

PASCN Discussion Paper No. 2003-09

**Maintaining a Competitive Advantage in the Hotel Industry:
Emerging Patterns of Employment and Challenges for HRD**

Susan Solis



The *PASCN Discussion Paper Series* constitutes studies that are preliminary and subject to further revisions and review. They are being circulated in a limited number of copies only for purposes of soliciting comments and suggestions for further refinements.

The views and opinions expressed are those of the author(s) and do not necessarily reflect those of the Network.

Not for quotation without permission from the author(s).

PASCN Discussion Paper No. 2003-09

**Maintaining a Competitive Advantage in the Hotel
Industry: Emerging Patterns of Employment and
Challenges for HRD**

Susan L. Solis
University of the Philippines

October 2003

The *PASCN Discussion Paper Series* constitutes studies that are preliminary and subject to further revisions and review. They are being circulated in a limited number of copies only for purposes of soliciting comments and suggestions for further refinements.

The views and opinions expressed are those of the author(s) and do not necessarily reflect those of the Network.

Not for quotation without permission from the author(s) and the Network.

For comments, suggestions or further inquiries, please contact:

The PASCN Secretariat
Philippine Institute for Development Studies
NEDA sa Makati Building, 106 Amorsolo Street
Legaspi Village, Makati City, Philippines
Tel. Nos. 893-9588 and 892-5817

**MAINTAINING A COMPETITIVE ADVANTAGE
IN THE HOTEL INDUSTRY:
EMERGING PATTERNS OF EMPLOYMENT
AND CHALLENGES FOR HRD**

SUSAN L. SOLIS
University of the Philippines
Asian Institute of Tourism

PHILIPPINE APEC STUDY NETWORK
August 2003

TABLE OF CONTENTS

	Page No.
ABSTRACT	
EXECUTIVE SUMMARY	
I. INTRODUCTION.....	1
A. Background of the Study	
B. Objectives of the Study	
C. Significance of the Study	
II. REVIEW OF RELATED LITERATURE AND STUDIES.....	2
A. Globalization Globalization and the Hotel Industry	
B. Economic Crisis (Asian Financial Crisis and 9 / 11 Aftermath) Impacts on the Hotel Industry	
C. The Philippine Scenario Government Initiatives	
D. Flexibility Arrangements in Industry and Services	
III. SCOPE AND METHODOLOGY.....	12
A. Scope and Delimitation of the Study	
B. The Sample	
C. Survey Instruments	
D. Scheme of Analysis	
IV. PRESENTATION AND ANALYSIS OF DATA.....	14
A. Profile of Respondents	
B. Findings	
C. Discussion	
V. POLICY OPTIONS AND ALTERNATIVES	43
VI. AREAS FOR FUTURE RESEARCH	47

VII. CONCLUDING NOTES.....	47
----------------------------	----

**EXHIBITS
APPENDICES**

LIST OF EXHIBITS

- Exhibit 1 - Accommodation Sector Operating and Marketing Strategies as a Result of the Asian Financial Crisis
- Exhibit 2 - Impact of 9/11 on Travel and Tourism Growth (Worldwide and Southeast Asia)
- Exhibit 3 - Mechanisms Adopted by Establishments To Cope With Globalization (1999)
- Exhibit 4 – Establishments Resorting to Permanent Closure/Retrenchment Due to Economic Reasons and Workers Displaced (1996-2000)
- Exhibit 5 – Establishments Resorting to Permanent Closure/Retrenchment Due to Economic Reasons and Workers Displaced by Reasons (1996-2000)
- Exhibit 6 – Flexibilization of Work in the Philippines as a Percentage of Total Employment 1994/1997)
- Exhibit 7 – Air Visitor Arrivals by Purpose of Travel (1996-1999)
- Exhibit 8 - Average Occupancy Rates of Guest Rooms of Accredited Hotels in Metro Manila (1995-2001)
- Exhibit 9 – Impact of 9/11 on Travel and Tourism Growth (Philippines) 2001 and 2002
- Exhibit 10 – Average Monthly Wages, Salaries and Allowances of Rank and File Workers by type of Worker (Philippines First to Second Quarter 2000)

LIST OF APPENDICES

- Appendix A - Questionnaire of HRD Managers
- Appendix A1 - Questionnaire for Managers/Supervisors (Front Office)
- Appendix A2 - Questionnaire for Managers/Supervisors (Food and Beverage)

Appendix A3 - Questionnaire for Managers/Supervisors ((Housekeeping)

