

## Fiscal practices of LGU-Kasibu and their link to employee competencies: Basis for a capacity development program

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### **Abstract**

This quantitative study aimed to evaluate the public fiscal administration practices implemented by the Local Government Unit (LGU) of Kasibu, Nueva Vizcaya, and examine their relationship with the competencies of LGU employees. Conducted in 2025, the research was situated in Kasibu—a municipality known for its agricultural productivity, tourism potential, and abundant natural resources such as minerals and quarrying sites. The study was anchored on the municipality’s vision of becoming a progressive and ecologically balanced community, governed by transparent and participatory mechanisms—objectives that necessitate sound fiscal management and a competent public workforce. A total of 110 permanent employees and administrators from major municipal offices—including the Municipal Mayor’s Office, Sangguniang Bayan, and the departments of Planning and Development, Budget, Treasury, Accounting, and Administration—were randomly selected using a stratified random sampling technique to ensure broad representativeness. The study employed descriptive and correlational research methods to analyze the data. Findings revealed a generally high level of effectiveness in the implementation of public fiscal administration practices, particularly in the areas of revenue generation, budget allocation, and resource utilization. Respondents likewise demonstrated strong competencies across knowledge, skills, and behavioral dimensions. Notably, a statistically significant relationship was found between employee competencies and their assessments of fiscal administration practices. This suggests that effective fiscal governance is closely associated with the quality and capabilities of the local government workforce. The results underscore the critical role of strengthening employee competencies to enhance fiscal performance and promote greater accountability in local governance. Ultimately, the study contributes to the broader discourse on public sector reform by providing evidence-based insights for improving fiscal administration through strategic competency development at the local level.

**Keywords:** employee competencies, enhancement program, public fiscal administration

## **Fiscal practices of LGU-Kasibu and their link to employee competencies: Basis for a capacity development program**

### **1. Introduction**

Many countries continually grapple with the challenge of reconciling limited revenue from local sources with increasing budgetary demands. This issue is often intensified by difficulties in controlling public expenditures. In the Philippines, tax revenues derived from individuals, businesses, goods and services, imports, and other sources serve as the cornerstone of government funding. However, actual collections frequently fall short of projections within expected timeframes, creating funding gaps that delay the implementation of government programs, projects, services, and activities (PPSAs). Further complications arise when urgent and unforeseen expenditures are incurred after the budget preparation cycle, forcing agencies to rely on savings from completed PPSAs or reallocate funds through budget realignment or reprogramming. These practices often result in the deferment or cancellation of previously prioritized PPSAs due to insufficient financial resources. Moreover, low budget utilization persists in many government offices despite prioritization efforts, primarily due to procurement delays, inconsistent project execution, and the complexity of implementing PPSAs under continuing appropriations.

Drawing from firsthand experiences in observing how local government units manage public funds, it becomes evident that public fiscal administration is fundamental to local development. It is more than just about figures and budgets; it drives the delivery of public services, infrastructure development, and community programs. The Municipality of Kasibu, for instance, continues to face challenges in achieving its targeted revenue generation and in efficiently allocating its available financial resources. The municipality also struggles to attain 100% budget utilization. This study seeks to provide insights and recommendations that can support the Municipal Local Government Unit (MLGU) of Kasibu in improving its fiscal administration and financial management systems. A critical insight from these experiences is the realization that even the most well-structured fiscal systems can falter if the human element is neglected. The competencies of public employees—their skills, knowledge, and behaviors—play a pivotal role in ensuring the effective management of public resources. This study is thus driven by a strong commitment to understanding how strengthening employee competencies can enhance the transparency, efficiency, and accountability of public fiscal administration.

Data reveal that the Municipality of Kasibu's collection from real property taxes stands at only 39% of the total target, with 85% collected from delinquent taxpayers and 94% from registered business taxpayers. These figures point to substantial gaps of 61%, 15%, and 6%, respectively, undermining the municipality's capacity to meet its full revenue targets. Furthermore, the budget utilization rate is only 74%, indicating significant underperformance in executing funded programs and projects. This underutilization—largely due to implementation delays and administrative hurdles—adversely affects the timely delivery of essential services and development objectives. Closing the remaining 26% budget utilization gap is therefore critical to optimizing fiscal performance.

