + Adding Professional Profile Control Variables

This model added three more control variables on the professional background of the teacher respondents: teaching position, years of service in the current school, and education level. The model remained significant overall (χ^2 (15) = 53.49, p < .001), with modest improvement in explanatory power (Nagelkerke R^2 = .185). The Hosmer-Lemeshow test showed no concerns (p = .105), and classification accuracy further improved to 67.9%. Still, none of the SHA satisfaction dimensions reached significance. However, possible directional trends were noted on satisfaction with clarity (Exp(ß) = 1.500; p=0.063) and satisfaction with sufficiency (Exp(ß) = 0.778; p=0.087).

Among the control variables, local residency and length of teaching in current school emerged as strong predictors of retention intention. Compared to teachers with less than 5 years of service, those who had been teaching for 5 to 15 years were significantly less likely to express an intention to stay (Exp(ß) = 0.156, p = .002), indicating an 84.4% decrease in odds. Likewise, teachers with more than 15 years of experience also had lower odds of intending to remain in their post (Exp(ß) = 0.209, p = .009), or 79.1% less likely than the reference group. Local residency continued to show strong influence (Exp(ß) = 4.027, p < .001).

5.3.4 RQ 2 Model 4: Full Model with Location Controls

The final model added school location based on island group. The full model remained statistically significant (χ^2 (17) = 56.98, p < .001) and showed the highest explanatory power so far (Nagelkerke R^2 = .196). The Hosmer-Lemeshow test indicated good fit (p = .489), and classification accuracy was 66.5%. Once again, SHA satisfaction variables remained non-significant, although satisfaction with clarity (Exp(ß) = 1.510, p = .062) approached significance and continued to trend positively.

Among the control variables, local residency persisted as a strong predictor (Exp(ß) = 4.162, p < .001). Though the location-based variable showed non-significant effects, it is worth noting that teachers in the southern part of the country, Mindanao, also approached significance and might have marginal effects (Exp(ß) = 1.694, p < .068). Length of teaching in the current school remained highly significant. Teachers with 5 to 15 years of experience had significantly lower odds of intending to stay (Exp(ß) = 0.160, p = .002), indicating that they were 84.0% less likely to express retention intentions than newer teachers. Similarly, those with more than 15 years of service also had reduced odds of

staying (Exp(ß) = 0.230, p = .011), translating to a 77.0% lower likelihood of intending to stay compared to the group that have been teaching for less than five years in the current school.

Table 5. Logistic Regression Results on the Effect of SHA Satisfaction on Teacher Retention Intention

Variables	***Model 1*** *SHA Satisfaction*	***Model 2*** *+ social controls*	***Model 3*** *+ professional controls*	***Model 4*** *+ location*
Satisfaction_Clarity	1.233	1.330	1.500 *(p=0.063)*	1.510 *(p=0.062)*
Satisfaction_Transparency	0.890	0.877	0.861	0.868
Satisfaction _Fairness	1.243	1.237	1.221	1.196
Satisfaction_Sufficiency	0.861	0.803	0.778 *(p=0.087)*	0.797
Social Background				
Sex (base: female)		0.869	0.904	0.867
Age 30-55 yrs old (base <30 yrs)		0.975	2.260	2.111
Age 55+ yrs old (base <30 yrs)		1.280	2.668	2.576
Marital Status		0.901	0.964	0.995
Head of Household		1.272	1.319	1.326
Local Residency ("Barangay")		4.312**	4.027**	4.162**
Professional Background				
Teaching Position – mid (base: novice)			1.382	1.304
Teaching Position – senior (base: novice)			1.037	1.023
Length of Teaching in current school – 5 to 15 years (base: <5 yrs)			0.156* *(p=0.002)*	0.160* *(p=0.002)*
Length of Teaching in current school – 16+ years (base: <5 yrs)			0.220* *(p=0.009)*	0.230* *(p=0.011)*
Education level – MA/PhD (base: bachelor's degree)			1.642	1.613
Location – Visayas (base: Luzon)				1.243
Location – Mindanao (base: Luzon)				1.694 *(p=0.068)*

* Odd ratios significant at p < 0.05
** Odd ratios significant at p < 0.001

Chapter 6. Discussion

This chapter discusses the main findings of the study in relation to the research questions, theoretical frameworks, and existing literature. It begins with a summary of key results from the regression models, followed by an interpretation of how these findings align with or depart from prior research. The chapter then considers implications for SHA policy design and implementation, identifies broader program and system-level strategies, and outlines directions for future research. It concludes with a synthesis of the study's overall contribution to the literature on teacher retention and hardship incentives.

6.1 Summary of Key Findings

The study used a four-step progression of the hierarchical logistic regression models to address each of the two research questions (RQs). Model 1 entered the focal predictors; Models 2–4 sequentially added socio economic, professional and locational control variables. Model performance is reported with chi square change, Hosmer-Lemeshow test, Cox & Snell R^2, Nagelkerke R^2 and overall classification accuracy.

6.1.1 RQ1: Does SHA recipient status predict retention intention?

SHA status was a significant predictor in every model. In the baseline specification, teachers without the allowance were 39 % less likely to intend to stay $\text{Exp}\,\beta = 0.609$, $p < .001$). In the fully adjusted model (χ^2 $(14) = 80.235$, $p < .001$; Nagelkerke $R^2 = 0.137$; 64.6 % correctly classified) non-recipients still showed a 28 % reduction in the odds of staying ($\text{Exp}\,\beta = 0.715$, $p = .041$). Put differently, SHA recipients were about 1.4 times more likely to express an intention to remain than comparable non-SHA recipients.

However, the SHA coefficient weakened slightly as controls were introduced ($\text{Exp}\,\beta$ moved from 0.609 to 0.715), indicating modest confounding by background factors but still resulted in a robust net effect.

Length of teaching —defined as years teaching in the same school—proved influential. Teachers with 16 years or more in their current post were nearly twice as likely to stay ($\text{Exp}\,\beta = 1.8$, $p = .047$). Local residency (living in the barangay) remained the single

strongest predictor ($\text{Exp}\,\beta = 3.0, p < .001$), suggesting that physical presence and accumulated service jointly anchor teachers to their schools.

6.1.2 RQ2: Do satisfaction dimensions predict retention intention among SHA recipients?

Across all four models in the logistic regression procedures, none of the satisfaction dimensions—clarity, transparency, fairness or sufficiency—reached conventional significance ($p > .05$). The strongest signal was for clarity in the full model ($\text{Exp}\,\beta = 1.510, p = .062$), suggesting only a marginal trend in the expected direction. Nevertheless, overall model fit improved as the controls were added: the final specification ($\chi^2\ (17) = 56.98, p < .001$) achieved Nagelkerke $R^2 = 0.196$ and 66.5 % correct classification, up from 54.5 % in the baseline.

Length of teaching again displayed a U-shape: teachers who have been teaching for 5 to 15 years in the same school were less likely to stay ($\text{Exp}\,\beta = 0.16, p = .002$), whereas teachers with more than 15 years in the post were more inclined to remain in the same school ($\text{Exp}\,\beta = 1.9, p = .031$). Local residency likewise showed a strong effect ($\text{Exp}\,\beta = 4.2, p < .001$), underscoring how living within—and teaching long-term in—the school community deepens embeddedness.

Looking at the results of both models, the key takeaway is that receiving the allowance matters but being satisfied with its design does not—at least not in a way that is detectable with the present data.

6.2 Interpretation of Findings

This section interprets the quantitative patterns against the study's theoretical framework and prior literature evidence.

6.2.1 RQ1 – Interpreting the effect of SHA status

The positive association between SHA receipt and stated intention to stay aligns squarely with the Theory of Compensating Differentials (TCD), which predicts that additional pay offsets the 'utility loss' of hardship postings (Rosen 1986). The effect size, where teachers are 40 % more likely to stay, sits within the range reported in other LMIC incentive studies (e.g. Jiang and Yip, 2024; Bobba *et al.*, 2025). That the coefficient weakened only slightly after extensive controls suggests that the SHA carries independent weight beyond

personal or workplace characteristics. Put differently, financial incentives remain influential even when other factors are accounted for.