Appendix A4 – Questionnaire for Employees

LIST OF TABLES

Table 1: Target Respondents

Table 2: Profile of Establishments

Table 3: Summary of Profile of Respondents by Employment Classification

Table 4: Summary of Flexible Labor Arrangements and Positions Assigned

Table 5: Reasons for Adoption of Flexible Employment Arrangements

Table 6: Minimum Qualification Requirements, Recruitment Methods and Screening Measures

Table 7: Rate of Pay of Regular Versus Non-regular Employees

Table 8: Benefits of Regular Versus Non-regular Employees

Table 9: Types of Training of Regular Versus Non-regular Employees

Table 10: Performance Evaluation of Regular Versus Non-regular Employees

Table 11: Comparison Between Regular and Non-regular Employees on Occupational Skills Standards for the Position of Front Office Agent

Table 12: Comparison Between Regular and Non-regular Employees on Occupational Skills Standards for the Position of Food and Beverage Attendant

Table 13: Comparison Between Regular and Non-regular Employees on Occupational Skills Standards for the Position of Room Attendant

Table 14: Comparison Between Perceptions of Regular Versus Non-regular Employees On Work Related Elements (Front Office)

Table 15: Comparison Between Perceptions of Regular Versus Non-regular Employees On Work Related Elements (Food and Beverage)

Table 16: Comparison Between Perceptions of Regular Versus Non-regular Employees On Work Related Elements (Housekeeping)

ABSTRACT

Factors such as globalization and the Asian economic crisis have brought about changes in work and employment in Philippine tourism organizations. With the underlying philosophy that a competitive advantage can be achieved more readily in organizations that are able to assess and adapt to their changing environment, the task now is to determine the scope and intensity of such changes and address new challenges brought about by these.

This study aims to identify how tourism related establishments can maintain their competitive advantage through HRD strategies and interventions in the light of changes in work and employment patterns. Recommendations as to how management, labor and government can deal with the situation are advanced. In particular, policies and programs recommended are made with due consideration of the unique characteristics of service organizations in the tourism sector.

EXECUTIVE SUMMARY

1) Rationale of Study: In recent years, organizations in the Philippine tourism industry have experienced a great deal of turmoil as the competitive forces within the industry have shifted due to factors as globalization and the Asian economic crisis. In order to survive, companies must build a competitive advantage by relying on their employees to implement improved service delivery processes. This is particularly highlighted by the fact that tourism establishments, being service oriented, depend highly on the performance of their employees.

Effective human resources management is a critical factor in the success of tourism organizations as the tourism industry definitely cannot compete on a world-class level with second-rate workers. Human resource issues must always be taken into consideration when companies formulate and implement business objectives and plans. There is therefore an imperative need to address issues arising from changes in work and employment brought about by globalization and the Asian economic crisis. This study attempts to determine the scope and intensity of such changes and propose recommendations that shall address new challenges for HRD brought about by these.

2) Objectives: Specifically, the study attempts to (i) identify the emerging patterns of employment relationships that have resulted from such factors as globalization and the Asian economic crisis in selected tourism related establishments, present the rationale for their adoption, and assess the working conditions accompanying each type of employment arrangement (ii) determine and assess the impact of the new patterns of employment on HRD strategies and interventions as hiring, training and development, performance management (iii) determine the impact of the new patterns of employment on (a) worker competence, and (b) perceptions of employees on work related elements, and (iv) recommend measures related to the impact of the new employment patterns on HRD strategies and interventions.

3) Methodology: A survey of the emerging patterns of employment and the consequent HRD strategies and interventions adopted by management was undertaken in selected hotels and tourism accommodation establishments in the Metro Manila area.

- Data gathering was done primarily with the use of structured questionnaires which were designed to elicit information that shall address the issues on adequacy of worker protection, and the implications of HRD strategies as hiring, training and performance management including its consequences on service delivery.
- Three types of survey questionnaires were developed:
 - a) Questionnaire for HRD Managers – designed to solicit information on

employment arrangements, the reasons for their adoption, and the various conditions that accompany the arrangement such as compensation and benefits, training and performance management.

b) Questionnaire for Managers/Supervisors of the three operational departments :Front Office, Food and Beverage and Housekeeping- designed to compare regular versus non-regular employees in terms of their level of competence on the occupational standards for the position of Front Office Agent, Food and Beverage Attendant, and Room Attendant respectively. The Occupational Standards were derived from the Occupational Skills Standards developed by the Technical Education and Skills Development Authority (TESDA) together with industry practitioners. These standards define the minimum required stock knowledge and skills an employee is supposed to possess to qualify for the position for which the standards were developed.

c) Questionnaire for Employees- designed to compare the perceptions of regular versus non-regular employees on seven work elements: clarity of purpose, morale, fairness, recognition, teamwork, participation and communication. Each element is comprised of four statements for a total of twenty eight statements rated by the employees on a five point scale.

