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## 2015/2016 INDUSTRY PROFILE: **Business Process Outsourcing** (First of a series)

**This industry profile covers the following topics on labor and employment:**

### EMPLOYMENT (June 30, 2016)

1. Number of establishments
2. Employment
3. Category of workers
4. Specific groups of workers
  - Young workers
  - Female workers
  - Persons with disabilities (PWDs)
  - Workers paid the exact minimum wage
  - Time-rated workers
  - Output-rated workers
  - Graveyard/Shift workers
5. Establishments Engaged in Subcontracting
6. Job vacancies (Jan. 2015-June 2016)
  - Easy-to-fill vacancies
  - Hard-to-fill vacancies
  - Reasons why vacancies are hard-to-fill

### UNIONISM AND COLLECTIVE BARGAINING (June 30, 2016)

7. Unionism and Collective bargaining

### OCCUPATIONAL SAFETY AND HEALTH PRACTICES (2015)

8. Preventive and Control Measures Against Work Safety and Health Hazards
9. Occupational Safety and Health Policies/Programs
10. Work Safety and Health-Related Trainings/Seminars
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### OCCUPATIONAL INJURIES AND DISEASES (2015)

12. Measures of Safety Performance
13. Cases of Occupational Injuries with Workdays Lost
14. Occupational Diseases

### Background

This issue of LABSTAT Updates is the first in a six-part series of industry profiles that features key industries with strong employment generation potentials. Statistics in this report were culled from the results of the 2015/2016 *Integrated Survey on Labor and Employment (ISLE)* – a nationwide sample survey covering 12,926 establishments with 20 or more workers.

### EMPLOYMENT

#### Number of Establishments

- As of June 30, 2016, a total of 851 establishments were registered under business process outsourcing (BPO) industry. Majority or 96.0 percent of these establishments were engaged in call center activities with 429 or 50.4 percent and computer related activities with 393 or 46.2 percent.

#### Employment

- The total number of persons employed in BPO industry was estimated at 575,600 of which nearly seven out of every eight employees (87.6% or 504,227) worked in the call center companies. Twelve percent (11.6%) were involved in computer-related activities, while the rest were employed in medical transcription (0.5%) and animated films and cartoon production (0.3%).

#### Category of Workers

- The (BPO) industry workforce was composed mainly of rank and file employees at 89.0 percent or 512,555. Managers/executives and supervisors/foremen accounted for less than 10 percent (3.4% and 7.6%, respectively). Meanwhile, working owners and unpaid workers shared the remaining less than one percent of the total employment (0.03% or 156).
- Regular workers comprised the bulk (77.7% or 398,447) of the total rank and file workers. The rest (22.3% or 114,108) were non-regular workers which composed of probationary workers (74.1% or 84,584); contractual/project-based workers (22.1% or 25,242); seasonal workers (2.6% or 2,957); and casual workers (1.1% or 1,300).

### **Specific Group of Workers**

- About five out of eight (64.7% or 372,515) of the industry workers were young at age ranging from 15-30 years old. Female workers comprised more than half (54.3% or 312,654) of the total employment.
- Almost all of the total workforce were time-rated workers at 99.8 percent or 574,683. Majority of which were full-time workers (99.6% or 573,394) who were paid on monthly basis (85.5% or 489,986); hourly basis (9.8% or 56,592) and daily basis (4.70% or 26,816). Only 0.2 percent or 1,290 of the total employment were part-time workers in this industry.
- One-third (33.2% or 191,154) of the total BPO employees worked in the evening or graveyard shifts. Of these, 92.6 percent were employed at the call centers. Workers paid the exact minimum wage were estimated at 17,814 or 3.1 percent of the total workforce.
- Meanwhile, output-rated workers and persons with disabilities (PWDs) were both posted at less than one percent of the total workforce.

### **Establishments Engaged in Subcontracting**

- Three-fifth (53.0% or 451) of total establishments outsourced the services of 29,922 agency-hired workers.
- One out of every six establishments (16.2% or 138) was engaged in subcontracting activities outside their premises.

