



## Survey on Human Resource Management Practices

*(First of a three-part series focusing on the most popular  
HR programs)*

### INTRODUCTION

Human resources management (HRM) is a business practice that is aimed at improving the overall workforce productivity performance. Said management instrument is being adopted regardless of whether the firm is small or large.

HRM encompasses a broad range of activities. Among its key components are staffing patterns, recruitment and training, career development and performance evaluation. It likewise includes employee welfare programs and the setting of rules that are designed to ensure personnel compliance with company policies and regulations.

This issue of LABSTAT Updates presents the highlights of the "Survey on Human Resource Management Practices" based on the replies of 400 large enterprises in the National Capital Region. The respondents were drawn from the List of Top 5,000 Enterprises in the Philippines as compiled by the Securities and Exchange Commission (SEC). Data collection was conducted by the Bureau of Labor and Employment Statistics (BLES) from October to December 2007 as a rider questionnaire to the 3rd quarter 2007 Labor Turnover Survey (LTS).

Specifically, this report presents insights on the various HRM practices among large business enterprises; the manner in which companies communicate their policies and code of ethics to their workforce; and the current human resource (HR) issues and concerns that are of utmost importance to the companies.

### SURVEY RESULTS

#### *HR Program present in almost all of the responding companies*

- Virtually all of the responding enterprises to this survey implement an HRM program – 369 or 92.2% of the total 400 respondents.

**TABLE 1 – Existence of Human Resource Development Program in Large Enterprises in National Capital Region: 3<sup>rd</sup> Qtr. 2007**

Item	No.	% Share
<b>Total Respondents</b>	<b>400</b>	<b>100.0</b>
Yes	369	92.2
No	31	7.8

Source of data: BLES, LTS 3<sup>rd</sup> Quarter 2007.

- The absence of HRM program was reported in only 7.8% or 31 respondents, most of them engaged in wholesale and retail trade (14), manufacturing (6) and construction (4). (Table 6)
- This finding is not at all that surprising considering that most of the respondents to this survey were big business organizations that manage large volume of people.
- About six out of every seven enterprises (343 or 85.8%) employed a full time HR Manager or Director – this underscores the importance of HR department which have gained in status in recent years. (Table 7)
- Some 57 enterprises do not have an HR Manager. This responsibility oftentimes is assumed by the owner or official of the company.

Item	No.	% Share
<b>Total Respondents</b>	<b>400</b>	<b>100.0</b>
Yes	343	85.8
No	57	14.2

Source of data: BLES, LTS 3<sup>rd</sup> Quarter 2007.

**Staff training and employee welfare are the most popular HR programs**

- The content of HR program varied across industries with staff training and employee welfare as the most common component. They were found in 93.2% (344) and 78.9% (291) of the 369 respondents with existing HR program, respectively.

- Less popular HR programs implemented in some industries were performance management program (68.3% or 252) and career development/succession planning program (55.6% or 205).

Type	No.	% Share
<b>All Types</b>	<b>369</b>	<b>100.0</b>
Staff Training	344	93.2
Employee Welfare Program	291	78.9
Performance Management	252	68.3
Career Development/ Succession Planning	205	55.6

Note: Multiple responses allowed.  
Source of data: BLES, LTS 3<sup>rd</sup> Quarter 2007.

- Performance management was prevalent in electricity, gas and water supply (91.7%) and financial intermediation (80.0%). On the other hand, career development program was most popular in financial intermediation (77.5%), hotels and restaurants (76.9%) and electricity, gas and water supply (75.0%). (Table 8)

**Skills upgrading as primary objective of staff training**

- Skills upgrading is part of the continuous process improvement in many of the enterprises covered by the survey (94.5% or 325). The objective is to upgrade the competency and competitiveness of their workforce.
- Other training objectives cited were attitudinal or behavioral change (70.3% or 242) and adoption of new technology (66.9% or 230).

- The proportion of respondents which provided trainings for adoption of new technology was posted highest in electricity, gas and water supply (91.7%). Following far behind were financial intermediation (79.5%) and manufacturing (71.6%). (Table 9)
- Family socials/welfare activities (e.g., family day) were part of the welfare program in 59.1% (172) of the respondents. Also popular was the conduct of socials, arts and craft events (44.3% or 129).
- Other forms of welfare programs found in only few enterprises were health programs (37.1% or 108) and financial assistance programs (2.4% or 7).

