



Correlates of Employee Performance in Northern Mindanao Colleges, Incorporated, Cabadbaran City, Philippines

¹Jahma Veah B. Prisco, ²Fernando T. Herrera, Phd

¹Student, Graduate School, Saint Joseph Institute of Technology, Butuan City jahmabolo@gmail.com

²Faculty, Graduate School, Saint Joseph Institute of Technology, Butuan City

ABSTRACT

This study explored the correlates of employee performance at Northern Mindanao Colleges, Incorporated (NORMI) in Cabadbaran City, Agusan del Norte, Philippines, with a focus on the roles of organizational culture and employee loyalty. Employing a descriptive-correlational research design, the study involved 100 purposively selected regular employees, including 60 faculty members and 40 non-teaching staff. Data were collected through a modified survey instrument and analyzed using frequency distribution, mean, standard deviation, and Pearson product-moment correlation. Findings revealed that employees rated organizational values, work environment, and work-life balance highly, while communication, leadership style, and recognition and rewards received moderate ratings. Employee loyalty across emotional, transactional, and normative dimensions was notably high, indicating strong institutional commitment. Performance levels among both faculty and staff were also rated high across key functional indicators.

Statistical analysis showed that recognition and rewards were positively correlated with staff performance, and a significant relationship existed between the work environment and faculty performance. However, no significant correlations were found between performance and loyalty dimensions or other aspects of organizational culture such as values, communication, and leadership style. An action plan was proposed to enhance employee performance through improved recognition systems, workplace conditions, leadership practices, and communication strategies. The study concludes that while organizational culture and loyalty are foundational, specific elements like rewards and work environment play a more direct role in influencing employee performance. Recommendations were provided for institutional leaders, HR practitioners, employees, and future researchers to support continuous improvement and organizational development.

Keywords: Employee performance, Descriptive correlational, Northern Mindanao Colleges, Incorporated

Introduction

Productivity, effectiveness, and efficiency, together with strong interpersonal skills, the ability to meet performance management metrics, increased competitiveness, and adaptability, collectively lead to higher performance at work. Organizations assess employee performance based on how well individuals align with organizational standards and goals. In the Philippines, this process is governed by Presidential Decree No. 442 or the Philippine Labor Code, which outlines rules on employment practices and labor relations. Key provisions such as articles 297, 280, 124, and 156 ensure fair labor treatment, performance-based incentives, job security, and safe working conditions, all of which contribute to employee motivation and productivity.

Studies from various countries have demonstrated a strong link between organizational culture, employee loyalty, and job performance. Denison and Mishra (2019) highlighted the critical role of organizational culture in achieving success, while Meyer and Smith (2021) emphasized how loyalty can predict performance outcomes. Additional findings from Kim et al. (2021) showed that supportive and innovative environments lead to greater employee engagement and effort. Robinson et al. (2019) added that elements such as trust and collaboration significantly influence how organizational culture impacts performance levels.

Academic researchers such as Dizon et al. (2020) have identified factors including leadership style, workplace culture, and resource distribution as major determinants of employee productivity. Santos et al. (2023) found that people-oriented environments are linked to higher employee loyalty. However, some areas remain underexamined. For instance, Villacarlos and Luna (2023) proposed that employee engagement may act as a connecting factor between culture and performance, while de Leon et al. (2023) noted that cultural values like collectivism might shape loyalty. Ancheta et al. (2023) pointed out that an industry's characteristics can influence levels of employee commitment, signaling the need for more context-specific research.

Northern Mindanao Colleges Incorporated (NORMI) has shown a commitment to performance management through its internal policies, as seen in its faculty manual (2017) and recent evaluation data for the academic year 2023–2024. While a large portion of both faculty and non-teaching staff received positive ratings, noticeable differences in performance levels suggest varying experiences within the institution. This study, therefore, seeks to examine

how organizational culture affects employee loyalty and performance at NORMI. By exploring these relationships, the research aims to provide evidence-based recommendations for enhancing workplace effectiveness and guiding institutional improvements.

Review of Literature and Studies

Organizational culture profoundly shapes employee behavior and decision-making through shared values, norms, and attitudes that foster a sense of identity and belonging among employees (Caldwell, 2020). This culture operates subtly yet powerfully, influencing how employees perceive their roles and engage with the workplace. Employee loyalty emerges as a crucial element tied to culture, representing a deep emotional and conscious commitment to the organization that motivates workers to prioritize organizational success beyond legal or financial obligations (Osho, 2023). Such loyalty not only enhances individual dedication and performance but also yields tangible organizational benefits, including reduced turnover, higher customer satisfaction, and increased profitability (Farrukh et al., 2020).