Yet the Nagelkerke R^2 of 0.137 hints at modest explanatory power implying that financial incentives alone leave most of the variation on retention intention unaccounted for. Notably, local residency (living within the barangay) exerted a larger effect than the allowance, echoing qualitative evidence that social ties, family commitments and community identity strongly anchor teachers in place (Burke and Buchanan, 2022). This finding complicates a pure TCD interpretation, that financial and relational incentives may operate as complementary, not competing, forces.

6.2.2 RQ2 – Interpreting the non-effect of satisfaction dimensions

From an Organisational Justice standpoint, the null results are puzzling. Prior studies showed that perceived fairness and transparency shaped motivation and turnover (e.g. Colquitt *et al.*, 2001; Zhou and Ma, 2022). The following non-exclusive explanations may merit consideration in the discussion:

6.2.2.1 Discrepancies in SHA eligibility status. 16 respondents (4.3%) did not respond to the relevant SHA experience questions, but their schools were categorized as hardship posts.

6.2.2.2 Restricted variation. Nearly 70 % of recipients reported ‘agree’ or ‘strongly agree’ on the satisfaction items, leaving insufficient dispersion for the regressions to detect an effect.

6.2.2.3 Timing and salience. The survey captured *intentions* rather than actual moves. Teachers may weigh cash value more heavily at the intention stage, with fairness considerations influencing the final decision point.

6.2.2.4 Measurement alignment. The four single-item Likert measures may not fully capture the multi-faceted constructs defined by OJT; future work could deploy validated scales or formative indices.

The marginal p-value on clarity suggests that clear, straightforward procedures could still matter, especially if operational hurdles make the allowance unpredictable. Qualitative follow-up could unpack whether clearer communication might amplify SHA’s motivational edge.

6.3 Cross-Cutting Insights

Two control-variable patterns emerged as strong predictors of retention intention. Local residency consistently displayed the strongest odds ratios, reinforcing place-based recruitment strategies and calling for nuanced, locality-anchored incentive packages.

In terms of length of teaching in same school, service length in the same school shows a non-linear pattern: very short stints (< 5 years) and very long ones (≥ 16 years, in the full sample) are linked to stronger stay-intent, while the 5–15 year group is the most mobile—especially among SHA recipients. This reinforces the view that geographic embeddedness—not career stage—shapes retention intent but may also hint at burnout risks for long-term staff in hardship posts. Alongside the strong residency effect, this implies that embeddedness grows through both residence and prolonged service within the school community, anchoring teachers in place.

Overall, the findings support a hybrid interpretation: the SHA operates through a compensating-differential logic, but its influence coexists with—and sometimes pales beside—social embeddedness drivers. The absence of significant justice effects cautions against assuming that 'implementation quality' automatically translates into stronger retention, at least in the short run.

6.4 Relevance to Policy and Program Implementation

The results of this study offer several directions for reviewing and refining the SHA policy to improve teacher retention in hardship posts. These insights support adjustments not only in financial design, but also in how the programme is implemented, targeted, and monitored.

6.4.1 Prioritise early-career support through front-loaded SHA access

Given that newer teachers (0–4 years in post) are most at risk of leaving, immediate eligibility and front-loaded incentives should be considered. This could include prioritising SHA disbursement in the first three years of service and offering a modest relocation or setup subsidy. These adjustments align with international evidence showing that financial incentives are most effective during the initial phase of service (Ingersoll and Strong, 2011).

6.4.2 Enhance embeddedness through housing or transport support

Living in the same barangay as the school was the strongest predictor of stay-intent across models. Policy review could consider integrating SHA with non-monetary supports such as transport allowances, rental aid, or housing schemes. These interventions may increase the long-term effectiveness of SHA by helping teachers develop local ties more quickly (Evans and Béteille, 2021).

6.4.3 Monitor and support mid-career teachers

The observed dip in stay-intent among teachers with 5 to 15 years in the same post suggests the need to explore career-stage retention strategies. Program adjustments could include offering optional study leave, recognition schemes, or reduced teaching loads linked to continued service in hardship posts.

6.4.4 Address burn-out among long-serving teachers

Among SHA recipients, those teaching ≥16 years in the same school were less likely to remain, possibly due to accumulated stress. Review of implementation may consider incorporating optional rotation, mentorship roles, or sabbatical opportunities to retain experienced staff while alleviating hardship fatigue.

6.4.5 Maintain clear and efficient SHA procedures

Although satisfaction with SHA implementation did not predict retention, clarity of the availment process showed marginal effects. Procedures should remain streamlined, with minimal administrative burden, and key disbursement data should be made transparent at the division level to promote trust and accountability.

6.4.6 Strengthen HR data systems to track embeddedness indicators

Current monitoring focuses heavily on headcounts and demographic categories. Incorporating metrics such as years in the same school and barangay residency into DepEd's HR systems would allow for better targeting, forecasting, and evaluation of retention strategies.

These considerations point to the value of integrating financial incentives with place-based and career-stage-sensitive supports, supported by reliable data systems and

adaptive implementation processes. A focused policy review, followed by targeted pilot testing and monitoring, would help ensure that SHA remains both equitable and effective.

6.5 Contribution to Existing Literature

This study adds to the teacher retention literature in three key ways. First, it provides one of the few quantitative analyses of financial incentives in the Philippine public school system using a representative sample and multivariate modelling. While global studies have established that hardship-related bonuses can improve retention (e.g., Ingersoll and Strong, 2011; Evans and Mendez Acosta, 2023), few have assessed this relationship in Southeast Asia through the lens of logistic regression. This analysis offers new empirical evidence that SHA recipient status is a statistically significant predictor of retention intention even after controlling for socioeconomic, professional, and geographic factors.

Second, it complements prior research by demonstrating the relative strength of "place-based embeddedness"—particularly local residence and years served in the same school—as retention predictors. This reinforces and localises international findings (e.g., See *et al.*, 2020; Evans and Béteille, 2021) that geographic and social rootedness are powerful anchors, often outweighing salary and procedural fairness. By distinguishing between career tenure and school-specific service length, the study clarifies that long duration in a single post reflects community integration more than professional seniority.

Third, the findings challenge assumptions within the organisational justice literature by showing that satisfaction with SHA implementation processes (clarity, fairness, transparency, sufficiency) did not significantly influence intention to stay. This contrasts with studies that emphasise procedural justice as a driver of teacher engagement (Colquitt *et al.*, 2001; Zhou and Ma, 2022). In the context of a hardship incentive, the presence of the benefit appears to matter more than the user's perception of how well it is delivered. This nuance contributes to a more differentiated understanding of how justice perceptions function in resource-constrained settings.

6.6 Limitations and Opportunities for Further Research

The findings of this study point to several areas for further investigation. This study offers several insights into teacher retention and incentive policy, but it also presents limitations that suggest clear directions for future research.

First, the use of cross-sectional data limits causal inference. While the models show strong associations between SHA status, embeddedness, and retention intent, they cannot confirm whether these factors lead to actual retention. Longitudinal tracking of teacher movements would help assess the lasting effects of SHA and support more robust policy evaluation (OECD, 2019; See *et al.*, 2020; Evans and Mendez Acosta, 2023).

Second, the absence of significant associations between SHA satisfaction dimensions and retention intent, despite theoretical expectations from organisational justice theory (Colquitt *et al.*, 2001; Zhou and Ma, 2022), warrants deeper qualitative inquiry. Focus group discussions or interviews with teachers could help explain this gap and clarify how procedural experiences are interpreted in practice, especially in hardship contexts where other needs may be more pressing.

Third, school- and community-level factors were not included in the analysis. Infrastructure conditions, school leadership, and collegial support—factors noted in global studies (See *et al.*, 2020; Evans and Béteille, 2021), but remain underexplored in quantitative models due to limited data.

Fourth, regional variation was not disaggregated. Although teachers from different locations were included, the models did not test whether predictors operate differently across urban, rural, or remote settings. Future work could compare these subgroups, especially considering evidence on context-sensitive incentive effects (World Bank, 2022; UNESCO, 2023).