Objective	No.	% Share
<b>Total Respondents</b>	<b>344</b>	<b>100.0</b>
Skills upgrading	325	94.5
Attitudinal/ Behavioral Change	242	70.3
Adoption of New Technology	230	66.9
Others	8	2.3

Note: Multiple responses allowed.  
Source of data: BLES, LTS 3<sup>rd</sup> Quarter 2007.

**Employee welfare programs are mostly focused on promotion of healthy workforce**

- Employee welfare program was largely dominated by sport events or activities that aim to promote a healthy workforce and build a sense of belongingness and team work in the workplace. This was reported by 80.8% (235) of the respondents.

Component	No.	% Share
<b>Total Respondents</b>	<b>291</b>	<b>100.0</b>
Sports	235	80.8
Family Socials/Welfare	172	59.1
Socials, Arts & Crafts	129	44.3
Health	108	37.1
Financial Assistance	7	2.4

Note: Multiple responses allowed.  
Source of data: BLES, LTS 3<sup>rd</sup> Quarter 2007.

**FOR INQUIRIES:**

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**TABLE 6 – Existence of Human Resource Development Programs in Large Enterprises by Major Industry, National Capital Region: 3<sup>rd</sup> Quarter 2007**

Major Industry	Total Respondents	Yes		No	
		No.	% Share	No.	% Share
<b>All Industries</b>	<b>400</b>	<b>369</b>	<b>92.2</b>	<b>31</b>	<b>7.8</b>
Manufacturing	102	96	94.1	6	5.9
Electricity, Gas and Water Supply	12	12	100.0	0	0.0
Construction	28	24	85.7	4	14.3
Wholesale and Retail Trade	127	113	89.0	14	11.0
Hotels and Restaurants	14	13	92.9	1	7.1
Transport, Storage and Communications	23	22	95.7	1	4.3
Financial Intermediation	42	40	95.2	2	4.8
Real Estate, Renting and Business Activities	34	32	94.1	2	5.9
Other Industries	18	17	94.4	1	5.6

Source of data: BLES, LTS 3<sup>rd</sup> Quarter 2007.

**TABLE 7 – Presence of Human Resource Manager/Director in Large Enterprises by Major Industry Group, National Capital Region: 3<sup>rd</sup> Quarter 2007**

Major Industry	Total Respondents	Yes		No	
		No.	% Share	No.	% Share
<b>All Industries</b>	<b>400</b>	<b>343</b>	<b>85.8</b>	<b>57</b>	<b>14.3</b>
Manufacturing	102	89	87.3	13	12.7
Electricity, Gas and Water Supply	12	12	100.0	-	-
Construction	28	20	71.4	8	28.6
Wholesale and Retail Trade	127	101	79.5	26	20.5
Hotels and Restaurants	14	13	92.9	1	7.1
Transport, Storage and Communications	23	23	100.0	-	-
Financial Intermediation	42	39	92.9	3	7.1
Real Estate, Renting and Business Activities	34	29	85.3	5	14.7
Other Industries	52	17	32.7	1	1.9

Source of data: BLES, LTS 3<sup>rd</sup> Quarter 2007.

**TABLE 8 – Types of Human Resource Development Programs in Large Enterprises by Major Industry Group, National Capital Region: 3<sup>rd</sup> Quarter 2007**

Major Industry	Total Respondents	Staff Training		Employee Welfare Program		Performance Management		Career Development/ Succession Planning	
		No.	% Share	No.	% Share	No.	% Share	No.	% Share
<b>All Industries</b>	<b>369</b>	<b>344</b>	<b>93.2</b>	<b>291</b>	<b>78.9</b>	<b>252</b>	<b>68.3</b>	<b>205</b>	<b>55.6</b>
Manufacturing	96	88	91.7	76	79.2	67	69.8	54	56.3
Electricity, Gas and Water Supply	12	12	100.0	12	100.0	11	91.7	9	75.0
Construction	24	19	79.2	16	66.7	11	45.8	11	45.8
Wholesale and Retail Trade	113	106	93.8	81	71.7	74	65.5	56	49.6
Hotels and Restaurants	13	12	92.3	9	69.2	9	69.2	10	76.9
Transport, Storage and Communications	22	22	100.0	18	81.8	12	54.5	14	63.6
Financial Intermediation	40	39	97.5	38	95.0	32	80.0	31	77.5
Real Estate, Renting and Business Activities	32	30	93.8	26	81.3	24	75.0	13	40.6
Other Industries	17	16	94.1	15	88.2	12	70.6	7	41.2

