

Social Partnership Models: Challenges to IR Actors*

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Abstract:

With intensifying globalization, the past and present government administrators are focused in reducing poverty by preserving and creating jobs through industry competitiveness within a labor policy regime that promotes decent work. Skills-building and education programs, infrastructure development and reduced fiscal deficits are among the government's major concerns.

This paper is a documentation of good social partnerships among the industry and labor leaders in 16 companies to demonstrate an important adjustment strategy in coping with increased competition resulting from globalization.

The social partnership interventions and practices were categorized as mechanisms for employee consultation (committees mostly on health and safety, quality circles and labor-management committees), collective bargaining, employee participation in management (pension

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fund, employee cooperative, savings and loan association, employees' stock option program), and employee representation in governance and policy making. The practice of social partnership benefited both the workers and employers through: (1) increased productivity; (2) industrial peace—no strike and no lock-out, minimal to zero grievances, minimal union-initiated labor cases; (3) speedy collective bargaining negotiations, etc.; (4) better communications between labor and management; and (5) above industry compensation and benefits.

Globalization and technological advancements have intensified market competition in terms of higher levels of consumer standards for quality, efficiency, speed and cost-effective products and services. But many global enterprises transfer their labor intensive operations to the less developed countries and compete on the basis of lower labor cost. This resulted to intensified contractualization and the race to the bottom wage rates which have been very detrimental to labor, resulting to jobless growth and poverty.

Kuruville and Erickson (2000) recommended another path where enterprises can compete on the basis of quality. The focus is on HRD-driven multi-skilling, employee participation and empowerment. In the Philippines, these firm-based adjustment measures include investments in HRD (53.3%) and improvement in quality of products and services (79.8%).¹

This paper discusses the concept and technologies of employer-labor social partnership as an alternative way of coping and growing under globalization. It cites good practices of various mechanisms in employer-labor partnership in the Philippines.

Employer-Labor Social Partnership

The social partnership between employers and labor requires cooperation and non-confrontational methods in resolving conflicts. There should be constant dialogues, communications and consultations on issues affecting their respective rights and interests. It should be a relationship founded on mutual respect, sincere commitment, and a genuine concern geared towards common goals of achieving productivity, competitiveness and decent work.

The leadership style should be participative (Theory Y) as shown in Chart 1. It is only in small and micro-enterprises which are mostly family enterprises where the Theory X paternalistic leadership style is acceptable.

However, in larger enterprises that are professionally managed, the more consultative and participative methods are mandated.

In the consultative decision-making process, management consults with the workers before deciding unilaterally. The IR process is applicable in bigger enterprises typically associated with the Japanese-style decision-making process. Labor here may be organized into trade unions. The common mechanism utilized are the labor-management committees (LMCs) and the quality circles (QCs).

In the bipartite or tripartite decision-making process, workers are organized into trade unions. Bipartism is basically a two-party collective bargaining system usually conducted in an enterprise or industry level. Tripartism, or three-party collective bargaining process, involves a conciliator, mediator or arbitrator to encourage voluntary settlement among the parties in conflict.

Chart 1. Leadership Styles, IR/HRM Practices, Types of Leaders and Philosophies



J. Gordon (1986)	Autocratic	Participative	Democratic	Laissez-Faire
IR/HRM Practices	Unilateral Decision Making/ Unitary	Consultative, Bi/Tripartite (QCs, TFs, LMCs, CNS, CBAs)	Work Councils, Co-determination, ESOPs	Committee System
Places where practiced	SMEs, developing countries	Japan, USA	Europe, Germany, USA	Socialist countries, state enterprises
Types of leaders	Dynastic, aristocrats	Middle class capitalist	Middle class capitalists & socialists	Socialists
Philosophies	Mercantilism, Protectionist	Classical liberal	Neo-classical	Socialist Mixed econ.