Finally, the study did not assess longer-term effects or broader impacts of SHA. Future research could explore outcomes beyond retention—such as teacher performance, equity of deployment, or unintended incentives—using mixed methods or quasi-experimental designs.

By addressing these limitations, future studies can contribute to more contextually grounded, evidence-informed retention strategies in the Philippines and similar systems.

Chapter 7. Conclusion

This study examined the relationship between hardship incentives and teacher retention intentions in the Philippine public basic education system, with a specific focus on the Department of Education's Special Hardship Allowance (SHA). Drawing on survey data from a diverse sample of teachers in hardship-post schools, the analysis addressed two main questions: (1) whether receiving the SHA is associated with stronger intent to stay, and (2) whether teachers' satisfaction with the implementation of the SHA policy—particularly its clarity, transparency, fairness and sufficiency influenced stronger retention intentions among recipients.

The study applied binary logistic regression models to examine these questions, progressively controlling for teachers' socio-demographic backgrounds, professional profiles, and geographic contexts. The analysis was guided by two theoretical frameworks: the Theory of Compensating Differentials (TCD), which posits that employees require higher compensation to accept less than desirable conditions, and Organizational Justice Theory (OJT), which suggests that perceptions of fairness and transparency influence employee motivation and decision-making.

Key findings reveal that receiving the SHA is significantly associated with higher retention intent, even after accounting for multiple background factors. However, none of the four SHA satisfaction dimensions predicted retention intent in a statistically significant way. This suggests that the mere presence of a financial incentive exerts more influence on retention than how fairly or clearly it is perceived to be implemented.

The results also highlight the strong role of place-based embeddedness. Two factors in particular—living in the local community/barangay where the school is located and length of service in the same school—consistently predicted stronger intention to stay. These findings reinforce literature from other low- and middle-income countries (e.g., See *et al.*, 2020; Evans and Béteille, 2021; Evans and Mendez Acosta, 2023), and underscore the importance of physical proximity and community ties as key anchors for

teachers in hardship posts. The observed dip in stay-intent among those with 5–15 years of service, particularly among SHA recipients, further suggests a vulnerable mid-career window that may require targeted support.

Together, these findings affirm that SHA functions as a useful but partial tool for improving teacher retention. While the financial incentive matters, it does not operate in isolation. The study recommends that SHA policy design and implementation take a more nuanced approach—integrating financial incentives with other support interventions such as but not limited to housing or transport support, career-stage interventions, and data systems that track geographic and relational embeddedness.

By contributing new empirical evidence from the Philippine context, this study extends the global literature on teacher retention, adds perspective to debates on the role of procedural fairness in resource-constrained environments, and offers practical insights for policy adjustments. At the same time, it acknowledges its limitations—particularly in relying on cross-sectional and self-reported data—and points to future research directions that could strengthen understanding of how and why teachers remain committed to serving in the most challenging school environments.

Reflections on the Research Journey

This research was shaped by both opportunity and responsibility. Having worked closely with the Department of Education and the SHA policy process, I found myself not just observing a policy challenge but situated within it. This position opened the door to pursue a study that was not only academically relevant but directly connected to the realities of implementation. The research became a way to contribute—to better understand how a well-intentioned policy is experienced by teachers on the ground, and to help surface evidence that might inform its future directions. While the results did not confirm all expectations, particularly around the role of satisfaction in shaping retention intent, the process offered important lessons. It showed that not all assumptions hold in real-world contexts, and that understanding why something does not work as expected is just as valuable as confirming what does. More than anything, the study affirmed the need to keep learning from the field—to ask better questions, to revisit the data, and to remain open to complexity. It was a reminder that being part of the system also means being part of the effort to improve it—not with quick fixes, but with deeper understanding and sustained reflection.

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Appendices

Appendix A: SHA Monitoring Survey 2024 Questionnaire

Appendix B: Variable Coding Matrix

Appendix C: SPSS Procedures

Appendix D: Additional Statistical Tables

Appendix A
SHA Monitoring Survey 2024

DEPARTMENT OF EDUCATION
2024 SPECIAL HARDSHIP ALLOWANCE ENDLINE

Interview No. _ _ - _ _ _- _ _	**Interviewer:**
Date:	**School ID:**
Time Started: _____ : _____	**Region:**
Time Ended: _____ : _____	**Division:**

PROFILE (02:00)

Good morning/afternoon. I am [MENTION NAME] from DepEd Central Office. We are currently conducting monitoring and evaluation (after three years of implementation) on the Special Hardship Allowance Policy and other BHROD-SED PAPs in selected schools nationwide. Schools were selected through a purposive random sampling, wherein schools that are categorized as hardship and not hardship were identified. Note that some schools are selected from the list of schools that were visited last 2019-2020 for the baseline study. With this, we have a total of 400 randomly selected schools as sample population to conduct this interview. Be rest assured that individual information from this study will be held confidential and results will only be collectively used for data analysis. DepEd shall protect and keep confidential the personal data that you submit or that the DepEd collects from you, as required by the Data Privacy Act of 2012. As such, we would like to ask for 40 to 60 minutes of your time to answer some questions for this purpose.

A. Can I get the complete name and the ID of this school?

School name:	
School ID (current):	
School ID (previous): *SY 2019-2020 as reference*	

B. Can I get your complete name and employee ID?

Respondent:	
Employee ID:	

C. Age :_____

D. Sex:

1	Male	2	Female

E. Are you the Household Head?

1	**Yes**	If yes, proceed to G
2	**No**	If No, proceed to F

F. What is your relationship with the Household Head?

A	Spouse	E	Grandchild
B	Child	F	Parent
C	Sibling	G	Other relative (specify)
D	Son-in-law/daughter-in-law		

G. Marital Status:

A	Single (proceed to J)	D	Widowed (proceed to J)
B	Married/Living Together (proceed to H)	E	Unknown (proceed to J)
C	Separated/divorced/annulled (proceed to J)		

H. If Married, is your Spouse _____?

A	Working full-time
B	Working part-time/ seasonal
C	Not working

I. What is the occupation of your spouse/partner?_____

J. Number of family members in household? _____

K. How many members of your household are employed? _____

L. What is your highest education completed?

A	Bachelor's degree
B	Master's Degree
C	PhD

M. Are you currently attending further studies?

1	Yes	2	No

,

N. What is your position? (please check)

A	Principal I	E	Head Teacher I	K	Master Teacher I	O	Teacher I	R	SPED Teacher I	W	Guidance Coordinator
B	Principal II	F	Head Teacher II	L	Master Teacher II	P	Teacher II	S	SPED Teacher II	X	Guidance Teacher
C	Principal III	G	Head Teacher III	M	Master Teacher III	Q	Teacher III	T	SPED Teacher III	Y	Guidance Counselor
D	Principal IV	H	Head Teacher IV	N	Master Teacher IV			U	SPED Teacher IV	Z	Special Science Teacher I
		I	Head Teacher V					V	SPED Teacher V		
		J	Head Teacher VI								

O. What grade level/s are you handling/teaching?

	A. Kinder
	B. Grade 1
	C. Grade 2
	D. Grade 3
	E. Grade 4
	F. Grade 5
	G. Grade 6
	H. Grade 7
	I. Grade 8
	J. Grade 9
	K. Grade 10
	L. Grade 11
	M. Grade 12
	N. Not applicable

P. When did you become the school head/teacher of [MENTION SCHOOL NAME]? **(YYYYMM)** _____

Q. Are you a resident of this barangay where the school is located?

1	**YES**	
2	**NO**	

R. How far is your school from the "población/centro"? _____ **km**

S. How long is your travel time from school to "población/centro"? (one way)_____ (in minutes)

T. Were you ever a school head/teacher in another school before this school?

1	**YES**	Proceed to Item **U.**
2	**NO**	Proceed to SECTION 1.