Notes: 1. % share is the share of each item to total respondents in each industry.

2. Multiple responses allowed.

Source: BLES, LTS 3<sup>rd</sup> Quarter 2007.

**TABLE 9 – Objectives of Staff Training Component of the Human Resource Development Programs in Large Enterprises by Major Industry Group, National Capital Region: 3<sup>rd</sup> Quarter 2007**

Major Industry	Total Respondent	Skills Upgrading		Attitudinal/ Behavioral Change		Adopt to New Technology		Others	
		No.	% Share	No.	% Share	No.	% Share	No.	% Share
<b>All Industries</b>	<b>344</b>	<b>325</b>	<b>94.5</b>	<b>242</b>	<b>70.3</b>	<b>230</b>	<b>66.9</b>	<b>8</b>	<b>2.3</b>
Manufacturing	88	82	93.2	56	63.6	63	71.6	-	-
Electricity, Gas and Water Supply	12	11	91.7	8	66.7	11	91.7	-	-
Construction	19	19	100.0	11	57.9	13	68.4	2	10.5
Wholesale and Retail Trade	106	98	92.5	81	76.4	60	56.6	3	2.8
Hotels and Restaurants	12	12	100.0	8	66.7	8	66.7	1	8.3
Transport, Storage and Communications	22	20	90.9	13	59.1	15	68.2	-	-
Financial Intermediation	39	38	97.4	33	84.6	31	79.5	2	5.1
Real Estate, Renting and Business Activities	30	30	100.0	21	70.0	20	66.7	-	-
Other Industries	16	15	93.8	11	68.8	9	56.3	-	-

Notes: 1. % share is the share of each item to total respondents in each industry.

2. Multiple responses allowed.

Source: BLES, LTS 3<sup>rd</sup> Quarter 2007.

**TABLE 10 – Components of Employee Welfare Programs in Large Enterprises  
by Major Industry Group, National Capital Region: 3<sup>rd</sup> Quarter 2007**

Major Industry	Total Respondents	Sports		Family Socials/Welfare		Socials, Arts and Crafts		Health		Financial Assistance	
		No.	% Share	No.	% Share	No.	% Share	No.	% Share	No.	% Share
<b>All Industries</b>	<b>291</b>	<b>235</b>	<b>80.8</b>	<b>172</b>	<b>59.1</b>	<b>129</b>	<b>44.3</b>	<b>108</b>	<b>37.1</b>	<b>7</b>	<b>2.4</b>
Manufacturing	76	62	81.6	51	67.1	31	40.8	29	38.2	-	-
Electricity, Gas and Water Supply	12	12	100.0	6	50.0	8	66.7	4	33.3	-	-
Construction	16	11	68.8	5	31.3	6	37.5	2	12.5	1	6.3
Wholesale and Retail Trade	81	58	71.6	48	59.3	34	42.0	25	30.9	3	3.7
Hotels and Restaurants	9	7	77.8	4	44.4	2	22.2	4	44.4	-	-
Transport, Storage and Communications	18	14	77.8	11	61.1	5	27.8	7	38.9	2	11.1
Financial Intermediation	38	34	89.5	24	63.2	25	65.8	21	55.3	1	2.6
Real Estate, Renting and Business Activities	26	22	84.6	14	53.8	11	42.3	13	50.0	-	-
Other Industries	15	15	100.0	9	60.0	7	46.7	3	20.0	-	-

*Notes: 1. % share is the share of each item to total respondents in each industry.*

*2. Multiple responses allowed.*

*Source: BLES, LTS 3<sup>rd</sup> Quarter 2007.*