### **Job Vacancies**

- A total of 230,025 job vacancies were reported from January 2015 to June 2016. The bulk of these vacancies were easy-to-fill occupations (83.3% or 191,486) while the rest were hard-to-fill occupations (16.8% or 38,538).
- Six out of every ten hard-to-fill occupations (62.1% or 23,926) were contact centre information clerks. The other top hard-to-fill occupations include advertising and public relations managers (2,688); software developers (2,113); contact centre salesperson (964); and sales and marketing managers (810).
- The establishments reported the following reasons why vacancies are hard-to-fill: hard-to-fill vacancies cited the lack of needed competency/skill among applicants (805); no/few applicants applied for the job (242); applicants expect high salary (238); and applicants lack years of experience (138).

### **UNIONISM AND COLLECTIVE BARGAINING**

- The BPO industry remained to be union-free sector with no reported unionized establishment in 2016.

### **OCCUPATIONAL SAFETY AND HEALTH PRACTICES: 2015**

#### ***Preventive and Control Measures Against Work Safety and Health Hazards***

- Several preventive and control measures against work safety and health hazards were undertaken by the 845 establishments in 2015 to ensure the welfare of its workers. Nine out of every 10 (93.4%) BPO establishments appointed safety/health officers and/ or first-

aiders at the workplace. Most establishments (87.8%) had conducted emergency response preparedness activities for earthquake, fire, chemical spills, etc. and implemented smoke-free workplace.

- Meanwhile, six out of every seven establishments conducted periodic/annual medical examination for the benefit of their workers (86.6%).

### ***Occupational Safety and Health Policies/Programs***

- The following occupational safety and health policies/programs were implemented by most BPO establishments in 2015: fire prevention and control program (83.0%); drug-free workplace (79.1%); and emergency response preparedness (77.6%).

### ***Work Safety and Health-Related Trainings/Seminars***

- Work safety and health-related trainings/seminars were provided to employees to make them more informed and equipped on work-safety and health-related matters. Among the various trainings/seminars that BPO establishments conducted in 2015 include fire safety training (70.1%); emergency preparedness (52.0%); and 40-hour basic occupational safety and health training (44.7%).
- Other work safety and health-related trainings/seminars conducted include drug-free workplace training (38.1%); stress management (29.3%); HIV and AIDS prevention and control in the workplace (28.6%); smoke-free workplace/ tobacco control in the workplace (28.5%) and tuberculosis prevention (24.9%).

### ***Designated Health and Safety Personnel***

- Trained first-aiders (58.5% or 494) were the designated health and safety

personnel in majority of establishments in the BPO industry in 2015. Other BPO establishments assigned occupational health registered nurses (44.9% or 379) and safety officers accredited by the DOLE (36.0% or 304) as their health and safety personnel.

- Other establishments assigned occupational health physicians (29.9% or 253) for the purpose.

## **OCCUPATIONAL INJURIES AND DISEASES: 2015**

### ***Measures of Safety Performance***

- The BPO industry registered a total of 257 cases of occupational injuries in 2015. Most of the affected workers (86.4% or 222) were employed in call centers.
- Nine out of every 10 (91.8%) occupational injuries were cases without workdays lost while the remaining 8.2 percent were temporary incapacity cases.
- The frequency rate of cases of occupational injuries with workdays lost causing temporary incapacity was posted at less than 1 percent (0.01%).
- The incidence rate for these temporary incapacity cases was recorded at 0.01 percent, which means that there were 10 cases of occupational injuries with workdays lost for every 1,000 workers in the BPO industry.
- Meanwhile, severity rate was posted as 54.01 percent or 54 workdays lost of cases of occupational injuries resulting to temporary incapacity per 1,000,000 employee-hours of exposure.
- Overall, an average of five workdays were lost per temporary incapacity case.

### **Cases of Occupational Injuries with Workdays Lost**

#### **Types of Injury**

- Three out of every seven occupational injuries in the BPO industry in 2015 were dislocations, sprains and strains (42.9% or 9). Other types of occupational injuries include; superficial injuries and open wounds (33.3%) and foreign body in the eye (23.8%).

#### **Parts of the Body Injured**

- The most common parts of the body injured in most employees were the lower extremities (52.4%). This was followed by the head (38.1%) and arm and shoulder (4.8%).

#### **Causes of Injury**

- More than half of the injuries in the BPO industry are caused by stepping on, striking against or struck by objects, excluding falling object (52.4%).
- Other causes of occupational injuries include falls of persons (28.6%) and being struck by falling objects (19.0%).

#### **Agents of Injury**

- Occupational injuries in the BPO industry were due to human, animals, plants, etc. (38.1%) and machines, equipment (33.3%).