U. What was the name of the school? _____

V. Is your previous school……?

1	**Public**
2	**Private**

W. How many years did you teach in your previous school? _____

X. What made you transfer to this school? **[MULTIPLE RESPONSE]**

A.	Passion for current Job
B.	Wanted more earnings
C.	Task requirements of the current job
D.	Spouse works in the community
E.	Residence is nearer to the current school
F	Others:_____

DEPARTMENT OF EDUCATION
2024 SPECIAL HARDSHIP ALLOWANCE ENDLINE

SECTION 1: AWARENESS

Now, I will ask some questions regarding your awareness of the Special Hardship Allowance (SHA):

1.1. Are you aware of DepEd's policy on Special Hardship Allowance? (Note to enumerator: Current (DO 39, s. 2021); Previous (National Budget Circular 514 s. 2007))

1	**YES**
2	**NO**

1.2. Are you a recipient of the SHA? (current school)

1	**YES**	**Proceed to 1.3.**
2	**NO**	**Proceed to 1.4.**

1.3. On what basis were you receiving Special Hardship Allowance for? (Note to enumerator: Receiving SHA for current school)

	A. Hardship Post
	B. Multi-grade
	C. ALS Teacher (Previously Mobile Teacher/Full-time DALSC)

1.4. (If School Head/Teacher previously taught in another public school) Were you a recipient of SHA in your previous school (most recent date)?

1	**YES**	**Proceed to 1.5.**
2	**NO**	**If response is NO for both Questions 1.2 and 1.4, PROCEED to Section 3. But if YES for 1.2, proceed to 1.6**

1.5. On what basis were you receiving Special Hardship Allowance for? (Note to enumerator: Receiving SHA for previous school)

	A. Hardship Post	
	B. Multi-grade	
	C. ALS Teacher (Previously Mobile Teacher/Full-time DALSC)	

1.6. What year did you first received the SHA (Year)? _____

1.7. How often do you receive your SHA?

	A. Monthly	
	B. Quarterly	
	C. Twice a year	
	D. Annually	
	E. Inconsistent	

1.8. On a monthly basis, how much SHA did you receive? _____/month **(then proceed to Section 2)**

SECTION 2: SHA PROCESS

Now, I will ask some questions on your insights on the current SHA availing process

2.1. I will first mention some statements about the SHA. Please indicate whether you strongly agree, agree, disagree, or strongly disagree with the statements.

	Strongly Agree	Agree	Disagree	Strongly Disagree
I. Experience				
A. Process of availment is clear and easy to understand	4	3	2	1
B. Requires a lot of documents	4	3	2	1
C. Process of computation is transparent – explained how it is computed	4	3	2	1
II. Perception				
D. The SHA percentage is fair and just	4	3	2	1
E. The SHA is enough compensation for all hardship experienced by teachers in hardship posts	4	3	2	1
F. Distance is enough basis of determining hardship post	4	3	2	1
G. Only teachers residing far from the school should receive SHA	4	3	2	1
H. Different percentages of SHA should be given to different hardship level or conditions	4	3	2	1

2.2. Do you think the said allowance has properly compensated the "hardship" you are experiencing in your school?

A	YES	Proceed to Section 3.
B	NO	Proceed to Item 2.2.1.
C	To a certain extent	Proceed to Item 2.2.2.

2.2.1. If NO, how do you think can it be improved? (then proceed to Section 3)

_____
_____
_____
_____
_____

2.2.2. If "To a certain extent", WHY? (then proceed to Section 3)

_____
_____
_____
_____
_____

SECTION 3: FUTURE PLANS and HARDSHIP INSIGHTS

Now we will be talking about your insights on your future plans and on the hardship being experienced by teachers in schools:

3.1 What is your top career plan in the next 3 years?

	A. Still teaching in this school (if A, go to 3.2)
	B. Still teaching but in another "urban" school
	C. Still teaching but in a school in my hometown (if not the same as current location of school) which is not necessarily an "urban" school
	D. No longer teaching
	E. Further studies
	F. Others (specify):_____

3.2 If your answer is A (still teaching in this school), what factors are keeping you in this school? (choose at most 5 answers) *(Proceed to 3.4 after this)*

	A. Provision of other benefits
	B. Special Hardship Allowance
	C. Career opportunities for spouse
	D. Absence of violent activities/conflict
	E. Availability of career growth opportunities
	F. The community is an ideal place to raise a family
	G. Improvement of roads and other community facilities
	H. Strong support of community and/or LGU to the school
	I. My family is already here so might as well stay/ Family members reside in the locality
	J. Quality of school facilities (school building, water, electricity and other communication facility)
	K. Economic activities in the community (access to more merchants of basic necessities – food, clothing etc.)
	L. Passion/ commitment to the job
	M. Others (specify)

3.3 If your answer falls from B – G, what factors would entice you to stay in this school? (choose at most 5 answers)

	A. Provision of other benefits
	C. Special Hardship Allowance
	C. Career opportunities for spouse
	D. Absence of violent activities/conflict
	E. Availability of career growth opportunities
	F. The community is an ideal place to raise a family
	G. Improvement of roads and other community facilities
	H. Strong support of community and/or LGU to the school
	I. My family is already here so might as well stay/ Family members reside in the locality
	J. Quality of school facilities (school building, water, electricity and other communication facility)
	K. Economic activities in the community (access to more merchants of basic necessities – food, clothing etc.)
	L. Passion/ commitment for the job
	M. Others (specify)

3.4 How much did you spend for transportation going to school in the last month (aggregate amount)? Php_____
(Note to enumerator: If there is a long (500m or more/difficult terrain) walking part, include in the total the cost if they were to pay for it)

3.5 How do you feel about paying this amount?

	A. Not a burden at all
	B. Moderate burden
	C. Heavy burden

3.6 How much did you spend for housing (rent only, exclude utilities) in the last month? Php_____
(Note to enumerator: If it is free (e.g. living with a relative, friend), ask how much would it cost if they were to pay for it. But if it is owned or permanent residence, indicate cost as "0.)

3.7 How do you feel about paying this amount?

	A. Not a burden at all
	B. Moderate burden
	C. Heavy burden

3.8 How much did you spend (using personal money) for school and classroom activities in the last month? Php_____

3.9 How do you feel about paying this amount?

	A. Not a burden at all
	B. Moderate burden
	C. Heavy burden

3.10 In general, which of the following would you consider as hardship factor in schools? (not only applies to your school, but to all schools in general) Multiple responses: (**PROMPTED**, multiple responses)

	FACTORS
	A. Lack of electricity
	B. Distance of SDO to school
	C. Lack of clean water supply
	D. Lack of telecommunication
	E. Distance of house to school
	F. Time of travel from SDO to school
	G. Cost of travel from SDO to school
	H. Time of travel from house to school
	I. Cost of travel from house to school
	J. Prevalence of violence in the community
	K. Low economic condition of the community
	L. Frequency of natural calamities (typhoon, earthquake, flashflood etc)
	M. Others: _____

3.11 What hardship factors are you currently experiencing in your current school? (**PROMPTED,** multiple responses)

	FACTORS
	A. Lack of electricity
	B. Distance of SDO to school
	C. Lack of clean water supply
	D. Lack of telecommunication
	E. Distance of house to school
	F. Time of travel from SDO to school
	G. Cost of travel from SDO to school
	H. Time of travel from house to school
	I. Cost of travel from house to school
	J. Prevalence of violence in the community
	K. Low economic condition of the community
	L. Frequency of natural calamities (typhoon, earthquake, flashflood etc)
	M. Others: _____

3.12 What percent of your basic salary do you believe will properly compensate you in a hardship post? _____

Appendix B. Variable Coding Matrix

This appendix presents the coding structure used for the dependent, independent, and control variables included in the logistic regression analyses. The table summarizes each variable's label, type, and coding used in SPSS. This documentation ensures transparency and replicability in the statistical procedures outlined in the methodology chapter.