The connection between employee loyalty and performance is well established, with engaged and loyal employees exhibiting higher efficiency, voluntary positive behaviors, and commitment to organizational goals (Meyer & Herscovitch, 2019). Conversely, disloyalty contributes to lower job satisfaction and increased intentions to leave, negatively impacting organizational citizenship behaviors (Cho & Park, 2020). Cultivating loyalty through transparency, trust, and leadership development supports long-term competitive advantages, especially in dynamic markets (Huselid et al., 2020). Loyalty encompasses emotional, normative, and transactional dimensions, all of which contribute to greater employee motivation and performance outcomes.

Employee performance itself is measured by outcomes reflecting workplace behaviors and productivity (Smith et al., 2018). Organizations benefit from actively monitoring and developing employee competencies to ensure alignment with strategic objectives (Johnson & Lee, 2019). In service-oriented industries, enhanced employee productivity directly correlates with improved service quality and customer satisfaction, which in turn promotes business growth and customer retention (Nguyen & Tran, 2018). High-quality service delivery also increases employee job satisfaction and engagement, reinforcing a cycle of positive performance and organizational success (Patel & Gupta, 2018).

The quality of the work environment and leadership also critically influences employee success. Even employees with strong skills may underperform in unsupportive or psychologically unsafe settings (Tisu et al., 2022). Providing a fair, transparent, and trusting organizational culture that encourages collaboration and innovation strengthens employee loyalty and performance (Bao & Lyu, 2020). Ultimately, integrating leadership, performance evaluation, and employee development within a supportive culture promotes a high-performance workforce capable of sustaining organizational excellence across industries (Griffeth et al., 2020).

Framework

The study is anchored in social exchange theory (Homans, 1958) and the norm of reciprocity (Gouldner, 1960), which collectively explain how reciprocal relationships between employees and organizations influence performance outcomes. Social exchange theory posits that employees offer their time, skills, and commitment in exchange for recognition, support, and rewards from the organization, thereby fostering motivation, loyalty, and enhanced performance. The norm of reciprocity further strengthens this framework by emphasizing that individuals are inclined to return support when treated fairly and valued. In the organizational context, a positive culture—characterized by fairness, transparency, and trust—strengthens employee loyalty and motivates discretionary effort beyond formal job duties. The study's framework identifies organizational culture and employee loyalty as independent variables, measured through indicators such as communication, leadership style, work environment, and emotional and normative loyalty. These, in turn, influence the dependent variable—employee performance among faculty and non-teaching staff. The framework also includes an intervention program aimed at enhancing performance through improved cultural and loyalty-driven practices.