- The rest of the injuries were caused by buildings, structures (23.8%) and conveying/transport/packaging equipment or vehicles (4.8%).

#### **Cases of Injuries by Occupation**

- Craft and related workers (47.6%) followed by professionals (38.1%) were the most injured in the BPO establishments. While the rest were clerks (14.3%).

#### **Occupational Diseases**

- A total of 32,221 cases of occupational diseases were recorded in the BPO industry in 2015. Majority (97.0% or 31,269) of these occupational diseases afflicted workers in call centers.
- During the year, many of the workers in the BPO industry experienced back pains which accounted for 23.9 percent of the total occupational diseases. Other common types of occupational diseases include occupational lung disease (16.3%); occupational asthma (13.5%); other work-related musculoskeletal ailments (11.7%); neck shoulder pain (11.1%) and essential hypertension (1.3%).

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#### **FOR INQUIRIES**

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Regarding other statistics, contact **KNOWLEDGE MANAGEMENT AND COMMUNICATIONS DIVISION** at 462-6600 local 834

Or visit our website at <https://www.psa.gov.ph/labstat-updates>

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### Selected Labor and Employment Indicators on Business Processing Outsource Industry in the Philippines: 2015/2016

INDICATOR	TOTAL	Call Center Activities (Voice)	Medical Transcription	Computer Related Activities	Animated Films and Cartoon Productions
<b>1. Number of Establishment (2016)</b>	851	429	20	393	9
<b>2. Total Employment (2016)</b>	<b>575,600</b>	<b>504,227</b>	<b>2,727</b>	<b>66,988</b>	<b>1,657</b>
<b>3. Category of Employment</b>					
Working owners/Unpaid workers	156	64	4	82	6
Employees	575,444	504,163	2,723	66,906	1,652
• Managers/Executives	19,359	13,819	110	5,371	60
• Supervisors/Foremen	43,531	35,166	134	8,155	76
• Rank and File Workers	512,555	455,178	2,479	53,381	1,516
• Regular	398,447	352,088	1,909	43,439	1,011
• Non-Regular	114,108	103,091	570	9,942	505
- Probationary Workers	84,584	79,040	257	5,173	113
- Casual Workers	1,300	1,049	-	251	-
- Contractual/Project-based Workers	25,242	20,285	313	4,251	392
- Seasonal Workers	2,957	2,707	-	250	-
- Apprentices/Learners	26	9	-	17	-
<b>4. Specific Groups of Workers</b>					
• Young workers (15 - 30 years old)	372,515	328,980	1,539	41,572	425
• Female workers	312,654	279,893	1,527	30,698	537
• Persons with Disabilities (PWDs)	211	158	7	46	-
• Workers paid the exact minimum wage	17,814	8,556	760	8,468	30
• Time-rated Workers	574,683	503,968	2,626	66,872	1,218
• Full-time Workers	573,394	502,714	2,626	66,836	1,218
- Hourly	56,592	54,211	-	2,381	-
- Daily	26,816	12,601	347	13,191	677
- Monthly	489,986	435,902	2,279	51,264	541
• Part-time Workers	1,290	1,254	-	36	-
• Output-rated Workers	424	131	97	34	162
• Graveyard Shifts Workers	191,154	177,124	643	13,029	358

INDICATOR	TOTAL	Call Center Activities (Voice)	Medical Transcription	Computer Related Activities	Animated Films and Cartoon Productions
<b>5. Establishments Engaged in Subcontracting</b>					
<i>Within the premises of the establishment</i>	51,264	51,264	51,264	51,264	51,264
- <i>Number of agency-hired workers</i>	29,922	26,911	31	2,944	37
- <i>Outside the premises of the establishment</i>	29,922	26,911	31	2,944	37
<b>6. Total Vacancies (January 2015-June 2016)</b>	230,025	217,058	527	12,431	9
• Easy-to-fill	191,486	184,127	229	7,126	5
• Hard-to-fill	38,538	32,931	299	5,305	4
<b>Top hard-to-fill vacancies</b>					
Contact Centre Information Clerks	23,926	23,825	1	100	-
Advertising and Public Relations Managers	2,688	2,688	-	-	-
Software Developers	2,113	204	4	1,905	-
Contact Centre Salespersons	964	964	-	-	-
Sales and Marketing Managers	810	791	-	18	-
Commercial Sales Representatives	600	435	-	165	-
Systems Analysts	592	47	-	545	-
Technical and Medical Sales Professionals (excluding ICT)	495	474	-	21	-
Computer Network Professionals	488	26	1	461	-
<b>Top reason why vacancies are hard-to-fill</b>					
Applicants lack needed competency/skill	805	422	5	376	3
No/few applicants applied for the job	242	78	8	155	-
Applicants expect high salary	238	131	12	95	-
Applicants lack years of experience	138	80	7	51	-