In the case of the Municipality of Kasibu, the research gap lies in the limited understanding of how employee competencies influence revenue collection efficiency and budget utilization. While existing data clearly indicate considerable shortfalls in property tax collection and budget execution, there is a noticeable lack of research linking these fiscal issues to the skills, knowledge, and capacities of municipal personnel. Prior studies tend to focus on procedural or systemic inadequacies, often overlooking human factors that significantly contribute to or impede performance. This underscores the need for research that investigates how enhancing employee competencies—particularly in areas such as financial management, data analysis, communication, and program implementation—can improve revenue collection, budget efficiency, and overall public service delivery

This study aims to examine the public fiscal administration practices of the MLGU of Kasibu, Nueva Vizcaya, and explore their correlation with employee competencies. It intends to identify current best practices and areas needing improvement in revenue generation, fund allocation, and budget utilization. Additionally, the study analyzes the strengths and weaknesses within each phase of fiscal administration and seeks to determine whether there exists a significant relationship between the municipality's fiscal performance and the competencies of its employees.

According to the International Monetary Fund (IMF), fiscal policy significantly impacts macroeconomic stability, growth, and income distribution, highlighting its central role in governance and development. This places upon governments the responsibility to uphold value-for-money in public expenditures, implement fair and effective tax systems, and maintain transparent and accountable public resource management. A lack of clarity in fiscal operations can erode public trust, disrupt service delivery, and compromise institutional integrity. Transparency, therefore, must remain a fundamental principle of all government financial transactions, reinforcing public confidence in the efficiency, honesty, and utility of public spending.

Fiscal responsibility laws, as emphasized by the World Bank, serve as institutional safeguards that promote coordination and accountability between national and subnational government levels. These laws are designed to prevent financially irresponsible actions that might provide short-term political gains but ultimately threaten national fiscal stability. The Inter-American Development Bank (IDB) affirms that adherence to such laws is critical in ensuring intergovernmental cooperation, long-term fiscal sustainability, and transparent governance. Failure to maintain fiscal discipline in any jurisdiction can lead to macroeconomic instability and diminish the public's trust in government institutions.

In public administration, a robust system of fiscal governance is essential for managing fiscal risks and fostering prudent financial stewardship. Strengthening efficiency, accountability mechanisms, and transparency in public financial management enables governments to preserve fiscal space for strategic investments. Public finance remains a foundational element of socio-economic progress, empowering governments across development stages to provide vital services, promote inclusive growth, and address evolving national priorities. Conversely, imprudent government spending without appropriate safeguards can trigger fiscal risks such as excessive debt accumulation, resource misallocation, and reduced private sector activity. Hence, the sustainability of public finances is both a fiscal and governance imperative. Governments must pursue disciplined, forward-looking fiscal policies that align with their expanding mandates to ensure resilience, long-term stability, and public trust (Chul, Yong & Molineris, 2020).

The Philippine Development Plan (PDP) 2023–2028 identifies sound fiscal management, including tax system reforms, as a key strategy to support a resilient macroeconomic environment. Under the administration of President Ferdinand R. Marcos Jr., the government introduced the Medium-Term Fiscal Framework (MTFF), a strategic roadmap to reduce the fiscal deficit, ensure fiscal sustainability, and drive economic recovery from the impacts of the COVID-19 pandemic. The Department of Budget and Management (DBM) asserts that the country remains fiscally grounded and emphasizes that successful fiscal management requires shared responsibility and collaborative action across all sectors of government and society.

Effective fiscal administration in public offices significantly influences the quality and efficiency of public service delivery. This study aligns with Sustainable Development Goal (SDG) 16, which promotes peace, justice, and strong institutions by advocating transparency and accountability in public spending and revenue collection. It also supports SDGs 17 (Partnerships for the Goals), 1 (No Poverty), 10 (Reduced Inequalities), 4 (Quality Education), and 8 (Decent Work and Economic Growth), demonstrating the broader implications of robust fiscal governance for sustainable development.