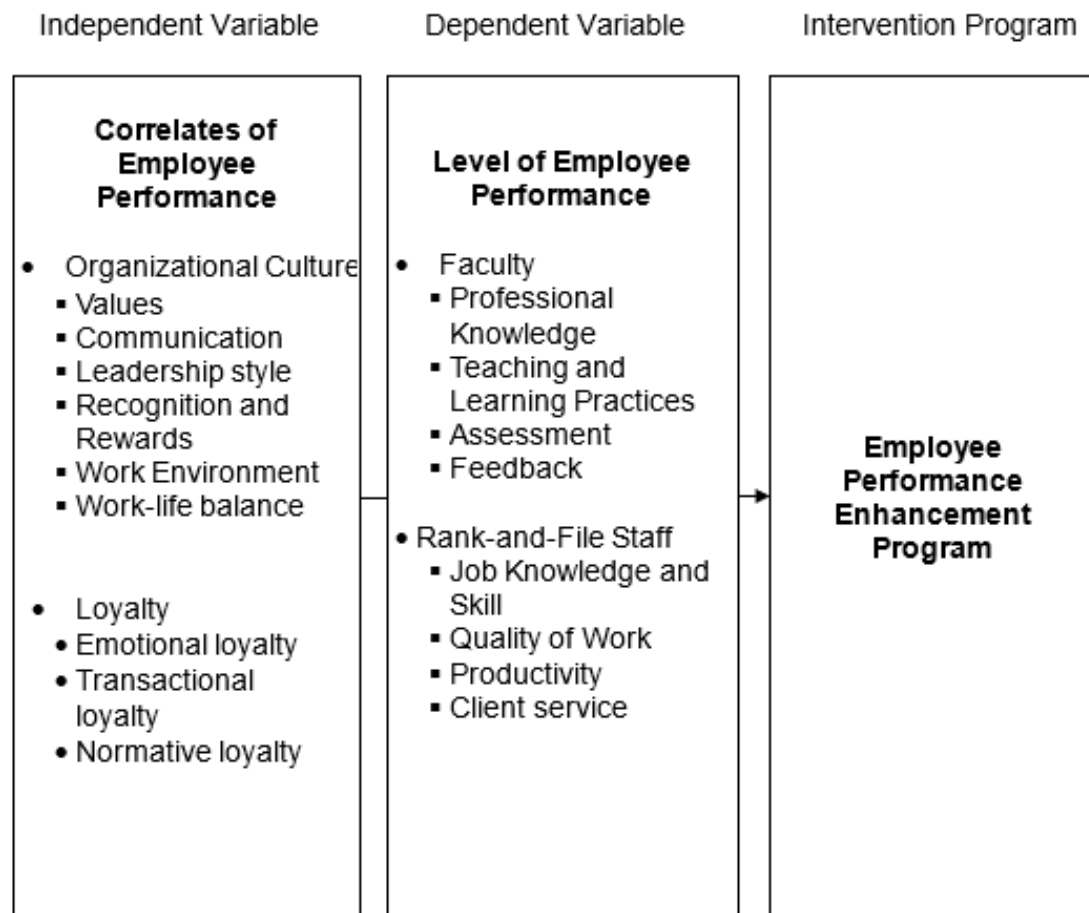


Figure 1. Schematic Diagram of the Study

Objectives of the Study

This study sought to determine the following objectives:

1. To assess the levels of organizational culture, employee loyalty, and employee performance among the faculty and staff of Northern Mindanao Colleges, Incorporated (NORMI).
2. To determine the significant relationship between organizational culture and employee performance.
3. To determine the significant relationship between employee loyalty and employee performance.
4. To propose an intervention program aligned with the identified correlates based on the study findings.

Methodology

The study employed a descriptive correlational research design to examine the relationships among organizational culture, employee loyalty, and employee performance at Northern Mindanao Colleges, Incorporated in Cabadbaran, Agusan del Norte. The study utilized purposive sampling to select 100 regular employees—60 faculty and 40 staff—ensuring participants had served the institution for at least one year. Data were gathered using a validated and pilot-tested survey instrument divided into four sections: demographic profile, organizational culture, loyalty, and employee performance, rated on a 5-point Likert scale. Ethical considerations included informed consent, voluntary participation, and compliance with the Data Privacy Act of 2012. Data collection involved orientation, distribution, and researcher supervision during survey administration. Statistical treatments included frequency and percentage for demographics, mean and standard deviation for descriptive analysis, and Pearson correlation to determine the relationships among the study variables.

Results and Discussion

The organizational culture at Northern Mindanao Colleges, Incorporated (NORMI) was assessed as generally positive, with an overall interpretation of "High." Faculty and staff rated values, work environment, and work-life balance highly, reflecting strong institutional alignment, a supportive workplace, and a healthy integration of professional and personal life. However, moderate ratings were observed in areas such as communication, leadership style, and recognition and rewards, indicating a need for improvement in clarity, transparency, and acknowledgment of employee contributions. These findings are consistent with Adisa et al. (2020), who emphasized that aligning organizational practices.

Table 1

Summary table on the level of organizational culture

Area	Mean	Mean	Overall Mean	Verbal Interpretation
	Faculty	Staff		
1. Values	3.75	4.12	3.94	High
2. Communication	3.21	3.77	3.49	Moderate
3. Leadership Style	3.17	3.59	3.38	Moderate
4. Recognition and Rewards	3.15	3.52	3.34	Moderate
5. Work Environment	3.56	3.74	3.65	High
6. Work-Life Balance	3.42	3.74	3.58	High
Grand Mean	3.38	3.74	3.56	High

Employees at Northern Mindanao Colleges, Incorporated (NORMI) exhibit high levels of loyalty across emotional, transactional, and normative dimensions, with an overall average score of 3.98. Emotional loyalty reflects employees' sense of connection and happiness in the workplace, while transactional loyalty indicates a strong commitment to fulfilling responsibilities. Normative loyalty suggests that employees feel a strong sense of duty, likely influenced by institutional support, professional development, and adherence to organizational values. This high level of loyalty can be attributed to a respectful, supportive environment and clear policies that promote employee engagement and satisfaction. As supported by Hussain and Ali (2023), fostering growth opportunities and recognizing employee contributions are essential in cultivating strong loyalty and commitment within educational institutions.