In a co-determination type of decision-making process, labor and management are represented in the policy-making body of a large enterprise. The workers, both unorganized and unionized, elect their representatives in a work council that will nominate labor's representatives in the governing board. Unlike the bipartite or tripartite process, the scope of powers of the work council goes beyond issues on wages and conditions of work. This IR process is typical in big enterprises in Germany. In the US, the adaptations of this IR process resulted into the Employees' Stock Option Programs (ESOPs).

In a committee system or self-management, the workers elect their representatives and leaders to management committees and other operating committees which will manage the enterprise. In the socialist countries where big enterprises are usually state enterprises, the ruling party (usually the communist or socialist party) plays a determining factor in the election of the members of the management committees. This system is also practiced in cooperative enterprises where member-employees can be elected to the governing bodies of the enterprise.

Mechanisms in Social Partnership

In the Philippines, the most common mechanisms used in social partnerships are LMCs, QCs, joint-consultation meetings, work teams, social compliance committees, CBA-initiated programs on productivity, ESOPs, work councils and such other joint programs or projects between employer and labor on productivity and decent work (Ponce-Pura, 2002). The philosophy in these cooperative approaches is to involve employees in the decision-making process on matters that would contribute to continuous improvement and attainment of organizational goals.²

Table 1 shows that worker participation in decision-making is popular in health and safety concerns, ranging from 44 to 69 per cent of all surveyed firms. Aside from safety and health committees, other mechanisms used are suggestion schemes, quality circles, productivity improvement committees, grievance machineries and LMCs. Grievance machineries are notably higher among unionized firms since this is mandatory provision in collective bargaining agreements. It is also noted that LMCs are present in more than 54 per cent of unionized establishments and 15 per cent of non-unionized firms.

Table 1. Mechanisms for Worker Participation in Decision and Policy-Making Processes in Non-agricultural Establishments Employing 20 or More (percentage covered by practice), 2003

Practices	Filipino-owned	Foreign-owned	w/ Foreign equity	Unionized	Non-unionized
Number surveyed	26,774	1,200	2,180	3,291	20,863
1. Safety & health committee	44.5%	69.1%	58.1%	61.1%	44.7%
2. Suggestion schemes	38.0	47.6	50.0	41.9	38.8
3. Quality & productivity circles	29.4	36.6	32.3	40.2	28.4
4. Productivity improvement committee	28.4	35.7	37.0	40.1	27.9
5. Grievance machinery	24.6	36.2	36.7	40.1	27.9
6. Labor management council/committee	18.4	24.2	35.9	54.4	14.9
7. Joint committee & task force	16.9	32.2	25.5	26.0	17.2
8. Others	1.5	--	--	--	--

Source of Data: BLES Integrated Survey 2004, Labstat Update, Dec. 2005

A QC is usually composed of small, permanent groups of employees who voluntarily meet to identify and handle organizational problems such as productivity, absenteeism or quality control. Members' participation in the QC is consultative or advisory in nature.³ On the other hand, an LMC is a "voluntary body composed jointly of representatives from workers and management who meet to identify and resolve issues of common interests and concerns" (Gatchalian, 1999). Some LMCs have evolved into mechanisms to enhance quality, productivity and competitiveness (Gatchalian, 2004).

For unionized firms, collective bargaining and joint consultation are forms of employee participation schemes. Worker cooperation in the introduction of efficiency-enhancing work practices is often generated through the agency of a union or a collective bargaining agreement.

Employee representatives in a work council (either elected by employees or selected by their union) are accorded information,

consultation and participative rights on matters affecting employee interest, such as regulation of work hours, fixing of performance related pay rates, or the monitoring of employee productivity, among other work concerns.

Self-managed work teams are high-performance groups of “multiskilled employees performing interrelated tasks” responsible for the complete processing or functioning of a product or service (Cummings and Worley, 2001). They are portrayed as a one-stop-shop with each team member expected to learn most if not all of the tasks or jobs under the team’s area of operation.