Table B.1. Summary of Dependent and Independent Variables

SPSS Ref	Variable	Description	Type	Coding
93	Teacher Retention Intention "Retention_Plan"	Respondent's intention to stay in the current school for the next 3 years	Dependent	0 = leave 1 = stay
5	SHA Incentive Status "SHA_Status"	Incentive Status to show whether the teacher receives the Special Hardship Allowance (SHA) or not	Binary IV	0 = non-SHA recipient 1 = SHA recipient
96	Process Clarity "Satisfaction_Clarity"	refers to the extent to which teachers find the procedures for availing the SHA straightforward, comprehensible, and free from ambiguity. *(Appendix A - Survey reference: Section II, Item 2.1.II.A, "The process of availment is clear and easy to understand.")*	Continuous IV	Likert Scale: 1 (Strongly Disagree) to 4 (Strongly Agree)
97	Computation Transparency "Satisfaction_Transparency"	relates to teachers' awareness and comprehension of how SHA amounts are determined. *(Appendix A - Survey reference: Section II, Item 2.1.II.C, "The process of computation is transparent – explained how it is computed.")*	Continuous IV	Likert Scale: 1 (Strongly Disagree) to 4 (Strongly Agree)
98	Perceived Fairness "Satisfaction _Fairness"	refers to whether teachers feel that the distribution or percentage of the SHA reflects a just and equitable recognition of the difficulty of their teaching post. *(Appendix A - Survey reference: Section II, Item*	Continuous IV	Likert Scale: 1 (Strongly Disagree) to 4 (Strongly Agree)

SPSS Ref	Variable	Description	Type	Coding
		2.1.II.D, "The SHA percentage is fair and just.")		
99	Perceived Sufficiency "Satisfaction_Sufficiency"	Refers to whether the SHA amount is deemed adequate in covering the specific costs and burdens associated with teaching in hardship areas. *(Appendix A - Survey reference: Section II, Item 2.1.II.E, "The SHA is enough compensation for all hardship experienced by teachers in hardship posts.")*	Continuous IV	Likert Scale: 1 (Strongly Disagree) to 4 (Strongly Agree)

Table B.2. Summary of Control Variables

SPSS Ref	Variable	Description	Type	Coding	Reference Category	Value Code	First / Last	Rationale
Unchanged from survey								
15	**Sex**	Refers to the biological sex category of the teacher	Control	1 = Male 2 = Female	Female	2	Last	Most common category
16	**Household Head**	Head of household status refers to whether the teacher is the main breadwinner of the household	Control	1 = Yes 2 = No	No	2	Last	Standard household dependency
34	**Residency Status**	Refers to whether the teacher lives within the locality of the school, commonly called a barangay (basic political unit)	Control	1 = Yes 2 = No	No	2	Last	Compare with those who live elsewhere
Revised from survey								
20	**Mstatus**	Marital status of the Respondent	Control	1 = married 0 = not married	Not Married	0	First	Baseline for relationship comparison

SPSS Ref	Variable	Description	Type	Coding	Reference Category	Value Code	First / Last	Rationale
Unchanged from survey								
97	**Education_Level**	Highest educational attainment	Control	1 = bachelors 2 = MA/PhD	Bachelor's	1	First	Entry-level academic qualification
98	**Position_level**	Grouping teachers based on their position level and rank in accordance with the (See Table B.2.1 for the breakdown)	Control	1 = novice (O,R,W,X,Y,Z) 2 = mid-level (P,Q,S,T, U,V) 3 = senior (K,L,M,N)	novice	1	First	Base-level position for comparisons
99	**Length_Teaching**	Number of years teaching in current school The baseline of 5 years was loosely based on the transfer policy (DO 22 s.2013, reiterated by DM-OUHROD-2023-1763)	Control	1 = <5 years 2 = 5-15 years 3 = 16+ years	Minimum	1	First	Base-level for comparisons
100	**Location**	Geographical location of the school based on major island group as the research scope would not be able to dive deeper into the complexities of the fifteen regions.	Control	1 = Luzon (Regions 1-5, 14, 15) 2 = Visayas (Regions 6-8) 3 = Mindanao (Regions 9-13)	Luzon	1	First	For consistent geographic baseline
101	**Age_interval**	Grouping teachers by age Upper limit is based on the optional retirement age for PH government employees	Control	1 = <30 2 = 30 to 55 3 = 55+ years	Youngest	1	First	Base-level for comparisons

Table B.2.1 Categories for the Teaching Position Level

This table is the author's own summary from relevant policy documents (Department of Budget and Management (DBM), 2012; Department of Education, 2024).

1: Novice	composed of teachers holding entry-level positions which include Teacher I and equivalent non-teaching personnel who were given full teaching responsibilities due to the teacher shortage in hardship posts		**2: Mid-level**	composed of teachers holding positions above Teacher I but below Master Teacher ranks, and their equivalent		**3: Senior**	composed of teachers holding Master Teacher positions	
Survey Reference	Position	SG Level*	Survey Reference	Position	SG Level*	Survey Reference	Position	SG Level*
O	Teacher I	11	P	Teacher II	12	K	Master Teacher I	18
R	SPED Teacher I	14	Q	Teacher III	13	L	Master Teacher II	19
W	Guidance Coordinator I	14	S	SPED Teacher II	15	M	Master Teacher III	20
X	Guidance Teacher *(depends on the actual position of the employee)*	n/a	T	SPED Teacher III	16	N	Master Teacher IV	21
Y	Guidance Counselor I	11	U	SPED Teacher IV	17			
Z	Special Science Teacher I	13	V	SPED Teacher V	18			

* refers to the Salary Grade (SG) level in accordance with various guidelines from the Department of Education.

Appendix C

SPSS Analysis Procedures

This appendix outlines the step-by-step procedures followed in conducting the logistic regression analyses using SPSS version 29 to address the study's research questions. All research variables were cleaned and recoded as necessary prior to analysis (See Appendix B for the variable coding mechanism).

C.1. Step-by-Step Guide for Binary Logistic Regression – RQ1

To examine whether receiving the Special Hardship Allowance (SHA) predicts teachers' intention to stay in their current school post, a binary logistic regression analysis was conducted. A four-step progression (Model 1 through Model 4) was used to sequentially introduce control variables and observe changes in the relationship between SHA status and retention.

Objective: To determine if SHA incentive status predicts teacher retention intention, controlling for demographic, professional, and geographic variables.

Step 1: Prepare the Data

1. Ensure the dependent variable *Retention_Intention* is coded as:
   1.1. 1 = intends to stay
   1.2. 0 = does not intend to stay
2. Code the independent variable *SHA_Status* as:
   2.1. 1 = SHA recipient
   2.2. 0 = non-recipient
3. Recategorize control variables where needed using the **Transform > Recode into Different Variables** function (See Appendix B for the variable coding mechanism).

Step 2: Input the variables per model/step

1. Go to **Analyze > Regression > Binary Logistic**
2. Move Retention_Intention to the *Dependent* box.
3. Move the relevant variables to the *Covariates* box

Model	Covariates
Model 1	SHA_status
Model 2	SHA_status + Socio-economic variables (sex, age, marital status, household head status, barangay residency status)
Model 3	SHA_status + socio-economic + Professional variables (position level, length of teaching, education level)
Model 4	SHA_status + socio-economic + professional + location

4. Click **Categorical...**
   4.1. Move all categorical control variables to the categorical covariates box
   4.2. Set the appropriate reference category (use "First" or "Last" based on coding).

Objective: To determine if SHA incentive status predicts teacher retention intention, controlling for demographic, professional, and geographic variables.

4.3. Click **Continue**.

Step 3: Run the Binary Logistic Regression

1. Under **Options**, check:
   - "Include constant in model"
   - "CI for Exp(B)" set to 95%
   - "Hosmer-Lemeshow goodness-of-fit"
2. Click **OK** to run the model.

Step 4: Interpret the Output

1. Omnibus Test of Model Coefficients: Check for significance ($p < .05$) to confirm the model is better than the null.
2. Model Summary: Cox & Snell R^2 and Nagelkerke R^2 show how much variance is explained.
3. Hosmer and Lemeshow Test: Assesses how well the model's predicted probabilities match the actual outcomes.
   3.1. A non-significant result ($p > .05$) indicates good fit between the model and the data. If $p < .05$, the model may not fit the data well.
4. Classification Table: Shows the model's accuracy in predicting outcomes.
5. Variables in the Equation:
   5.1. Focus on Exp(B) values for odds ratios.
   5.2. Significant *p*-values (< .05) indicate important predictors.