Table 2

Summary table on the level of employee loyalty

Area	Mean	Mean	Overall Mean	Verbal Interpretation
	Faculty	Staff		
1. Emotional Loyalty	3.69	3.86	3.78	High
2. Transactional Loyalty	4.01	4.16	4.09	High
3. Normative Loyalty	3.97	4.18	4.08	High
Grand Mean	3.89	4.06	3.98	High

The faculty performance at Northern Mindanao Colleges, Incorporated (NORMI) is rated highly, with an overall mean score of 4.22 and a standard deviation of 0.806, reflecting strong capabilities across professional knowledge, teaching practices, assessment, and feedback. Faculty members demonstrated high proficiency in subject expertise, effective teaching strategies, data-driven assessment practices, and fostering constructive feedback environments. These findings indicate that NORMI faculty are not only knowledgeable but also committed to continuous improvement, student-centered learning, and reflective practice, which contributes to a holistic and effective educational experience. As Benosa and Oñate (2023) emphasize, a strong evaluation system enhances teaching performance by offering constructive feedback, reinforcing accountability, and ensuring instructional quality in higher education.

Table 3

Summary table on the level of faculty performance

Area	Overall Mean	SD	Verbal Description	Verbal Interpretation
1. Professional Knowledge	4.25	0.797	Agree	High
2. Teaching and Learning Practices	4.24	0.803	Agree	High
3. Assessment	4.21	0.786	Agree	High
4. Feedback	4.18	0.836	Agree	High
Grand Mean	4.22	0.806	Agree	High

The rank-and-file employees at NORMI demonstrate high performance, with strong job knowledge, work quality, productivity, and client service. These results reflect the institution's commitment to training, ongoing learning, adherence to quality standards, and client-centered service. Staff show a clear understanding of their duties, maintain high standards, manage workloads efficiently, and prioritize client satisfaction. However, continuous improvement is needed in handling specialized tools and balancing workloads. These findings align with Iqbal and Ullah (2024), who emphasized that proper training, continuous learning, and quality control are key drivers of employee performance, client satisfaction, and organizational success.

Table 4

Summary table on the level of rank and file performance

Area	Overall Mean	SD	Verbal Description	Verbal Interpretation
1. Job Knowledge and Skill	4.11	0.719	Agree	High
2. Quality Of Work	4.05	0.703	Agree	High
3. Productivity	4.13	0.726	Agree	High
4. Client Service	4.17	0.727	Agree	High
Grand Mean	4.12	0.719	Agree	High

The findings reveal that among the various dimensions of organizational culture at NORMI, only recognition and rewards and the work environment show significant correlations with employee performance. Recognition and rewards are strongly associated with staff performance, indicating that employees who feel acknowledged tend to perform better. Similarly, a supportive work environment significantly influences faculty performance, suggesting that positive workplace conditions enhance teaching effectiveness. Conversely, values, communication, leadership style, and work-life balance show no significant correlation with performance, implying limited direct impact in this context. These results are supported by Mokhtar and Rahman (2023), who found that recognition boosts employee output, and by Hassan and Alshahrani (2024), who observed that a healthy work culture fosters faculty performance through improved collaboration and satisfaction.

Table 5

Result of the correlation between organizational culture and performance

Organizational Culture	Faculty		Staff		Result	Decision
	r-value	p-value	r-value	p-value		
Values	0.541	0.106	0.280	0.433	Not significant	Accept Ho
Communication	0.373	0.289	0.473	0.168	Not significant	Accept Ho
Leadership Style	-0.240	0.504	-0.112	0.759	Not significant	Accept Ho
Recognition and Rewards	0.075	0.836			Not significant	Accept Ho
			0.630	0.050	Significant	Reject Ho
Work Environment	0.680	0.031			Significant	Reject Ho
			0.444	0.199	Not significant	Accept Ho

Work-Life Balance	-0.035	0.922	0.349	0.323	Not significant	Accept Ho
	0.586	0.075			Not significant	Accept Ho
			0.678	0.031	Significant	Reject Ho

The findings reveal no significant relationship between emotional loyalty and the performance of faculty and staff, indicating that emotional attachment to the organization does not necessarily enhance job performance. Meyer and Herscovitch (2021) support this, noting that emotional loyalty's impact on performance varies across organizational contexts despite its link to engagement and job satisfaction. Similarly, transactional loyalty—characterized by policy compliance and meeting performance targets—also shows no significant correlation with performance, aligning with Kumar and Kumar's (2022) findings that compliance alone does not strongly affect performance outcomes. Additionally, normative loyalty, or employees' sense of obligation to stay loyal, does not significantly relate to performance levels for faculty and staff. Gonzalez and Rojas (2022) emphasize that while normative loyalty may create a sense of belonging, it does not directly improve productivity or job effectiveness.

