

Rationale :

The function of regulating employment relations between workers and management has been the mandate of the Department of Labor and Employment through the years, and in the pursuit thereof, the Department has exercise its inherent quasijudicial functions to insure compliance by the sectors with existing labor standards, rules and regulations. However, new approaches had emerged which will further enhance cooperation between the social partners through empowerment by encouraging them to address and resolve issues and concerns of their industry through social dialogue. In the process, minimize government intervention in the internal affairs of the industry to allow growth and provide employment opportunities. Government intervention has often stifled rather than allow growth of the business sector.

The 22-point agenda of the present administration hopes to provide new width in confronting setbacks in industries. Programs and deliverables of the Department are refined, endorsing tripartism or social partnership and encourage self-sufficiency.

Putting these into action, the Voluntary Code of Good Practices envisions to improve processes and approaches on labor and management relations by repositioning both management and labor to proactively promote its respective interests. It revisits corporate and social responsibilities of stakeholders, accountability on the part of labor and management, and set the standards of engagement.

It is in this context that the Voluntary Code of Good Practices came into being.

Declaration:

We, the undersigned stakeholders of the Business process outsource companies of Region 10, hereby bind ourselves faithfully to the agreements entered by the Information Communication Technology, Business Process Outsource Industry Tripartite Council (ICT BPO-ITC) and hereby declare our unwavering support to the advancement of the companies and the workers. We further signify our commitment to the following undertakings to ensure that all stakeholders will equitably take advantage of the fruits of the Business process outsource industry in the region.

Agreements

I. CONDITIONS OF WORK

A. GENERAL LABOR STANDARDS

The Industry shall comply with all statutory benefits required by law, social benefits and CBAs of workers' organization. Moreover, it shall endeavor to grant living wage when circumstances of the business undertaking allow.

- A.1 Ensure that workers are paid beyond or above the minimum wage and or commensurate to the nature and vulnerability of work. We shall maintain competitive rates beneficial and necessary to keep employee turnover low and profitability high.
- A.2 Small internet cafes shall submit to the Technical Advice Visit (TAV) program of DOLE for technical assistance in productivity;
- A.3 Call Centers Management shall require a training bond of not more than PhP6,000.00 to its outbound and inbound agents. The money is forfeited in favor of the aggrieved party;
- A.4 Regular rank and file representatives shall assist the DOLE inspectors in the conduct of General Labor Standards (GLS) and Occupational Safety and Health Standards (OSHS) inspection of contractors;
- A.5 Management undertakes to implement self-assessment to all its workers. In case of violation, principal should assert compliance of the law from the workers and continuous violation therein shall constitute termination of contract;
- A.6 The Industry shall not engage the employment of children below eighteen (18) years old as enunciated in the United Nations Convention on Human Rights of the child;
- A.7 In the effort to recognize gender sensitivity, separate comfort rooms for women and men in the workplace shall be established.



B. OCCUPATIONAL SAFETY AND HEALTH

The stakeholders shall ensure protection and well-being of every working man against work-related injury, sickness or death through a just and humane working condition. Pursuant to this commitment, the following activities shall be undertaken:

- B.1 Creation of a strong and working Occupational Safety and Health Committee (OSH) at the workplace that would oversee the implementation of OSH Standards, reportorial requirements to Bureau of Working Condition (BWC) and other issuances pursuant to Rule 1040 of the Occupational Safety and Health Standards;
- B.2 Comply with the provisions of Rule 1080, Personal Protective Equipment (PPE). All PPE shall be of the approved design and appropriate for the exposure and the work to be performed. Further, conduct consultation with users during LMC in coordination with OSHC, DOLE. OSHC shall extend its technical assistance in testing PPEs;
- B.3 Conduct worksite analysis annually or as the need arises with the assistance of DOLE;
- B.4 OSH signage and other OSH promotional materials or posters shall be visible in the work premises. Management shall conduct information dissemination and shall enjoin strict compliance with company policies;
- B.5 Companies shall formulate Drug Free Workplace Policy and Smoke free environment as a component of OSH program in compliance with Department Order No. 53-03;
- B.6 Pregnant or lactating women shall be discouraged to work on graveyard shift unless certified by a Physician that she is fit to work;
- B.7 Encourage agents to take a 15 minute break for the 1st and 2nd half of the shift and practice stress-reduction techniques in a venue provided by the company;