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INDICATOR	TOTAL	Call Center Activities (Voice)	Medical Transcription Activities	Computer-Related Activities	Animated Films and Cartoon Productions
<b>7. Unionism (2016)</b>					
Union density rate (%)	-	-	-	-	-
Union membership	-	-	-	-	-
<b>Number of Establishments (2015)</b>	<b>845</b>	<b>429</b>	<b>20</b>	<b>387</b>	<b>9</b>
<b>8. Prevention and Control Measures/Activities (2015)</b>					
- Appointed safety/health officers and/or first aiders	789	418	16	349	6
- Emergency response preparedness activities for earthquake, fire, chemical spills, etc.	742	405	17	311	9
- Smoke-free workplace	742	384	17	335	6
- Periodic/annual medical exam of workers	732	397	17	313	5
- Posting of safety signages or warnings	679	400	12	261	6
- Regular inspection and maintenance of equipment	662	362	12	281	7
- Dissemination of info materials on safety and health	623	364	13	240	6
- Organized safety and health committee	609	363	12	231	3
- Workers' orientation on safety and health hazards at work	603	362	14	221	6
- Trainings on safety and health for officers and workers	593	360	10	221	2
- Advocacy, education and training on drug-free workplace	586	356	8	220	2
- Maintenance of mechanical and electrical facilities	544	321	8	209	6
- Submission of required reports on illness/injuries to DOLE	544	322	11	209	2
- Perform corrective action programs and audits	521	316	9	193	3
- Random drug testing of officers and employees	518	316	6	193	3

INDICATOR	TOTAL	Call Center Activities (Voice)	Medical Transcription Activities	Computer-Related Activities	Animated Films and Cartoon Productions
<b>8. Prevention and Control Measures/Activities (2015) (cont'd)</b>					
- Provision of work accommodation measures to support workers with TB	510	323	11	172	4
- HIV and AIDS education in the workplace	472	310	7	154	1
- Hepatitis B education in the workplace	439	275	6	157	1
- Regular monitoring of hazards such as chemicals, noise and heat in work areas	434	265	9	157	3
- Use of safety manuals, labels or maintenance procedures	421	275	9	134	3
- Adoption of DOTS (Directly Observed Treatment Short Course) in management	329	225	3	99	2
- Practice proper handling of chemicals/hazardous materials . . .	289	203	4	81	1
- Provision of appropriate personal protective equipment (PPE) such as hard hat	279	185	2	91	1
- Installation of machine guards on moving parts/equipment	256	161	3	91	1
- Use of safety data sheet for chemicals	241	183	3	54	1
- Others	3	3	-	-	-
<b>9. Occupational Safety and Health Policies/ Programs (2015)</b>					
- Fire Prevention and Control Program	701	378	14	301	8
- Drug-Free Workplace Policy and Program	668	381	12	272	3
- Emergency Response Preparedness Program	656	375	14	260	7

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INDICATOR	TOTAL	Call Center Activities (Voice)	Medical Transcription Activities	Computer-Related Activities	Animated Films and Cartoon Productions
<b>9. Occupational Safety and Health Policies/ Programs (2015) (cont'd)</b>					
- Anti-Sexual Harassment Policy	647	354	11	278	4
- Anti-Sexual Harassment Program	600	344	11	241	4
- Healthy Lifestyle Program such as smoking cessation, regular physical exercise, good nutrition and stress management	576	347	12	214	3
- Accident Prevention Program	477	288	7	180	2
- HIV and AIDS prevention and control policy and program	476	318	9	148	1
- Policy on Non-Discrimination of Workers who have/had PTB	455	292	10	152	1
- Policy on non-discrimination of workers confirmed/suspected/perceived to have HIV	452	297	7	147	1
- Monitoring/surveillance of occupational and work-related injuries and illnesses	439	279	11	147	2
- Policy on non-discrimination of workers confirmed/suspected/perceived to have Hepa B	438	291	8	139	1
- Hepatitis B Prevention and Control Policy and Program	410	265	7	137	1
- Tuberculosis Prevention and Control Program	410	282	6	121	1
- Employee Assistance Program related to substance abuse, to include treatment, rehabilitation and referral services	340	235	5	99	1