Reward systems, such as ESOP, profit or gain-sharing are combined with employee involvement initiatives in order to motivate employees towards higher productivity (Cummings and Worley, 2001). In the case of ESOP, companies promote a sense of ownership by issuing shares of stock to their employees as a form of incentive or positive stimulus to achieve strategic organizational goals (Aganon, 1997). All three reward systems encourage employees to think more like owners and support a culture of cooperation and commitment to corporate policies (Noe, Hollenbeck, Gerhart and Wright, 2000).

Other forms of employee involvement practices range from suggestion schemes, which provide opportunities for employees to propose innovative ideas to their managers in improving organizational effectiveness, to information-sharing schemes such as company journals and corporate videos (Parasuraman, 2001). Consultation meetings and multi-channel communication within the organization encourage employees to share their ideas for continuous work improvement.

Social Partnership in the Philippines

After a long period of political unionism and arbitration in the Philippines, collective bargaining and economic unionism (or the bipartite IR process) was introduced to the Philippines by the Americans through the Industrial Peace Act (RA 895) in 1953. The 1950s also signified the era of mercantilism and economic protectionism in the Philippines. The country grew at an average annual growth rate of 7-8 per cent and was regarded as the second fastest growing nation in Asia, next to Japan.

Protecting tertiary manufacturing industries through import substitution and institutionalizing collective bargaining were designed to make the Philippines an industrialized country and in the process empower the labor force.

After two decades, both the import substitution industrialization strategy and the bipartite system failed. The country's economy lagged behind as Asia was transformed as the fastest growing region in the world. Because industries failed to grow in the Philippines, trade unionism covered only a mere 12 per cent of the total labor force. As globalization deepened, trade unions further declined to 3 per cent. Legalism and the experiences of antagonistic relations with the employers might have contributed to this fast decline.

When the Philippines adopted a protectionist economic policy which Japan also did, the Americans were given parity rights. Indeed, according to Cesar Virata, three out of four processing enterprises set-up during the protectionist period in the 1950s were American and other foreign subsidiaries and joint ventures. In contrast to Japan where western technologies were copied, adopted and later innovated, western technologies were merely transferred by U.S. subsidiaries and joint ventures in the Philippines in order to avail of state protection and to achieve a market monopoly or oligopoly status. There were not much innovation and competition, no drive to compete in the export or global market.

We are now experiencing another opportunity to industrialize, this time through more liberalized, open and competitive economic policies. Foreign investments are coming in not because of parity rights, state protection, a captive local market or cheap labor. The Philippines can develop its competitive edge in skilled and empowered labor and productive enterprises.

New IR processes like the Japanese-inspired consultative management, US TQM and ESOPs, and Europe's work councils and co-determination system are being adapted in the country. This is in addition to the continuation of the collective bargaining system and tripartism in the Philippines.

LMC as a Form of Social Partnership in the Philippines

Joint labor-management initiatives were introduced during the early years of Martial Law under Policy Instruction No. 17 of May 31, 1976, LOI No. 688 of May 1, 1978 and the Batas Pambansa Blg. 130 (Labor Code of the Philippines) on August 21, 1981. The response of the IR actors was lukewarm due to lack of state support and initiative (Ziga, 2002).

During the crisis period after the fall of the Marcos regime in 1986, industrial strife became widespread as the workers right to

strike was restored by President Corazon Aquino. In order to bring back industrial peace, LMCs were incorporated in the Labor Code as “one of the identified vehicles to operationalize the new concept of collective negotiations introduced in the 1987 Constitution” (Gatchalian, 1999).

LMCs may have contributed to the industrial peace in the country despite the continuing crisis. The National Conciliation and Mediation Board of DOLE reported a consistent decline of strikes from 1986 to 2009. Labor strikes went below a hundred for the first time in 1994. In 2003, it was down to 38. In 2009, four strikes happened involving 1,510 workers with only 7,000 man-days lost (DOLE BLES, April 2010).