- Frequency counts of the HRD Managers' responses on the various issues relating to employment arrangements was made. A qualitative analysis was made based on the survey data and interviews with the HRD Managers. For the comparison of regular versus non-regular employees in terms of the level by which they possess the occupational skills standards, the Mann-Whitney U Test was utilized. The same tests were used for determining differences in worker perceptions on the seven work related elements.

4) Findings

- The type of non-regular employment arrangement often resorted to by the participating establishments are those which basically provide for numerical flexibility. Employing casuals, contractuels, agency hirees, extras and apprentices permit the establishments to adjust their labor inputs easily depending on the requirements for a given period. The nature of business activity in tourism is such that there are peak and low seasons, hence the need to adjust the manpower size in accordance with requirements. In times when companies experience financial difficulties and hence the impending need to cut on costs in order to survive, this measure offers a suitable means for establishments to be able to cope.
- With respect to screening of potential non-regular employees, the respondent establishments take measures to obtain employees who are viewed as suitable

for employment, even if they are to be with the company only for a limited duration.

- In terms of benefits and services, it is to be noted that majority of the respondents provide the same entitlements to non-regular as the regular employees on several items such as SSS, first aid emergency services, counseling services, duty meal, and 13th month pay. Uniforms and safety equipment were also among those mentioned by a number of respondents. Two establishments also provide the non-regular employees a share of the service charge, although the percentage is less than that given the regular workers. Needless to say, regular employees receive more benefits and services than non-regular employees overall.
- In terms of trainings provided, it is of worth to note that the respondent establishments provide practically the same types of programs to the non-regular as that of the regular employees. It is only on team building programs where only less than half of the respondents claim it is provided to both types of employees.
- In terms of performance monitoring, there is no consistent appraisal undertaken for non-regular employees. While all regular employees are evaluated either annually or semi-annually by the direct supervisor or Department Head, there is no consistent policy with respect to non-regular workers. In fact, there are some establishments that do not anymore evaluate their performance. Some others undertake the evaluation at the end of the five month period of temporary employment.
- In the comparison for the position of Front Office Agent, a significant difference in the perceived competence in favor of regular versus non-regular workers was observed in 47 % of the occupational standards (29 out of 65 standards). This is a serious concern particularly for the position concerned, as usually the Front Office Agent is the first point of contact between the employees and guests.

It is interesting to note that there is a clustering of the items where the significant difference was observed. In particular, the difference was noted mainly for the standards pertaining to handling guests (44 % , i.e. 4 out of 9 standards), checking out guests (66 % , i.e. 4 out of 6 standards) and product knowledge (80 % , i.e. 8 out of 10 standards). Other standards where a difference was noted fall under the classification of checking in guests, preparing and maintaining records and reports, and knowledge of hotel operational procedures, communication and safety practices.

- For the positions of Food and Beverage Attendant and Room Attendant, a significant difference in the perceived competence in favor of regular versus non-regular employees was noted in 14.14 % (14 out of 99 standards) and

17.52 % (17 out of 97 standards) respectively, of the occupational standards. The smaller percentage of standards wherein a significant difference was noted can possibly be explained by the fact that standards for Food and Beverage Attendant and Room Attendant are not as complex as that of the Front Office Agent.

- Similar to the observations for the position of Front Office Agent, there is a clustering of the standards wherein a significant difference was observed for the position of a Room Attendant. In particular, a difference was noted for the standards pertaining to cleaning guest rooms (75 %, i.e. 6 out of 8 standards) and cleaning bathrooms (50 % 3 out of 6 standards). Other standards wherein a difference was noted fall under preparing to clean, checking rooms, product knowledge and safety practices.

5) Discussion

- The manner by which labor flexibility measures is implemented by the respondent establishments suggests efforts on the part of management to simulate the conditions surrounding the employment of regular workers. This can be gleaned on several counts: screening practices, provision of training, and benefits and services schemes.
- While it is apparent that respondent establishments attempt to provide both regular and non-regular employees with the necessary knowledge, skills and attitudes through trainings provided, there is a noted significant difference on some aspects of perceived worker competence as identified through the

survey. One possible explanation to this is that while non-regular workers are also developed through the training programs, the transient nature of their employment hinders them from fully learning and being able to apply all what has been learned.