INDICATOR	TOTAL	Call Center Activities (Voice)	Medical Transcription Activities	Computer-Related Activities	Animated Films and Cartoon Productions
<b>9. Occupational Safety and Health Policies/ Programs (2015) (cont'd)</b>					
- Indoor air quality program	285	172	7	105	1
- Ergonomics program	276	195	5	74	2
- DOLE approved construction safety and health program	257	149	5	101	2
- Chemical safety program such as provision of Globally Harmonized System labels	139	87	-	51	1
- Hearing conservation program	136	86	6	43	1
- Others	9	9	-	-	-
<b>10. Work Safety and Health-Related Trainings/ Seminars</b>					
- Fire Safety Training	592	320	11	257	4
- Emergency Preparedness	439	272	6	156	5
- 40-Hour Basic Occupational Safety and Health Training	378	218	9	149	2
- Drug-Free Workplace Training	322	220	3	98	1
- Stress Management	248	168	2	75	3
- HIV and AIDS Prevention and Control in the Workplace	242	191	2	49	-
- Smoke-Free Workplace/Tobacco Control in the Workplace	241	157	4	78	2
- Tuberculosis Prevention	210	143	1	66	-
- Prevention and Control	198	144	-	54	-
- Hepatitis B Prevention	191	130	1	60	-
- Safety Audit	163	125	-	38	-
- OSH Management System	154	121	-	33	-





### Selected Labor and Employment Indicators on Business Processing Outsource Industry in the Philippines: 2015/2016

INDICATOR	TOTAL	Call Center Activities (Voice)	Medical Transcription Activities	Computer-Related Activities	Animated Films and Cartoon Productions
<b>13. Cases of Occupational Injuries with Workdays Lost</b>					
• <b>By Type of Injury</b>					
Dislocations, sprains and strains	9	4	-	5	-
Superficial Injuries and open wounds	7	3	-	4	-
Foreign body in the eye	5		-	5	-
• <b>By Part of the Body Injured</b>					
Lower Extremities	11	4	-	7	-
Arm and shoulder	1		-	1	-
Head	8	3	-	5	-
• <b>By Cause of Injury</b>					
Stepping on, striking against or struck by objects, excluding falling objects	11	6	-	5	-
Falls of persons	6	1	-	5	-
Struck by falling objects	4	-	-	4	-
• <b>By agent of Injury</b>					
Human, animals, plants, etc.	8	3	-	5	-
Machines, equipment	7	3	-	4	-
Buildings, structures	5		-	5	-
Conveying/Transport/ Packaging equipment or vehicles	1	1	-	-	-
• <b>By Major Occupation</b>					
Professionals	8	4	-	4	-
Craft and related workers	10	10	-	-	-

INDICATOR	TOTAL	Call Center Activities (Voice)	Medical Transcription Activities	Computer-Related Activities	Animated Films and Cartoon Productions
<b>14. Occupational Diseases (2015)</b>	32,221	31,269	24	928	-
Occupational dermatitis	993	969	-	24	-
Occupational asthma	4,342	4,305	-	37	-
Occupational Lung disease	5,268	5,266	-	2	-
Other work-related musculo skeletal	3,784	3,745	-	39	-
Heat stroke, cramps, exhaustion	7	7	-	-	-
Chiblain, frostbite, freezing	7	7	-	-	-
Cataract	4	4	-	-	-
Cardio-vascular diseases	353	352	-	1	-
Essential hypertension	3,318	3,124	-	194	-
Carpal tunnel syndrome	507	456	1	50	-
Shoulder tendinitis	628	538	1	89	-
Neck-shoulder pain	3,587	3,410	8	169	-
Back pain	7,709	7,428	14	267	-
Deafness	3	3	-	-	-
Tuberculosis	424	370	-	54	-
Other Infections	1,287	1,285	-	2	-

Source of data: Philippine Statistics Authority, 2015/2016 ISLE.