In 1991, 53 per cent of all CBAs have no strike/lock-out clauses. In addition to this, there are other mechanisms such as grievance machinery (81% of all CBAs), arbitration machinery (65%) and LMC scheme (29%).

In 2003, there were 227 LMCs which covered 6,193 workers in 256 establishments monitored by DOLE. In 2008, LMCs organized by both the DOLE BLR and NCMB totaled 316 covering 20,635 workers. Because of the non-adversarial character of the LMCs and considering that majority of the labor force were still unorganized, LMCs were promoted as an addition and/or enhancement to the collective bargaining in the country.

Table 2. Labor Management Councils/Committees (LMCs)
Organized in the Philippines

Year	1998	2000	2003	2008
Newly Organized	130	204	175	120 (BLR)
92 (NCMB)				
Establishment Covered	64	23	187	na
Workers Covered	3,961	3,835	5,057	18,560
Councils/Committees Reactivated	43	47	52	7 (BLR)
4 (NCMB)				
Establishment Covered	68	47	69	na
Workers Covered	1,254	1,202	1,136	435
Councils Organized in Non-organized Establishments (NCMB)	--	--	--	104
Workers Covered	--	--	--	1,637

Sources: 1998-2003 data from Bureau of Labor Relations, 2004 Yearbook of Labor Statistics; 2008 data from DOLE BLES 2010.

Gatchalian (1999) assessed that the LMCs in the country were still in the primitive state, more focused on the three S's- sports, socials and safety.

Workers' representations do not as yet have substantial influence in managerial decision-making on the more meaningful issues and concerns.

LMCs should have contributed to productivity as a result of substantial employee participation in management decision-making and a share in the resulting gains.

Further, LMCs should be transformed into "employee participation committees (EPCs)" (Gatchalian, 1999). The mechanisms of EPCs range from joint consultation as practiced in Japan, ESOPs and self-directed work teams (SDWTs) in the USA, to the work councils and co-determination in European Union and Germany.

TQM and Philippine Quality Award

In promoting international competitiveness and continuous improvement among Philippine enterprises following the TQM principles, the Philippine Quality Award (PQA) Act (RA No. 9013) was enacted in February 28, 2001 under President Fidel V. Ramos. Local entities and enterprises are encouraged to aspire for the PQA on a voluntary basis.

The PQA represents the highest quality award in Philippine workplaces that is based on global standards. It was patterned after the Malcolm Baldrige National Quality Award (MBNQA) of the U.S. It has counterpart quality awards in Australia, Japan, Singapore, Malaysia and Europe. The PQA has seven criteria as follows: (1) leadership; (2) strategic management; (3) customer focus; (4) measurement, analysis and knowledge management; (5) HRD focus; (6) process management and improvement; and (7) organizational results.

Effects and Outcomes of Social Partnership

Many studies on employer and labor partnership (Addison 2005; Ponce-Pura 2002; and Tuazon, 2007) have shown the positive effects and outcomes of employee involvement (QCs, LMCs, joint-consultation meetings, etc.), employee participation (work councils and union-

management cooperation), and employee co-ownership (ESOPs and gain-sharing plans). The three schemes are actually various forms of employer-labor social partnership.

Gatchalian (2004, pp. 67-74) documented two success stories of Philippine firms that have recovered from a deteriorating business performance through the application of an innovative LMC chiefly focused on quality enhancement and improved productivity. The first case study, Ebara Benguet, Inc. (EBI), introduced an LMC program fostering principles of social partnership and strategic management (called "Partnership for Quality, Productivity and Profitability" or PQP2). The program was implemented in four stages:

Phase I – Series of dialogues between the consultants, management and labor representatives; Phase II – Strategic Planning for Quality which resulted in organizing the Quality Steering Committee; Phase III – Promotion of PQP2 company-wide, with group training on problem-solving techniques, teamwork, principled CBA negotiations, etc. and the activation of the Quality Improvement Teams; and Phase IV – evaluation of the company situation utilizing previously agreed upon parameters.