The relevance of this study extends to the National Economic Research Agenda (NERA), where public

fiscal administration and employee competencies are core themes. Public fiscal administration aligns with Governance and Institutions, encompassing fiscal transparency, efficient budgeting, revenue mobilization, and intergovernmental transfers. Employee competencies fall under Public Sector Efficiency and Civil Service Reform, which includes competency-based human resource systems, training, digital innovation, and performance incentives. These competencies also contribute to Human Capital Development, focusing on upskilling, leadership, and digital readiness, and support the goals of Decentralization and Local Governance, which highlight capacity-building for local government units and the development of competency standards for public officials and employees.

Additionally, this study supports the Research Agenda of the Graduate School of the College of Arts and Sciences at Nueva Vizcaya State University, which emphasizes research on finance, fiscal policy, and financial performance management. By focusing on public fiscal administration and employee competencies, the study contributes to the university's goal of generating research that advances effective financial governance and enhances public sector performance. It offers practical insights for resolving real-world governance issues and reinforces the university's commitment to bridging theoretical research with local policy and practice.

## **2. Related Literature**

This study is anchored on two interrelated theoretical perspectives: Good Governance Theory and Dynamic Capabilities Theory (DCT), both of which provide critical insights into effective public fiscal administration and the pivotal role of employee competencies in Local Government Units (LGUs).

Good Governance Theory serves as a foundational framework to examine how principles such as transparency, accountability, participation, and responsiveness influence the efficiency and equity of fiscal management in public institutions. According to the United Nations Development Programme (UNDP, 1997), good governance underpins institutional legitimacy and performance by fostering environments where public resources are managed with integrity and inclusiveness. In the context of fiscal administration, adherence to these principles ensures that revenue generation, budget allocation, and expenditure management serve the public interest and promote trust. This is supported by studies showing that participatory budgeting and citizen engagement in LGUs, such as in Philippine cities like Davao and Cebu, enhance budget responsiveness and reduce corruption (Castro, 2016; Peixoto & Fox, 2016). Furthermore, mechanisms including public audits, citizen report cards, and social accountability initiatives have been documented as effective tools in improving fiscal transparency and curbing rent-seeking behaviors (Sampson, 2004; Fox, 2015). These governance mechanisms collectively create a foundation for fair, inclusive, and effective fiscal management in local governments (Grindle, 2017).

Complementing this governance perspective is the Dynamic Capabilities Theory (DCT), first conceptualized by Teece, Pisano, and Shuen (1997), which emphasizes an organization's ability to sense opportunities and threats, seize opportunities, and transform operations to adapt to dynamic environments. In public administration, particularly in LGUs, this translates into the capacity of personnel to respond to shifting fiscal challenges such as economic volatility, policy reforms, and technological disruptions. Employee competencies in financial analysis, strategic decision-making, innovation, and digital literacy are central to operationalizing these dynamic capabilities (Teece, 2007; Helfat et al., 2007; UNDP, 2021). Empirical evidence from reform-oriented LGUs such as Naga and Quezon City in the Philippines demonstrates that competency development in these areas facilitates fiscal innovation, enhances budget responsiveness, and improves service delivery outcomes (Brillantes & Fernandez, 2013; Capuno, 2014). This theory underscores the importance of continuous learning and adaptability in public sector employees to sustain fiscal health in complex and evolving governance contexts.

Integrating Good Governance Theory and Dynamic Capabilities Theory offers a holistic framework to understand fiscal administration effectiveness as a function of both institutional governance practices and the competencies of public employees. This dual lens facilitates an exploration of how governance principles and

employee capacities interact to shape fiscal outcomes at the local level (Khan et al., 2019; Mergel, 2016). Good governance sets the normative and procedural foundation, while dynamic capabilities highlight the practical, skill-based adaptations necessary for fiscal resilience and innovation.

In parallel, this study draws on the Integrated Public Financial Management (PFM) and Competency-Based Governance Framework, which synthesizes key principles from the Organization for Economic Cooperation and Development's (OECD, 2017) Core Competency Framework and the United Nations Development Programme's (UNDP, 2018) guidelines for enhancing public sector performance. This framework posits that the effectiveness of public fiscal administration—spanning revenue generation, strategic budget allocation, and expenditure management—depends not only on robust institutional systems but also critically on the competencies of the public workforce. The key dimensions of employee competencies include technical expertise, ethical conduct, professional behavior, and strategic thinking, all of which are essential for executing fiscal responsibilities with efficiency and integrity (OECD, 2021; DBM, 2024).