- B.8 Management shall look into short rotating shift for nightwork as an intervention to prevent cumulative fatigue and worsening of existing health conditions of workers;
- B.9 Management shall afford its workers with comfortable separate sleeping quarters for women and men working under graveyard shift;
- B.10 An Information Communication Technology, Business Process Outsource Industry Tripartite Council - Safety and Health Committee (ICT-BPO ITC-SHC) shall be created that would regularly monitor and address issues and concerns on OSH. OSHC-DOLE shall take an active part in the ICT BPO-ITC-SHC;
- B.11 ICT BPO-ITC shall have automatic representation before the OSH Network 10 or the Regional Tripartite Industrial Peace Council (RTIPC).

II. LABOR- MANAGEMENT RELATIONS

Management shall ensure security of tenure to its workers and observe workers rights to self-organization. Relative to this, the following practices shall be undertaken:

- a. Strictly observe due process relative to termination of employment on the ground of just and authorized causes pursuant to Book VI of the Labor Code;
- b. Management shall support and promote the creation of Labor Management Council (LMC) or the Family Welfare Program;
- c. Inform management and workers on its rights and obligations through Labor Management Education Program (LMEP) of DOLE;

- d. Any efforts on empowering women management shall:
 - *Promote Gender and Development Programs*
 - *Provide lactating room for working mothers*
- e. Educate workers on written company policy relative to administrative processes in disciplinary actions. Notice of violation shall be properly served to the worker and he or she shall be given equal opportunity to be heard of his or her defense;
- f. Management shall create a venue that is bi-partite in composition, represented by management and workers, which will address grievance from both sectors relative to imposition of penalties. This venue shall be outside the standard disposition of labor disputes provided in the Labor Code;
- g. The ICT BPO-ITC shall initiate the conduct of company orientation of Employees Compensation programs annually;
- h. Workers shall observe a degree of efficiency that will contribute substantially to the productivity of the company. Anent to this, constraints or hindrance to productivity e.g. absenteeism shall be strictly monitored by team leaders.
- i. The Department shall, upon summon by any party for any labor dispute, immediately consider the condition under the Alternative Intervention for Dispute Avoidance (AIDA);
- j. Labor and Management shall avail of the mediation or conciliation processes in the resolution of labor cases thru the DOLE's Single Entry Approach (SEnA) program.



III. SOCIAL PROTECTION

The ICT-BPO Industry shall ensure that all its workers are afforded social protection.

- a. Ensure SSS, PhilHealth and Home Mutual Development Fund (HMDF) coverage to all its workers and religious remittance of premiums;
- b. May provide benefits such as but not limited to:
 - *Annual physical examination*
 - *Annual drug test*
 - *Free meals during graveyard shift*
 - *Dental services and medicine allowance*
 - *In-house medical team*
 - *Productivity bonus*
 - *Bereavement and emergency leave*
 - *Conduct of weekly value formation*
 - *Trainings or Seminars*

IV. HUMAN RELATIONS AND PRODUCTIVITY

Management shall implement recognition and awards program to encourage productivity among its workers.

- a. Management shall endeavor to voluntarily advance the welfare of its workers in furtherance to the provision of the Philippine Constitution which is to provide labor their just share in the fruits of production. Anent to this, compensation shall be grounded on living wage;
- b. Performance incentive and similar bonuses shall be adopted as a policy of the industry whenever business conditions allow through the Productivity Council or Committee;

- c. Grant performance incentive to deserving outbound agents and formulate a scheme approved by management and workers' representatives and/or thru the LMCs;
- d. Management shall provide venue for grievance outside the standard processes. Labor-Management Cooperation, Anti-Sexual Harassment Committee and its likes shall be established;
- e. Workers shall ensure among their ranks degree of efficiencies in work performance and strive for optimum production in the operation towards the attainment of fair return of investments;
- f. Labor shall strictly follow company policies that are just, fair and equitable. Imposition of penalty relative to infractions shall be strictly adopted after compliance of due process;
- g. The culture of Occupational Safety and Health shall be upheld and recognized as a basic component for productivity. The Department, Occupational Safety and Health Center, OSH Network-10 and other Safety Organizations shall give full assistance to ensure safe and healthful working conditions;
- h. The DTI, CHED, TESDA, DOLE, PDEA, DOH and other Government Agencies shall assist the ICT-BPOs in terms of trainings to ensure competitiveness of workers globally and offer alternative employment in the future. Provisions of the following trainings but not limited to:
 - *Emotional Quotient*
 - *English Proficiency*
 - *Web Development*
 - *Search Engine Optimization*
 - *Anti-drug Symposium*
 - *Reproductive Health*
 - *Maternal and Child Healthcare*
 - *Healthy Lifestyle Program*
 - *Psycho-social care*
 - *Ensure Police visibility especially on day and nightshift of workers.*

- i. Ensure Police visibility on day and nightshift of workers.