To measure the impact of the intervention program, the study utilized the three parameters of production volume, rejection rate by weight, and profit and loss statement at period intervals. Quantitative results showed that production volume significantly increased, rejection rates by weight drastically reduced, bottom line profit reflected positive yield, while actual loss were reduced substantially.

The second case study, Enchanted Kingdom, adopted the same strategy employed at Ebara Benguet. Enchanted Kingdom showed patterns of positive business performance beginning the period when the "new LMC" approach was introduced. Noticeably, volume in park attendance increased by 5 per cent from the reckoning period.

Aganon (1997) documented the impact of employee ownership programs (EOPs) on organizational commitment and productivity levels of employees in four domestic firms. Results of her study revealed that EOPs can be instrumental in forging higher organizational commitment and greater productivity levels. It was noted however that worker participation in decision-making within respondents' firm was quite low. Nonetheless, a significant number (more than 40%) of respondents manifested higher work motivation and efficiency level under an EOP participation scheme.

Statistical data gathered from related social research on employee involvement and productivity likewise showed a direct relationship between the two variables. Case studies on Philippine productivity conducted by the National Productivity Commission revealed a positive correlation between employee participation and enhanced productivity. In the National Science Foundation survey of 75 field studies on worker participation, results showed that four out of five respondent firms engaged in employee involvement practices reported increase in productivity (Tuazon, 2007, pp. 46- 47).

Guanzon (2006) assessed the readiness of a top Philippine telecommunications company and three of its suppliers to comply with standards of Social Accountability 8000. This management-initiated intervention was intended not only to prepare the company for global competition but also to “guarantee the basic rights of workers and to improve their working conditions”. The focus of the study was on compliance with international standards of child labor, forced labor, health and safety, freedom of association and collective bargaining, discrimination, disciplinary practices, working hours, remuneration and management systems.

Guanzon concluded that the Philippine telecommunications company and two out of three suppliers studied obtained a high level readiness while its third supplier scored a lower level of readiness to SA 8000 standards.

Case Studies of Social Partnerships in the Philippines

Among the enterprises featured are the top 2007 LMC practitioners in unionized workplaces in the country, namely: Central Azucarera Don Pedro, Inc. (CADPI) of Nasugbu, Batangas; Energizer Philippines, Inc. (EPI or “Energizer”) of Mandaue, Cebu; Mabuhay Vinyl Corporation (MVC or “Mabuhay”) of Iligan City; and Del Monte Philippines, Inc. (DMPI or “Del Monte”) of Manolo Fortich, Bukidnon. These corporations were awarded by the National Conciliation and Mediation Board (NCMB) and the Philippine League of Labor Management Cooperation Practitioners, Inc. (PHILAMCOP) as the “2007 Outstanding LMCs for Industrial Peace” during the 6th National Convention on Labor-Management Cooperation at Punta Villa Resort in Iloilo City on November 28-29, 2007. CADPI, a three-time awardee, was given the Hall of Fame Award.⁴

Five urban-based non-manufacturing enterprises are outstanding practitioners of social partnership. These are the GMA Network, Inc. in Quezon City; Bank of the Philippine Islands headquartered in Makati City; Manila Electric Company in Pasig City; University of the Philippines in Quezon City; and SM Shoemart in Manila. In the regions, among the good practitioners are: in Northern Luzon, Holcim Philippines, Inc. in La Union and Coca Cola Bottlers Philippines in Ilocos Norte ; while in the South, Holcim Philippines, Inc. in Lugait, Misamis Oriental and Philippine Associated Smelting Corporation in Isabel, Leyte.