- In view of the findings on perceived competence of regular versus non-regular employees on a number of the occupational standards, closer performance monitoring of the latter would henceforth be necessary in order to avoid commission of mistakes. While performance evaluation is undertaken for regular employees in all the respondent establishments, it is not the same case for non-regular employees where only a few undertake the process. Needless to say, closer monitoring and performance evaluation for the latter are seen as essential in order to ensure attainment of the standards.
- It is of interest to note that there are no significant differences in perceptions of regular from non-regular employees on the work-related elements as clarity of purpose, morale, fairness, recognition, teamwork, participation, and communication. One possible explanation to this relates to the earlier

mentioned notion that management attempts to provide working conditions to non-regular employees which are similar to the regular-employees. It is only on the aspect of rate of pay and a few benefit items where regulars receive more than the non-regular employees. Otherwise, non-regular employees also are able to participate in the same company activities including trainings and recreational and health related services.

It may be the case wherein non-regular workers have come to accept the situation that temporary employment is resorted to by establishments as a stop gap measure considering the economic necessity in order to survive difficult times. They view their employment as a better alternative to not having any job at all considering the difficulty in finding employment with the current tight labor market.

6) Policy Options and Alternatives:

Policy Option 1: Strengthening of protection of workers on contingent employment arrangement

Though there are a number of legal provisions which are intended to safeguard contingent workers' rights and privileges, their implementation has been weak and many establishments are able to circumvent existing laws. Protection of contingent workers must be strengthened through strict monitoring of compliance with legal provisions. Furthermore, workers need to be educated on their rights and privileges in order for them not to be victims of exploitation.

Policy Option 2: Industry initiatives and regulation

2.1. Maintenance of a pool of workers who pass certification training and can easily be hired to meet the requirements of tourist accommodation establishments

Intensive training on occupational skills standards leading to certification of workers for a particular position would enable individuals to render service that meets standards of the industry. A centralized government agency that shall hold responsibility for training and deployment of these personnel is needed if this alternative will be pursued.

2.2 Assignment of contingent workers only to back of the house posts

Assigning contingent workers to back of the house posts would result in a situation where they can be more closely supervised without committing mistakes in the presence of the guest.

Policy Option 3: Emphasis on internal flexibility instead of the use of external flexibility measures

The use of internal flexibility is seen as a means by which a core group of employees are equipped with the ability to render quality service for a variety of tasks. This alternative would require providing workers with multi-skills to enable them to assume other responsibilities aside from their current posts. It would also involve continuous training, provision of working conditions that would instill worker loyalty and commitment, and instilling in the workers the notion that they are strategic partners of the organization.

7) The survey was limited to the accommodation sector because hotels, relative to other tourism establishments in the Philippine tourism industry, have more developed and organized Human Resource Departments. It is expected that the range of frontline functions (rooms, food and beverage, concierge, travel facilitation, etc.) within the setting can, for now, provide a suitable proxy for the tourism industry as a whole. Ultimately, this particular study can serve as a pilot study which can help fine tune the research methodologies and instruments for application to the other tourism sectors in the future.

I. INTRODUCTION

A. Background of Study

In recent years, organizations in the Philippine tourism industry have experienced many challenges due to factors as globalization and the Asian economic crisis. In order to survive, companies must build a competitive advantage by relying on their employees to implement improved service delivery processes. This is particularly highlighted by the fact that tourism establishments, being service oriented, depend highly on the performance of their employees.

Competitive advantage is a status achieved by a company when gaining a superior marketplace position relative to its competition. The creation of a better quality product or service than its competitor is one of the means by which this competitive advantage can be achieved. Research based evidence points to the fact that a firm's HRM practices can have a strong impact on competitive advantage (Kleiman, 1997).

Due to the labor intensive nature of services in the accommodation sector, human resources is a key issue. The tourism industry is above all a "people industry" and the guest's impression of the service in an accommodation establishment is to a large extent governed by the attitude and efficiency of its staff. Employees who are enthusiastic and involved, proud of their company and who have internalized its goals and values are the core of excellent operations.

Among hoteliers, there is a wide recognition that survival in the international hotel industry depends upon developing well qualified, thoroughly trained staff focused on providing quality service to the customer (Go, 1995).

Effective human resources management is a critical factor in the success of tourism organizations as the tourism industry definitely cannot compete on a world-class level with second-rate workers. Human resource issues must always be taken into consideration when companies formulate and implement business objectives and plans.