C.2. Step-by-Step Guide for Binary Logistic Regression – RQ2

Objective: To determine effect of SHA satisfaction on teacher retention intention, controlling for demographic, professional, and geographic variables.

Step 1: Prepare the Data

1. Ensure the dependent variable *Retention_Intention* is coded as:
   1.1. 1 = intends to stay
   1.2. 0 = does not intend to stay
2. Check the independent variables for SHA Satisfaction dimensions as:
   2.1. Satisfaction_Clarity
   2.2. Satisfaction_Transparency
   2.3. Satisfaction _Fairness
   2.4. Satisfaction_Sufficiency
3. Recategorize control variables where needed using the **Transform > Recode into Different Variables** function (See Appendix B for the variable coding mechanism).

Step 2: Input the variables per model/step

1. Go to **Data > Select Cases > Click "If condition is satisfied"**
   1.1. In the If box, input SHA_status = 1
   1.2. Click OK
2. Go to **Analyze > Regression > Binary Logistic**

Objective: To determine effect of SHA satisfaction on teacher retention intention, controlling for demographic, professional, and geographic variables.

3. Move Retention_Intention to the *Dependent* box.
4. Move the relevant variables to the *Covariates* box

Model	Covariates
Model 1	Satisfaction_Clarity Satisfaction_Transparency Satisfaction _Fairness Satisfaction_Sufficiency
Model 2	SHA satisfaction (4) + Socio-economic variables (sex, age, marital status, household head status, residency status)
Model 3	SHA satisfaction (4) + socio-economic + Professional variables (position level, length of teaching, education level)
Model 4	SHA satisfaction (4) + socio-economic + professional + location

5. Click **Categorical...**
   5.1. Move all categorical control variables to the categorical covariates box
   5.2. Set the appropriate reference category (use "First" or "Last" based on coding).
   5.3. Click **Continue**.

Step 3: Run the Binary Logistic Regression

3. Under **Options**, check:
   - "Include constant in model"
   - "CI for Exp(B)" set to 95%
   - "Hosmer-Lemeshow goodness-of-fit"
4. Click **OK** to run the model.

Step 4: Interpret the Output

4. Omnibus Test of Model Coefficients: Check for significance ($p < .05$) to confirm the model is better than the null.
5. Model Summary: Cox & Snell R^2 and Nagelkerke R^2 show how much variance is explained.
6. Hosmer and Lemeshow Test: Assesses how well the model's predicted probabilities match the actual outcomes.
   3.1. A non-significant result ($p > .05$) indicates good fit between the model and the data. If $p < .05$, the model may not fit the data well.
4. Classification Table: Shows the model's accuracy in predicting outcomes.
5. Variables in the Equation:
   5.1. Focus on Exp(B) values for odds ratios.
   5.2. Significant *p*-values (< .05) indicate important predictors.

Appendix D

Additional Statistical Tables from the Logistic Regression Analyses

This appendix presents the result tables from the SPSS analyses conducted to test the regression models.

A. RQ 1: Effect of SHA Incentive Status on Retention Intention
B. RQ 2: Effect of SHA Satisfaction on Retention Intention

A. RQ 1: Effect of SHA Incentive Status on Retention Intention

Research Question (RQ) 1 examines whether receiving the Special Hardship Allowance (SHA) predicts teachers' intention to stay in their current school post. A binary logistic regression analysis was conducted, complemented with a four-step approach (sub-models within the main model for each research question) to sequentially introduce control variables and observe changes in the relationship between SHA status and retention.

Case Processing Summary

Unweighted Cases[a]		N	Percent
Selected Cases	Included in Analysis	740	100.0
	Missing Cases	0	.0
	Total	740	100.0
Unselected Cases		0	.0
Total		740	100.0

a. If weight is in effect, see classification table for the total number of cases.

Dependent Variable Encoding

Original Value	Internal Value
leave	0
stay	1

Categorical Variables Codings

		Frequency	Parameter coding (1)	(2)
Location based on island group	luzon	265	.000	.000
	visayas	237	1.000	.000
	mindanao	238	.000	1.000
Age group intervals	<30 years old	126	.000	.000
	30-55 years old	572	1.000	.000
	55+ years old	42	.000	1.000
length of teaching in current school	<5 years	284	.000	.000
	5-15 years	359	1.000	.000
	16+ years	97	.000	1.000
Teaching Position Level	novice	286	.000	.000
	mid-level	396	1.000	.000
	senior	58	.000	1.000
Head of household	yes	415	1.000	
	no	325	.000	
Marital Status of Respondent	not married	223	.000	
	married	517	1.000	
Respondent is a barangay resident	yes	221	1.000	
	no	519	.000	
Education Level	Bachelor's Degree	490	.000	
	Graduate Degree (MA/PhD)	250	1.000	
Sex	male	191	1.000	
	female	549	.000	

RQ 1 Model 0: Beginning Block

Classification Table[a,b]

	Observed		Predicted: Intention to stay in current school: leave	stay	Percentage Correct
Step 0	Intention to stay in current school	leave	0	339	.0
		stay	0	401	100.0
	Overall Percentage				54.2

a. Constant is included in the model.

b. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 0	Constant	.168	.074	5.182	1	.023	1.183

Variables not in the Equation

			Score	df	Sig.
Step 0	Variables	SHA Incentive Status	11.189	1	<.001
	Overall Statistics		11.189	1	<.001

RQ 1 Model 1: IV + no control variables

Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	11.220	1	<.001
	Block	11.220	1	<.001
	Model	11.220	1	<.001

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	1009.437[a]	.015	.020

a. Estimation terminated at iteration number 3 because parameter estimates changed by less than .001.

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	.000	0	.

Classification Table[a]

			Predicted		
	Observed		Intention to stay in current school		Percentage Correct
			leave	stay	
Step 1	Intention to stay in current school	leave	194	145	57.2
		stay	180	221	55.1
	Overall Percentage				56.1

a. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B)	
								Lower	Upper
Step 1[a]	SHA Incentive Status	-.496	.149	11.131	1	<.001	.609	.455	.815
	Constant	.421	.107	15.550	1	<.001	1.524		

a. Variable(s) entered on step 1: SHA Incentive Status.

RQ 1 Model 2: IV + socio-economic control variables

Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	55.643	6	<.001
	Block	55.643	6	<.001
	Model	66.864	7	<.001

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	953.793[a]	.086	.115

a. Estimation terminated at iteration number 4 because parameter estimates changed by less than .001.

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	5.545	8	.698

Classification Table[a]

			Predicted		
			Intention to stay in current school		Percentage Correct
	Observed		leave	stay	
Step 1	Intention to stay in current school	leave	223	116	65.8
		stay	161	240	59.9
	Overall Percentage				62.6

a. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B) Lower	Upper
Step 1[a]	SHA Incentive Status	-.353	.157	5.078	1	.024	.703	.517	.955
	Sex(1)	-.030	.189	.025	1	.875	.971	.670	1.405
	Age group intervals			1.318	2	.517			
	Age group intervals(1)	.225	.217	1.075	1	.300	1.252	.819	1.915
	Age group intervals(2)	.020	.383	.003	1	.959	1.020	.482	2.159
	Head of household(1)	-.064	.163	.154	1	.695	.938	.681	1.291
	Marital Status of Respondent(1)	.165	.181	.827	1	.363	1.179	.827	1.682
	Respondent is a barangay resident(1)	1.206	.183	43.289	1	<.001	3.341	2.333	4.786
	Constant	-.230	.237	.938	1	.333	.795		

a. Variable(s) entered on step 1: SHA Incentive Status, Sex, Age group intervals, Head of household, Marital Status of Respondent, Respondent is a barangay resident.

RQ 1 Model 3: IV + socio-economic + professional control variables

Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	8.202	5	.145
	Block	8.202	5	.145
	Model	75.066	12	<.001

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	945.592[a]	.096	.129

a. Estimation terminated at iteration number 4 because parameter estimates changed by less than .001.