Table 3. Employer-Labor Social Partnership Mechanisms Utilized

Company	QC	LMC	CBA	Coop.	Enterprise	ESOP	ERGB
1. CADPI	QC/OSHC	LMC	CBA			ESOP	
2. Mabuhay	OSHC	IPC	CBA	Coop			
3. Energizer	TPM-AC	ERC	CBA				
4. DelMonte		LMC	CBA				
5. BPI	OSHC	LMC	CBA				
6. GMA	OSHC	LMC	CBA	Coop			
7. Meralco	OSHC	LMC	CBA	Coop	Mesala, etc	ESOP	
8. UP	Committee	Council	CNA	Coop	PF		BOR Reps
9. SM	OSHC		CBA				
10. Holcim	OSHC	LMC	CBA				
11. Pasar	OSHC	LMCC	CBA				
12. Coke	OSHC	WIP	CBA				
13. Ford	PP / SMT	OBM					
14. Moog	OSHC	ERC		Coop		PS	
15. SPI	OSHC	EC		Coop			
16. Unilab	OSHC	EC			UBF	PS	

Legend of Acronyms: ERGB- Employee Representation in the Governing Board; QC- Quality Circle; LMC- Labor Management Committee; CBA- Collective Bargaining Agreement; CNA- Collective Negotiations Agreement; Coop- Employees' Cooperative; ESOP- Employees Stock Option Plan; OSHC- Organizational Health and Safety Committee; Mesala- Meralco Savings and Loan Association (Meralco); PF- Provident Fund (UP); IPC- Industrial Peace Committee (Mabuhay); ERC- Employee Relations Committee (Energizer); LMCC- Labor Management Cooperation Council (Pasar); WIP- Work Improvement Committee; SMT- Self Management Team (Ford); PP- Partners' Pillars (Ford); OBM- Open Book Management (Ford); JIT- Job Instruction Training (Moog); EC- Employee Council (Unilab & SPI); UBF- United Bayanihan Foundation (Unilab); and PS- Profit Sharing (Unilab).

There are also good practices of social partnership in non-unionized establishments. These enterprises vied for the Kapatid Awards of the Employers Confederation of the Philippines (ECOP).⁵ These companies showcase the good practices of employer-labor social partnership in non-unionized establishments. These companies are Ford Motor Company Philippines of Sta. Rosa, Laguna; Moog Control Corporation of Baguio City; SPI Technologies, Inc. of Paranaque City; and United Laboratories, Inc. of Mandaluyong City.

Summary

With intensifying globalization, the past and present government administrators are focused on reducing poverty by preserving and creating jobs through industry competitiveness within a labor policy that promotes decent work. Skills-building and education programs, infrastructure development and reduced fiscal deficits are among the government's major concerns. Good social partnership among the IR actors is a vital ingredient for the success of the country's economic and social development. This paper was written to help in this national endeavor.

The good practices in employer-labor social partnership in 16 companies are summarized in Table 3. There are no standard guidelines on which interventions are to be used in a particular workplace. Good practices are borne out of specific interactions among actors in a particular workplace with a specific set of environments. It is up to the social partners to analyze the adaptability of specific mechanisms and practices in solving their current workplace problems.

Among the benefits derived by the companies in the practice of social partnership include the following:

1. increased productivity;
2. industrial peace—no strike and no lock-out, minimal to zero grievances, minimal union-initiated labor cases; speedy collective bargaining negotiations, etc.;
3. better communications between labor and management; and
4. above industry compensation and benefits.

The country has numerous successful practices and experiences on employer-labor social partnership. Philippine studies tend to focus on

specific interventions such as LMC for Gatchalian, ESOP for Aganon, ISO 9000 for Ponce-Pura, SA 8000 for Guanzon, etc. Furthermore, empirical data gathered through surveys do not show sufficient qualitative information that would provide a rich source of narrative needed to “operationalize” good practices on employer-labor social partnership.

There is still a need for more researches that will assess the effectiveness of these interventions. In the meantime, the problems of enterprises and labor in preserving and expanding workplaces and jobs in the country need daringness in planning and implementing employer-labor partnership interventions. This remains to be the continuing challenge to the Philippine IR actors.