Aligning employee competencies with fiscal responsibilities strengthens the four core dimensions of fiscal governance: planning, execution, monitoring, and accountability. Studies indicate that well-developed competencies contribute to enhanced transparency, reduced leakage of public funds, and improved compliance with fiscal policies (Andrews, 2010; Schick, 2014). Moreover, this reciprocal relationship suggests that strong competencies improve fiscal outcomes, which in turn reinforce the imperative for continuous capacity-building and professional development (World Bank, 2019; Kjaer et al., 2020). As capacity-building initiatives become more targeted and competency-focused, LGUs are better equipped to manage increasingly complex fiscal environments and deliver public services more effectively.

In the Philippine context, recent policy reforms and strategic initiatives emphasize this competency-fiscal nexus. The Department of Budget and Management (DBM, 2024) and the OECD (2023) highlight that contemporary public financial management practices increasingly rely on the technical proficiency, adaptability, and ethical conduct of public sector employees. Drawing from the Philippine PFM Competency Framework, the critical fiscal functions—revenue generation, budget allocation, and budget utilization—are directly influenced by the knowledge, skills, and attitudes of government personnel (DBM, 2024). This aligns with findings from local governance research showing that employee competencies affect budget execution rates, fiscal transparency, and public trust (Llanto, 2019; Magno, 2020).

The cyclical relationship between employee competencies and fiscal performance underscores the importance of institutionalizing competency development as a strategic priority. As noted by Andrews and Entwistle (2018), competency-based governance reforms facilitate a culture of accountability and continuous improvement, which are crucial for sustainable public financial management. This study thus aims to assess how these competencies influence fiscal practices in the Municipal Local Government Unit (MLGU) of Kasibu, Nueva Vizcaya, focusing on the interplay between employee knowledge, skills, behaviors, and fiscal outcomes such as revenue generation, budget utilization, and fund management. The findings are expected to provide evidence-based recommendations for strategic capacity-building initiatives, ultimately enhancing governance, efficiency, and fiscal performance at the local government level.

### 3. Methodology

**Research Design.** This study examined the public fiscal administration practices of the Municipal Local Government Unit (MLGU) of Kasibu in relation to employee competencies, employing a quantitative research approach to systematically address the research questions. As Creswell and Creswell (2018) emphasize, quantitative research is designed to test objective theories by analyzing the relationships among measurable variables using instruments that produce numerical data amenable to statistical analysis. To achieve the study's objectives, a descriptive-correlational research design was adopted. This methodological approach is well-suited for investigating the current state of phenomena and exploring the relationships between variables as they

naturally occur, without manipulation or experimental control. The design allows researchers to describe trends and examine the extent to which two or more variables are associated. According to Polit and Beck (2012), descriptive-correlational studies aim to identify and explain patterns and relationships among variables while refraining from inferring causality. Data for this study were collected using a structured and validated questionnaire, meticulously developed to capture quantifiable data on both fiscal administration practices and employee competencies. The instrument was divided into two main sections: one assessing competencies in terms of behavior, knowledge, and skills, and the other evaluating core aspects of fiscal administration, including local revenue generation, budget allocation, and budget utilization. This design enabled a systematic analysis of the interplay between fiscal practices and workforce competencies within the MLGU context.

**Research Environment.** The Municipality of Kasibu, located in the province of Nueva Vizcaya, serves as the research locale for this study. It was formally established through Executive Order No. 160, signed on January 19, 1956, by then President Ramon Magsaysay. As a local government unit, Kasibu envisions itself as a premier agro-ecotourism destination in Luzon. Its broader developmental vision encompasses the establishment of a well-developed and progressive economy within a peaceful, safe, and ecologically balanced environment. The municipality aspires to enhance the quality of life of its constituents by fostering a God-fearing, empowered, proactive, and resilient citizenry, governed through transparent and participatory leadership. This vision serves as a guiding framework for the municipality's policies, programs, and administrative practices, including its fiscal management and human resource development efforts.