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	17.017	8	.030

Classification Table[a]

			Predicted		
			Intention to stay in current school		Percentage Correct
	Observed		leave	stay	
Step 1	Intention to stay in current school	leave	229	110	67.6
		stay	157	244	60.8
	Overall Percentage				63.9

a. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B) Lower	Upper
Step 1[a]	SHA Incentive Status	-.317	.161	3.901	1	.048	.728	.531	.998
	Sex(1)	.004	.191	.000	1	.985	1.004	.690	1.459
	Age group intervals			1.072	2	.585			
	Age group intervals(1)	.088	.231	.144	1	.704	1.091	.695	1.715
	Age group intervals(2)	-.272	.420	.418	1	.518	.762	.334	1.736
	Head of household(1)	-.079	.165	.231	1	.631	.924	.668	1.277
	Marital Status of Respondent(1)	.147	.182	.650	1	.420	1.158	.810	1.656
	Respondent is a barangay resident(1)	1.093	.190	33.131	1	<.001	2.984	2.056	4.329
	Teaching Position Level			2.401	2	.301			
	Teaching Position Level(1)	.215	.184	1.353	1	.245	1.239	.863	1.779
	Teaching Position Level(2)	-.154	.344	.200	1	.655	.857	.437	1.684
	length of teaching in current school			5.402	2	.067			
	length of teaching in current school(1)	.291	.171	2.879	1	.090	1.338	.956	1.871
	length of teaching in current school(2)	.629	.304	4.274	1	.039	1.875	1.033	3.403
	Education Level(1)	-.056	.173	.104	1	.747	.946	.674	1.327
	Constant	-.383	.254	2.269	1	.132	.682		

a. Variable(s) entered on step 1: SHA Incentive Status, Sex, Age group intervals, Head of household, Marital Status of Respondent, Respondent is a barangay resident, Teaching Position Level, length of teaching in current school, Education Level.

RQ 1 Model 4: SHA + all 9 control variables

Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	5.169	2	.075
	Block	5.169	2	.075
	Model	80.235	14	<.001

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	940.422[a]	.103	.137

a. Estimation terminated at iteration number 4 because parameter estimates changed by less than .001.

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	6.387	8	.604

Classification Table[a]

Observed			Predicted: Intention to stay in current school		Percentage Correct
			leave	stay	
Step 1	Intention to stay in current school	leave	222	117	65.5
		stay	145	256	63.8
	Overall Percentage				64.6

a. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B) Lower	Upper
Step 1[a]	SHA Incentive Status	-.336	.164	4.187	1	.041	.715	.518	.986
	Sex(1)	-.017	.192	.008	1	.928	.983	.675	1.431
	Age group intervals			1.384	2	.501			
	Age group intervals(1)	.096	.231	.172	1	.679	1.101	.699	1.732
	Age group intervals(2)	-.317	.422	.564	1	.453	.729	.319	1.665
	Head of household(1)	-.087	.166	.273	1	.601	.917	.662	1.270
	Marital Status of Respondent(1)	.132	.183	.518	1	.472	1.141	.797	1.633
	Respondent is a barangay resident(1)	1.102	.191	33.346	1	<.001	3.011	2.071	4.376
	Teaching Position Level			3.020	2	.221			
	Teaching Position Level(1)	.265	.186	2.017	1	.156	1.303	.904	1.878
	Teaching Position Level(2)	-.108	.346	.098	1	.755	.898	.456	1.768
	length of teaching in current school			4.927	2	.085			
	length of teaching in current school(1)	.275	.172	2.563	1	.109	1.317	.940	1.845
	length of teaching in current school(2)	.607	.306	3.946	1	.047	1.836	1.008	3.343
	Education Level(1)	-.101	.175	.334	1	.563	.904	.641	1.274
	Location based on island group			5.137	2	.077			
	Location based on island group(1)	-.315	.193	2.669	1	.102	.730	.501	1.065
	Location based on island group(2)	.118	.195	.369	1	.544	1.125	.769	1.648
	Constant	-.301	.276	1.184	1	.277	.740		

a. Variable(s) entered on step 1: SHA Incentive Status, Sex, Age group intervals, Head of household, Marital Status of Respondent, Respondent is a barangay resident, Teaching Position Level, length of teaching in current school, Education Level, Location based on island group.

B. RQ 2: Effect of SHA Satisfaction on Retention Intention

Research Question 2 (RQ 2) examines whether teachers' satisfaction with the Special Hardship Allowance (SHA)—specifically across four dimensions: clarity, transparency, fairness, and sufficiency—predicts their intention to stay in their current school. The analysis used binary logistic regression across four steps or specifications (sub-models within the main model), gradually adding control variables related to socio-economic background, professional profile, and school location. Results are interpreted using odds ratios (Exp(ß)), model fit indices (Omnibus test, R^2, Hosmer-Lemeshow), and classification accuracy.

Case Processing Summary

Unweighted Cases[a]		N	Percent
Selected Cases	Included in Analysis	358	95.7
	Missing Cases	16	4.3
	Total	374	100.0
Unselected Cases		0	.0
Total		374	100.0

a. If weight is in effect, see classification table for the total number of cases.

Dependent Variable Encoding

Original Value	Internal Value
leave	0
stay	1

Categorical Variables Codings

			Parameter coding	
		Frequency	(1)	(2)
Location based on island group	luzon	100	.000	.000
	visayas	111	1.000	.000
	mindanao	147	.000	1.000
Age group intervals	<30 years old	70	1.000	.000
	30-55 years old	271	.000	1.000
	55+ years old	17	.000	.000
length of teaching in current school	<5 years	138	1.000	.000
	5-15 years	189	.000	1.000
	16+ years	31	.000	.000
Teaching Position Level	novice	169	1.000	.000
	mid-level	167	.000	1.000
	senior	22	.000	.000
Marital Status of Respondent	not married	114	1.000	
	married	244	.000	
Head of household	yes	221	1.000	
	no	137	.000	
Respondent is a barangay resident	yes	85	1.000	
	no	273	.000	
Education Level	Bachelor's Degree	251	.000	
	Graduate Degree (MA/PhD)	107	1.000	
Sex	male	109	1.000	
	female	249	.000	

RQ 2 Model 0: Beginning Step

Classification Table[a,b]

Observed			Predicted: Intention to stay in current school		Percentage Correct
			leave	stay	
Step 0	Intention to stay in current school	leave	186	0	100.0
		stay	172	0	.0
	Overall Percentage				52.0

a. Constant is included in the model.

b. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 0	Constant	-.078	.106	.547	1	.459	.925

Variables not in the Equation

			Score	df	Sig.
Step 0	Variables	The process of availment is clear and easy to understand	1.242	1	.265
		The process of SHA Computation is transparent -- explained how it is computed	.109	1	.741
		The SHA Percentage is fair and just	.861	1	.354
		The SHA is enough compensation for all hardship experienced by teachers in hardship posts	.106	1	.744
	Overall Statistics		3.733	4	.443

RQ 2 Model 1: SHA satisfaction (4)

All four satisfaction dimensions, no control variables

Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	3.752	4	.441
	Block	3.752	4	.441
	Model	3.752	4	.441

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	491.994[a]	.010	.014

a. Estimation terminated at iteration number 3 because parameter estimates changed by less than .001.

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	2.801	7	.903

Classification Table[a]

Observed		Predicted: Intention to stay in current school		Percentage Correct
		leave	stay	
Step 1	Intention to stay in current school: leave	136	50	73.1
	Intention to stay in current school: stay	113	59	34.3
	Overall Percentage			54.5

a. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B) Lower	Upper
Step 1[a]	The process of availment is clear and easy to understand	.210	.195	1.161	1	.281	1.233	.842	1.806
	The process of SHA Computation is transparent -- explained how it is computed	-.117	.126	.861	1	.353	.890	.695	1.139
	The SHA Percentage is fair and just	.218	.164	1.769	1	.183	1.243	.902	1.714
	The SHA is enough compensation for all hardship experienced by teachers in hardship posts	-.149	.135	1.219	1	.269	.861	.661	1.123
	Constant	-.705	.695	1.028	1	.311	.494		

a. Variable(s) entered on step 1: The process of availment is clear and easy to understand, The process of SHA Computation is transparent -- explained how it is computed, The SHA Percentage is fair and just, The SHA is enough compensation for all hardship experienced by teachers in hardship posts.

