

Impact of Certifications and Advanced Degrees on Compensation in IT Companies in the Philippines

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Abstract

Nowadays, Information Technology (IT) ranks as one of the occupations that can give better compensation package in the Philippines and it is considered to be in high demand for skilled professionals. This demand is powered by the recent flourishing trends in technology and a shift towards digitization, particularly in the Internet of Things (IoT). Many aspects of these technologies are interconnected through sensors, networks, and software which are now accessible through the cloud. With the rapid expansion of the IT industry, competition among highly skilled professionals is also increasing. Because of that, some companies are now seeking individuals with impressive credentials or in some cases, prefer candidates with certifications or master's degrees. The motivation behind this study is to assess the influence of specialized certifications as well as advanced degrees like masters or doctoral degrees, in addition to the advantage of pursuing IT or Computer Engineering courses. This analysis aims to assess how these factors influence the compensation level compared to individuals without certifications or advanced degrees, and those not pursuing IT-related courses. By using quantitative methods, this study aims to determine whether obtaining certifications and advanced degrees can help influence employees to advance their career development or level and can lead to obtaining competitive salary packages. With the use of SmartPLS, the tested hypotheses indicate that certifications and advanced degrees significantly enhance job satisfaction, professional development, marketability, and career advancement opportunities in relation to higher compensation. Employees with certification validate skills and boost their credibility, while advanced degrees develop soft skills and contribute to promotions, especially in managerial roles.

Keywords

Certifications, Advance Degrees, SmartPLS, SEM Analysis, Compensation.