Policy Recommendations

1. While social employer-labor partnership is fast being implemented in large Philippine enterprises as shown in this paper, there is a need to cascade these good practices to the smaller firms that employ the bigger bulk of the labor force.
2. Employer initiatives in promoting good practices of corporate social responsibility (CSR) should be supported not only by their employees but also by other stakeholders. This was illustrated in both unionized and non-unionized establishments shown in this paper. Another example of this initiative is SM’s “Big Brother, Small Brother” partnership in job preservation and job creation.
3. The various social accords among employers, trade unions and government like the “Social Accord for Industrial Peace and Stability” signed in October 4, 2004 by ECOP, trade union federations (TUCP, FFW and TUPAS) and DOLE should be transformed into concrete activities, projects and programs and not limited to contract signing and publicity events.
4. The operations of the Tripartite Industrial Peace Council (TIPC) should be expanded to provincial, city, municipality, barangay and industry levels.

5. Trade union organizing and collective bargaining through RA No. 9481 (An Act to Strengthen Right to Self-Organization and Collective Bargaining) should be supported by the social partners. As illustrated in the case studies, employers and trade union cooperation contributes to productivity and decent work. For those who opted for non-unionized form of social partnership, alternative interventions featured in this paper have resulted to the same outcomes—industry productivity, labor empowerment and improved working conditions.
6. The campaign of the IR actors for patronage of locally-made products following Philippine quality standards and the campaign against smuggling are effective mechanisms for job creation and job preservation. This is another area ripe for social partnership interventions.
7. The voluntary adoption of ESOP in Philippine enterprises can be refiled at the Philippine Congress now that the success of ESOP's experiences in the country especially on PAL has shown very positive results.
8. Employee representation in the governing boards of state universities such as like those at the University of the Philippines and tripartite representation at government corporations the GSIS, SSS, ECC, OWWA, etc. should be expanded to other state corporations, and possibly encouraged for adoption in private enterprises.
9. Voluntary compliance with the Philippine Quality Award Act (under RA No. 9013) should be given more incentives by the social actors. The PQA standards should be divided into various categories similar to the ISO standards (ISO 9000, 14000, etc.). The social actors especially the civil society should campaign for patronage of PQA compliant enterprises.
10. Philippine retailers should also champion compliance to all Philippine standards like DO No. 57-04 for labor standards, PS standards of DTI for electrical products, BFAD standards for food and drugs, ban in selling pirated DVDs and CDs of local films and music and other smuggled products.

11. The Securities and Exchange Commission should encourage elected employee representatives to sit as independent directors in case of publicly-listed firms.
12. Social partnership should also be expanded among principals and subcontractors and suppliers. Big enterprises should extend educational and technical assistance to subcontractors and suppliers to enable them to comply with local and international quality standards in exchange for continuous business undertaking.

End Notes

¹ Bureau of Labor and Employment Statistics, 1999 Industrial Relations at the Workplace Survey.

² Heathfield, Susan M. Employee Involvement. [online] Available at: <http://humanresources.about.com/od/glossary/a/employee_inv.htm> (Accessed 21 July 2007).

³ Cummings and Worley classify Quality Circle as a form of parallel structure or problem-solving group formed to handle predetermined organizational problems. Another form of parallel structure is the Quality of Work Life or cooperative labor-management project designed to improve employee's quality of working life and contribute to organizational effectiveness. Ibid, p. 317.

⁴ The author was a member of the Board of Judges of the 2007 Search for Outstanding LMCs Awards for Industrial Peace sponsored by the National Conciliation and Mediation Board (NCMB) and the Philippine League of Labor-Management Cooperation Practitioners, Inc. (PHILAMCOP). He interviewed the management and labor representatives of Energizer Philippines, Mabuhay Vinyl Corporation, and Del Monte Philippines, Inc. on November 15, 2007 at the DOLE NCMB Conference Room.

⁵ The author served as a member of the Screening Committee of the Board of Judges of the ECOP 2005 and 2007 Kapatid Awards.

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