**Respondents of the Study.** The respondents of the study consisted of 110 randomly selected permanent employees and administrators from the Municipal Local Government Unit (MLGU) of Kasibu, Nueva Vizcaya, representing approximately 76% of the total population of 144. The sample size was determined using Slovin's formula, a widely used statistical method for calculating an appropriate sample size from a finite population while maintaining a predetermined margin of error. This approach ensured that the sample was both manageable and representative, allowing for reliable and valid analysis of the data collected.

**Sampling Procedure.** To determine the appropriate sample size from the identified population for this study, the researcher employed stratified random sampling. The total population was divided into distinct strata based on their respective offices within the Municipal Local Government Unit (MLGU) of Kasibu. Proportional allocation was applied to ensure that each office was adequately represented in the sample. The researcher derived a representative sample from the population of 144 permanent employees. Random samples were then drawn proportionally from each stratum. All statistical inferences were made at the 0.05 level of significance.

**Research Instrument.** The primary source of data for this study was a validated survey questionnaire, which was organized into the following sections:

- **Public Fiscal Administration Practices Questionnaire** – This questionnaire was partly adapted from the study by Ayaman et al. (2019) titled “The Local Public Fiscal Administration of the Municipal Local Government Unit of Solano, Nueva Vizcaya: Their Public Fiscal Administration Practices and Competencies.” It was designed to gather data on the perceived fiscal administration practices of the Municipal Local Government Unit of Kasibu, Nueva Vizcaya, specifically in the areas of revenue generation, budget allocation, and budget utilization. The questionnaire consisted of thirty-nine (39) items, divided equally into three parts: thirteen (13) items assessing practices on revenue generation, thirteen (13) on budget allocation, and thirteen (13) on budget utilization.
- **Competency Questionnaire** – this was used to gather data needed to assess the competency of the respondents in terms of knowledge, skills and behavior. This portion has a total of thirty (30) questions divided equally into three (3) parts: ten (10) questions to measure the respondent's knowledge on fiscal administration, ten (10) questions to measure their skills and ten (10) questions to measure their behavior while doing any task on fiscal administration. The questionnaire was partly adapted from Bueno (2015) in his study on “Barangay treasurers' competencies, cash control, supply and property

management practices at the Local Government of Olonggapo City.”

**Statistical Treatment of Data.** The data gathered from the survey questionnaires were systematically analyzed using appropriate statistical tools to address the research objectives and test the hypotheses of the study.

- **Mean.** It was utilized to compute the average responses for each variable under investigation. This tool was particularly useful in describing and interpreting the profile of the respondents, as well as in assessing the level of implementation of public fiscal administration practices within the Municipal Local Government Unit (MLGU) of Kasibu, Nueva Vizcaya. By calculating the mean scores for different indicators—such as revenue generation and budget utilization—the researcher was able to determine the overall perceptions and tendencies among employees in relation to fiscal administration.
- **Person-r.** It was employed to determine the existence and strength of the relationship between fiscal administration practices and the competencies of employees. This inferential statistical tool allowed the researcher to assess whether a statistically significant correlation existed between how public fiscal functions were carried out and the skill levels or capabilities of the personnel involved. Through this analysis, the study was able to draw conclusions regarding the interdependence of effective fiscal management and employee competency within the context of local governance.

#### 4. Results and Discussion

**Problem 1.** What is the assessment of the LGU Kasibu administrators and employees of the public fiscal administration practices along with revenue generation, budget allocation, and budget utilization?

**Table 1**

*LGU Kasibu administrators and employee’s assessment of the public fiscal administration practices*

Competencies in the conduct of public fiscal administration	Area Mean	Std Deviation	Qualitative Description
Revenue Generation Practices	3.62	0.41	High
Revenue Allocation Practices	4.27	0.60	Very High
Revenue Utilization Practices	4.41	0.58	Very High
Grand Mean	4.10	0.48	High

Based on the data from Table 1, the LGU Kasibu administrators and employee’s assessment of their public fiscal administration practices reveals a generally positive evaluation, with a grand mean of 4.10, categorized as High. Among the three competencies, Revenue Utilization Practices received the highest area mean score of 4.41, which falls under the category of Very High. This indicates that respondents are highly confident in their ability to manage and utilize revenue effectively, reflecting strong practices in ensuring proper allocation and use of public funds. Similarly, Revenue Allocation Practices scored 4.27, also within the Very High range, suggesting that respondents possess a strong understanding and capability in distributing revenue appropriately across various public sectors. On the other hand, Revenue Generation Practices received an area mean of 3.62, categorized as High. While still positive, this score suggests that respondents feel somewhat less confident in their capacity to generate revenue compared to the allocation and utilization practices.