Table 6

Result of the correlation between loyalty and performance

Employee Loyalty	Faculty		Staff		Result	Decision
	Pearson r	p Value	Pearson r	p Value		
Emotional Loyalty	0.008	0.982	0.379	0.281	Not significant	Accept Ho
Transactional Loyalty	-0.442	0.201	-0.495	0.146	Not significant	Accept Ho
Normative Loyalty	-0.135	0.710	0.423	0.223	Not significant	Accept Ho
	0.325	0.359	0.119	0.743	Not significant	Accept Ho

The findings identify recognition and rewards, along with the work environment, as pivotal factors influencing employee performance at Northern Mindanao Colleges, Incorporated (NORMI). In response, the proposed employee performance enhancement program (EPEP) is designed to formalize recognition systems and enhance working conditions to foster motivation, engagement, and productivity. The program includes initiatives to regularly acknowledge employee contributions, promote teamwork, and improve workplace relationships. It also incorporates leadership and communication training to align employee actions with institutional goals. Moreover, EPEP aims to optimize faculty working conditions by improving resource allocation, managing workloads, and supporting continuous professional development. These interventions are grounded in evidence that supportive environments and meaningful recognition contribute to improved job performance and satisfaction (Hassan & Alshahrani, 2024).

Conclusions

1. The findings indicate that employees generally perceive the organizational culture in Northern Mindanao Colleges Incorporated (NORMI) as positive, with high ratings for values, work environment, and work-life balance. However, moderate ratings in communication, leadership style, and recognition and rewards highlight areas that require further attention to strengthen institutional culture. The discrepancies in employee perceptions of various organizational culture facets reveal crucial elements that influence workplace interactions and individual work performance, even though employees generally support institutional values and receive valuable workplace assistance.
2. In conclusion, the study reveals that employee loyalty in Northern Mindanao Colleges, Inc. is strong across emotional, transactional, and normative dimensions, with high mean scores indicating a committed and engaged workforce. Employee emotions generate institutional bonding while they follow policymaking and maintain mission values that support a stable organizational culture. The high levels of employee loyalty suggest that NORMI has created an environment that sustains employee well-being and professional development, which leads to institutional success and sustainable operation.
3. The findings show that NORMI employees succeed through multiple performance indicators, demonstrating a strong organizational culture and dependable organizational systems. This consistent performance emphasizes that when employees perform continuously well at NORMI, the institutional environment and structure are key factors driving worker achievement.
4. The study highlights significant correlations between recognition and rewards, staff performance, work environment, and faculty performance while finding no significant relationship between loyalty, values, communication, leadership style, work-life balance, and employee performance. These findings emphasize that while certain cultural and work environment factors are critical in driving performance, loyalty

does not play a central role in influencing employee performance in this institutional context. The findings offer insightful analysis of the elements influencing performance among various employee groups.

5. Implementing an action plan will improve employee performance through systematic acknowledgment systems, workplace condition improvements, and better leadership approaches and communication methods. The proposed Employee Performance Enhancement Program (EPEP) supports the institution in creating a positive organizational culture while achieving long-term employee engagement. Using these fundamental elements, NORMI may establish a more driven and efficient staff, improving general institutional performance.

Recommendations

Based on the findings of the study, the researcher offers the following recommendations for consideration.

NORMI School Administrator. The administrator may prioritize enhancing leadership development and communication strategies as they are essential to fostering a stronger organizational culture. The approach entails executing leadership training initiatives and creating explicit communication pathways to guarantee coherence between organizational objectives and personnel requirements.

Human Resource Officer. HR officers can consider developing and refining tailored professional development programs to elevate employee skills and engagement. The approach entails performing regular needs assessments and developing programs targeting deficiencies in employee performance and organizational culture.

Employees. Individuals shall take the initiative to improve their skills by participating in training programs and seeking feedback to improve job performance. The strategy necessitates active engagement in institutional initiatives and fostering a cooperative and efficient workplace atmosphere.

Future Researchers. Future researchers can examine how organizational culture affects employee long-term performance by conducting longitudinal studies and gathering extensive data. Engaging the institution in the research process is essential to ensure the results address current issues and provide meaningful guidance for future improvements.

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