V. SOCIAL DIALOGUE AND COLLABORATION AMONG INDUSTRY STAKEHOLDERS

- a. Avail of the tripartite mechanism and social dialogue in addressing the economic, social and labor issues affecting the ICT-BPO industry;
- b. Endeavor to advance the thrusts of the ICT BPO-ITC and benchmark industry best practices;
- c. Implement low cost improvement in work conditions which can eventually lead to improvement in productivity, safety and health, and the general well-being of the workers;
- d. ICT-BPOs outside Region-10 should observe ethical standards in conducting promotional activities, hiring and recruitment processes;
- e. Secure clearance from the Department of Labor and Employment Regional Office or nearest Provincial field Offices for recruitment and hiring processes pursuant to Department Order No.2 or guidelines for the conduct of Jobs Fair.

VI. ACHIEVING CODE OBJECTIVES THROUGH THE ICT BPO-ITC, ADVOCACY AND EDUCATION

All stakeholders shall undertake activities and programs to achieve the Objectives of this Code and make the same workable and achievable thru a tripartite multi-agency approach.

- a. The ICT BPO-ITC conducts quarterly meetings to implement and advance the plans and commitment of the Code;
- b. Workplace information dissemination on this Code and other advocacies shall be undertaken;
- c. The Technical Education and Skills Development Authority, Region 10 (TESDA-10) shall conduct trainings and skills certification activities for the industry's workers;
- d. The BPO ICT-ITC shall develop a feedback mechanism between or among stakeholders;
- e. The Department of Labor and Employment, Region 10 (DOLE-10) shall provide technical assistance, education, learning session, monitoring and evaluation and other related concerns.



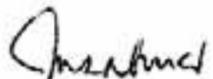
VII. MONITORING, EVALUATION AND REPORTING

The Information Communication Technology-Business Process Outsource Industry Tripartite Council (BPO-ITC) shall conduct its quarterly meetings and evaluation, and closely coordinate and report to DOLE-10 any development of its respective commitments.

On top and beyond the provisions and requirements of the Labor Code, we, the undersigned stakeholders of the Business Process Outsource Industry of Region 10, signify our pledge to advance the aspirations of this Code and continuously strive towards good practices of the Industry.

WITNESS our hand this Day _____ in the City of Cagayan de Oro.


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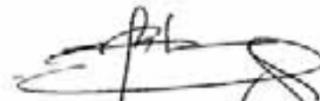

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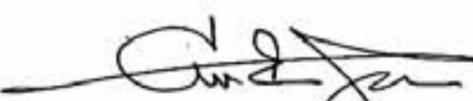
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**BUSINESS PROCESS OUTSOURCE
INDUSTRY TRIPARTITE COUNCIL
PROJECT/ACTIVITY MONITORING AND EVALUATION REPORT**

This is a monitoring tool purposely used to measure and ascertain the Voluntary Code of Good Practices in the ICT-BPO Industry to the stakeholders. This will measure the effectiveness and efficiency of activities or plans of action to specific target. Result of this will assist in formulating strategies, policies that will improve project implementation and ensure sustainability geared towards alleviating poverty and eventually creation of employment in a specific area.

PRIORITY AREA	KEY ACTIVITIES	TARGET OUTPUT	STRATEGIC OBJECTIVE	TIME FRAME	RESPONSIBLE PARTNER AGENCY	ACHIEVED OR NOT	REASON/S (If Not Achieved)	REMARKS
Labor-Management Relations								
Conditions of Work and Occupational Safety and Health								
Employment Security								
Corporate Citizenship								
Advancing the Role of Women								
Social Dialogue								
Social Protection								
Advocacy and Education								

Submitted by: _____

Position: _____

Name of Company/Agency: _____

Date: _____

Noted by: (Head of Office)