This result is consistent with the findings of Talukdar and Rahman (2020) in their study, Governance, Public Financial Management, and Local Government Performance in Bangladesh. Their research indicates that local governments with robust practices in revenue utilization and allocation tend to perform better in delivering services and fostering public trust. Similarly, in the case of LGU Kasibu, administrators and employees demonstrated high confidence in their ability to manage and allocate revenues effectively, although they showed relatively lower confidence in their capacity to generate revenue. This suggests a common challenge faced by local governments globally in improving revenue generation while maintaining effective allocation and utilization practices.

**Problem 2.** What is the assessment of the LGU Kasibu administrators and employees of their competencies along knowledge, skills, and behavior in the conduct of public fiscal administration?

**Table 2**

*LGU Kasibu administrators and employees' assessment of their competencies in the conduct of public fiscal administration*

Public Fiscal Administration Practices	Area Mean	Std Deviation	Qualitative Description
Knowledge	3.80	0.63	High
Skills	3.75	0.59	High
Behavior	4.30	0.60	Very High
Grand Mean	3.95	0.52	High

The results presented in Table 2 show that among the competencies in the conduct of public fiscal administration, **behavior** received the highest area mean score of **4.30**, interpreted as **very high**. This is followed by **knowledge**, which had an area mean of **3.80**, and **skills**, with an area mean of **3.75**; both were rated as **high**. These results indicate that respondents perceive their behavioral practices in public fiscal administration more positively compared to their knowledge and skills. The **grand mean** of **3.95** reflects a generally **high level** of public fiscal administration practices among the respondents.

This study aligns with the findings of McCulloch and Greer (2018) on public financial management in local government organizations, which also highlighted the high ratings given to behavioral practices, particularly in areas such as leadership, accountability, and decision-making. Their research indicates that while employees demonstrate strong behavioral competencies in managing public finances, there is often a notable gap in their technical knowledge and specialized skills, which can limit overall effectiveness. This is consistent with the results from Table 3, where behavior received the highest rating, followed by knowledge and skills, suggesting that while behavioral practices in fiscal administration are well-developed, there remains a need for further enhancement of technical competencies.

**Problem 3.** Is there significant relationship between the respondents' assessment of the public fiscal administration practices and their competencies?

**Table 3**

*Summary of correlation between the respondents' assessment of the public fiscal administration practices and their competencies (n:110)*

Variables Correlated	Computed r-value	Critical r-value	p-value	Remarks
Public fiscal administration practices vs. Employee competencies	0.43	0.1857	0.000	Significant

*degrees of freedom (df): 108      level of significance: 0.05*

The table shows the correlation between respondents' assessments of public fiscal administration practices and their competencies. The computed r-value of 0.43 signifies a moderate positive relationship between the two variables, suggesting that improvements in fiscal administration practices are associated with enhanced employee competencies. With a critical r-value of 0.1857 and a p-value of 0.000—well below the 0.05 significance level—the correlation is confirmed to be statistically significant. This implies that the relationship observed is meaningful and unlikely to have occurred by chance.

The statistically significant correlation between public fiscal administration practices and respondents' competencies has important implications. The moderate positive correlation (r-value of 0.43) suggests that as respondents' assessment of their fiscal administration practices improves, so too does their perceived competency

in performing these tasks. This indicates that better understanding and execution of fiscal practices may directly contribute to the development and enhancement of key competencies in fiscal management. The findings of the correlation between public fiscal administration practices and competencies can be directly connected to the principles outlined in Section 305, Book II of the Local Government Code of 1991 (Republic Act 7160) and Section 4 of P.D. No. 1445 (Government Auditing Code of the Philippines). These legal frameworks stress the importance of adhering to sound financial practices, ensuring accountability, and guaranteeing that government funds are managed in a transparent and efficient manner.