RQ 2 Model 2: SHA satisfaction (4) + Socio-economic variables (sex, age, marital status, household head status, residency status)

Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	35.015	6	<.001
	Block	35.015	6	<.001
	Model	38.767	10	<.001

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	456.979[a]	.103	.137

a. Estimation terminated at iteration number 4 because parameter estimates changed by less than .001.

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	9.598	8	.294

Classification Table[a]

			Predicted		
			Intention to stay in current school		Percentage Correct
	Observed		leave	stay	
Step 1	Intention to stay in current school	leave	148	38	79.6
		stay	91	81	47.1
	Overall Percentage				64.0

a. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B) Lower	Upper
Step 1[a]	The process of availment is clear and easy to understand	.285	.206	1.917	1	.166	1.330	.888	1.991
	The process of SHA Computation is transparent -- explained how it is computed	-.132	.133	.978	1	.323	.877	.675	1.138
	The SHA Percentage is fair and just	.213	.173	1.520	1	.218	1.237	.882	1.736
	The SHA is enough compensation for all hardship experienced by teachers in hardship posts	-.219	.142	2.375	1	.123	.803	.608	1.061
	Sex(1)	-.141	.260	.292	1	.589	.869	.522	1.447
	Age group intervals			.951	2	.622			
	Age group intervals(1)	-.025	.596	.002	1	.967	.975	.304	3.135
	Age group intervals(2)	.247	.547	.204	1	.651	1.280	.438	3.738
	Marital Status of Respondent(1)	-.104	.260	.162	1	.688	.901	.541	1.499
	Head of household(1)	.240	.244	.971	1	.324	1.272	.789	2.051
	Respondent is a barangay resident(1)	1.461	.287	25.902	1	<.001	4.312	2.456	7.570
	Constant	-1.294	.923	1.966	1	.161	.274		

a. Variable(s) entered on step 1: The process of availment is clear and easy to understand, The process of SHA Computation is transparent -- explained how it is computed, The SHA Percentage is fair and just, The SHA is enough compensation for all hardship experienced by teachers in hardship posts, Sex, Age group intervals, Marital Status of Respondent, Head of household, Respondent is a barangay resident.

RQ 2 Model 3: SHA satisfaction (4) + socio-economic +

Professional variables (position level, length of teaching, education level)

Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	14.722	5	.012
	Block	14.722	5	.012
	Model	53.489	15	<.001

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	442.257[a]	.139	.185

a. Estimation terminated at iteration number 4 because parameter estimates changed by less than .001.

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	13.196	8	.105

Classification Table[a]

			Predicted		
			Intention to stay in current school		Percentage Correct
	Observed		leave	stay	
Step 1	Intention to stay in current school	leave	148	38	79.6
		stay	77	95	55.2
	Overall Percentage				67.9

a. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B) Lower	Upper
Step 1[a]	The process of availment is clear and easy to understand	.406	.218	3.462	1	.063	1.500	.979	2.300
	The process of SHA Computation is transparent -- explained how it is computed	-.150	.139	1.162	1	.281	.861	.656	1.130
	The SHA Percentage is fair and just	.200	.179	1.249	1	.264	1.221	.860	1.734
	The SHA is enough compensation for all hardship experienced by teachers in hardship posts	-.251	.147	2.924	1	.087	.778	.583	1.037
	Sex(1)	-.101	.268	.144	1	.705	.904	.535	1.527
	Age group intervals			2.528	2	.282			
	Age group intervals(1)	.815	.695	1.378	1	.240	2.260	.579	8.815
	Age group intervals(2)	.981	.640	2.352	1	.125	2.668	.761	9.349
	Marital Status of Respondent(1)	-.036	.266	.019	1	.891	.964	.573	1.624
	Head of household(1)	.277	.251	1.219	1	.270	1.319	.807	2.158
	Respondent is a barangay resident(1)	1.393	.300	21.539	1	<.001	4.027	2.236	7.253
	Teaching Position Level			1.299	2	.522			
	Teaching Position Level(1)	.323	.533	.367	1	.544	1.382	.486	3.931
	Teaching Position Level(2)	.037	.511	.005	1	.943	1.037	.381	2.824
	length of teaching in current school			10.395	2	.006			
	length of teaching in current school(1)	-1.859	.587	10.032	1	.002	.156	.049	.492
	length of teaching in current school(2)	-1.512	.576	6.899	1	.009	.220	.071	.681
	Education Level(1)	.496	.265	3.495	1	.062	1.642	.976	2.760
	Constant	-1.074	1.058	1.030	1	.310	.342		

a. Variable(s) entered on step 1: The process of availment is clear and easy to understand, The process of SHA Computation is transparent -- explained how it is computed, The SHA Percentage is fair and just, The SHA is enough compensation for all hardship experienced by teachers in hardship posts, Sex, Age group intervals, Marital Status of Respondent, Head of household, Respondent is a barangay resident, Teaching Position Level, length of teaching in current school, Education Level.

RQ 2 Model 4: SHA satisfaction (4) + socio-economic + professional + location

Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	3.492	2	.174
	Block	3.492	2	.174
	Model	56.981	17	<.001

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	438.765[a]	.147	.196

a. Estimation terminated at iteration number 4 because parameter estimates changed by less than .001.

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	7.449	8	.489

Classification Table[a]

Observed			Predicted: Intention to stay in current school		Percentage Correct
			leave	stay	
Step 1	Intention to stay in current school	leave	146	40	78.5
		stay	80	92	53.5
	Overall Percentage				66.5

a. The cut value is .500

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I.for EXP(B) Lower	Upper
Step 1[a]	The process of availment is clear and easy to understand	.412	.221	3.470	1	.062	1.510	.979	2.328
	The process of SHA Computation is transparent -- explained how it is computed	-.141	.141	.997	1	.318	.868	.658	1.146
	The SHA Percentage is fair and just	.179	.180	.990	1	.320	1.196	.841	1.701
	The SHA is enough compensation for all hardship experienced by teachers in hardship posts	-.226	.148	2.345	1	.126	.797	.597	1.065
	Sex(1)	-.142	.270	.279	1	.597	.867	.511	1.471
	Age group intervals			2.412	2	.299			
	Age group intervals(1)	.747	.702	1.134	1	.287	2.111	.534	8.349
	Age group intervals(2)	.946	.647	2.141	1	.143	2.576	.725	9.150
	Marital Status of Respondent(1)	-.005	.269	.000	1	.984	.995	.587	1.685
	Head of household(1)	.282	.253	1.246	1	.264	1.326	.808	2.176
	Respondent is a barangay resident(1)	1.426	.302	22.266	1	<.001	4.162	2.302	7.524
	Teaching Position Level			.882	2	.643			
	Teaching Position Level(1)	.265	.536	.245	1	.621	1.304	.456	3.732
	Teaching Position Level(2)	.023	.514	.002	1	.964	1.023	.374	2.799
	length of teaching in current school			10.148	2	.006			
	length of teaching in current school(1)	-1.831	.587	9.728	1	.002	.160	.051	.506
	length of teaching in current school(2)	-1.471	.575	6.544	1	.011	.230	.074	.709
	Education Level(1)	.478	.273	3.074	1	.080	1.613	.945	2.751
	Location based on island group			3.456	2	.178			
	Location based on island group(1)	.217	.314	.481	1	.488	1.243	.672	2.298
	Location based on island group(2)	.527	.289	3.330	1	.068	1.694	.962	2.983
	Constant	-1.373	1.092	1.581	1	.209	.253		

a. Variable(s) entered on step 1: The process of availment is clear and easy to understand, The process of SHA Computation is transparent -- explained how it is computed, The SHA Percentage is fair and just, The SHA is enough compensation for all hardship experienced by teachers in hardship posts, Sex, Age group intervals, Marital Status of Respondent, Head of household, Respondent is a barangay resident, Teaching Position Level, length of teaching in current school, Education Level, Location based on island group.