The statistically significant positive correlation (r-value of 0.43) between fiscal administration practices and the competencies of local fiscal personnel suggests that improvements in fiscal practices, such as proper budgeting, revenue collection, and expenditure monitoring, lead to enhanced competency in managing public funds. This aligns with the fundamental principles found in the Local Government Code, which emphasize that funds should only be spent for public purposes, that local revenues must be collected and accounted for according to legal provisions, and that officers handling these funds must be accountable and responsible for their safekeeping. Moreover, the findings support the importance of developing sound financial plans and ensuring that local budgets are well-aligned with national goals, as stipulated in the Local Government Code. When local fiscal personnel are well-versed in these practices, as indicated by the correlation with their competencies, they are better equipped to formulate and implement budgets that reflect the needs of their communities, ensure transparency, and promote fiscal responsibility. This contributes to the proper management of resources, which is essential for achieving a balanced budget, safeguarding public funds, and fulfilling the fiscal obligations of local government units in accordance with the law.

The implication of the findings, which reveal a significant positive correlation between fiscal administration practices and the competencies of local fiscal personnel, underscores the importance of strengthening both fiscal management practices and the capabilities of the individuals responsible for managing public funds. As demonstrated by the findings, when local fiscal officers are proficient in key practices such as budgeting, revenue generation, and fund utilization, their competencies improve, which in turn enhances the overall effectiveness of public fiscal administration. Furthermore, as local fiscal personnel improve their competencies, they become better equipped to ensure compliance with the legal requirements stipulated in the Local Government Code, such as proper accounting for revenues and expenditures, safeguarding of funds, and ensuring the equitable allocation of resources. This could lead to more effective governance, better service delivery, and stronger fiscal responsibility within local government units, ultimately benefiting the community and contributing to sustainable local development.

## 5. Conclusions

Based from the findings of the study, the following conclusions are hereby drawn:

1. The overall public fiscal administration practices in LGU Kasibu are positively assessed, with the highest ratings in revenue utilization and allocation, highlighting efficient fiscal management in these areas. However, revenue generation could benefit from further enhancement.
2. Behavioral competencies in public fiscal administration are highly rated, showing that employees are confident in their conduct, while knowledge and skills competencies are rated slightly lower, suggesting areas for development.
3. A moderate positive correlation between fiscal administration practices and employee competencies suggests that improvements in one area could positively influence the other, demonstrating a meaningful relationship between the two variables.
4. Given the relatively lower ratings for knowledge and skills, a targeted capacity development program is recommended. The proposed "Strengthening Public Fiscal Administration" program aims to

enhance the technical, governance, and financial management capabilities of municipal staff, ultimately improving fiscal performance and public trust.

## Recommendations

Based from the findings and conclusions of the study, the following are hereby recommended:

- **Improving Revenue Generation.** While the LGU's overall fiscal administration practices are rated positively, revenue generation scored the lowest. To improve this area, it is recommended to adopt modern revenue collection technologies, enhance taxpayer education programs, and conduct regular audits to ensure all potential revenue sources are tapped. Strengthening the capacity of revenue officers through training and incentives for high performance can also contribute to improving revenue generation efforts.
- **Enhancing Knowledge and Skills.** Although behavioral competencies are highly rated, knowledge and skills in fiscal administration show room for improvement. To address this, focused training sessions should be provided on technical fiscal management topics, such as budgeting and financial reporting. Additionally, offering continuous professional development and certification programs will ensure that employees are equipped with the necessary skills and up-to-date knowledge to perform their duties effectively.
- **Strengthening the Link Between Practices and Competencies.** The moderate positive correlation between fiscal administration practices and competencies suggests that improving staff skills can enhance fiscal performance. It is recommended to align competency development with fiscal goals by integrating targeted training programs into the implementation of fiscal reforms. Regular performance reviews and feedback can ensure that employees are supported in enhancing their competencies, directly improving the LGU's fiscal outcomes.
- **Implementing the “Strengthening Public Fiscal Administration” Program.** Given the identified gaps in knowledge and skills, the proposed 12-month “Strengthening Public Fiscal Administration” program is essential. To maximize its effectiveness, the program should focus on both technical fiscal skills and good governance practices. Collaborations with national agencies and academic institutions will ensure high-quality training. Monitoring and evaluation should be integral to assess the program's impact on fiscal performance, with adjustments made based on feedback to maintain long-term improvements.

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