There is therefore an imperative need to address issues arising from changes in work and employment brought about by globalization and the Asian economic crisis. Factors such as globalization and the Asian economic crisis have brought about changes in work and employment in Philippine tourism organizations. With the underlying philosophy that a competitive advantage can be achieved more readily in organizations that are able to assess and adapt to their changing environment, this study explores the scope and intensity of such changes and attempts to address new challenges brought about by these.

¹ This study was made possible through funding and support from the Philippine APEC Study Center Network (PASCN).

B. Objectives of the Study

The study attempted to (1) identify the emerging patterns of employment relationships that have resulted from such factors as globalization and the Asian economic crisis in selected hotels, (2) determine and assess the impact of the new patterns of employment on HRD strategies and interventions as hiring, training and development, performance management (3) determine the impact of the new patterns of employment on (a) worker competence, and (b) perceptions of employees on work related elements, and (4) recommend measures related to the impact of the new employment patterns on HRD strategies and interventions.

C. Significance of the Study

The effective utilization of human resources is essential in tourism establishments as competitive success depends on the organization's capacity to deliver high quality, value-added service which in turn is dependent on its people. Through an assessment of the human resource related issues brought about by emerging patterns of employment and work relations, new challenges can be addressed.

With due consideration of the strengths and weaknesses of HRD strategies and interventions adopted due to the utilization of new patterns of employment, management would be in a better position to devise an HRD program that shall help maintain its competitive advantage in the light of changes in the work organization.

The information generated in this study shall serve as a guide to workers and their organizations as they seek better terms and conditions of work and the improvement of quality of work life.

Policy makers in government shall also benefit from the study as they enact and enforce work-related laws that are geared toward the protection of workers and the continued sustenance of service organizations in the light of changes brought about by the new patterns of employment.

II. REVIEW OF RELATED LITERATURE AND STUDIES

Recent developments such as globalization and changes in the world economy have resulted in drastic changes in employment patterns and labor utilization. Stiffer competition for scarce demand in the market forced many businesses to adopt mechanisms that would achieve efficiency and competitiveness to ensure continued operations.

GLOBALIZATION

Globalization has taken on a variety of conceptual meanings including one which is macroeconomic in origin and another which focuses on the firm or microeconomic agents. The first view focuses on the globalization of markets for commodities and factors, said to be most visible in the globalization of financial markets with magnitudes in flows of capital across borders. The theme espoused in the second view of globalization means firms behave differently in terms of suppliers and markets rather than they traditionally used to. As production processes differ, relations among firms evolve differently and trade takes on varying configurations (Albuero, 1997).

The main manifestations of globalization in the world economy is in the rapid growth in world trade, foreign direct investment and cross border financial flows over the past decade. The lowering of tariff and non-tariff barriers to international trade, the encouragement of direct foreign investment and the deregulation of financial markets are the major economic liberalization measures that have driven this phenomenon of increasing globalization of the world economy (Lee, 1996).

Globalization has meant an increase in competition that is felt not just by multinational players but also by those who operate on domestic markets, threatened by new players from abroad. Firms have had to increase their operational effectiveness by doing things better, cheaper and faster, and also to increase their organizational capability consisting of technical systems, people skills and cultural values. Moreover, the need to pay attention to the development of their human capital as a source of competitive advantage was underscored (Evans, 2002).

Worldwide, many firms and even entire industries in different countries are adapting their employment practices to the new terms of international competition. In many countries around the world, a new approach to employment relations has emerged. The employment practices that have been adapted however, vary considerably across countries, firms, industries and regions.

Globalization and the Hotel Industry

Go (1999) advanced that organizations in the hospitality and tourism industry have experienced a great deal of turmoil as the competitive forces within the industry have shifted under the weight of globalization. Structural and cyclical changes in the local, national and international business environments have challenged the survival of organizations. Globalization is said to have prompted consolidation which has occurred through an increase in market dominance of transnational companies, as well as the growing popularity of mergers and strategic alliances.

In relation to the hotel industry, globalization is commonly perceived to have a standardizing impact in that products and institutions originally offered domestically appear on a worldwide scale. Globalization of the industry has increased the competitive pressures by bringing more entrants to the domestic market, exerting strong influence on consumer expectations and options. Hence performance of domestic hotels is greatly affected by high and consistent service levels and brand-names of hotels with world-wide operations (Go, 1995).

This notion is supported by Knowles (2001) who advanced that globalization's effect on hotels and the accommodation sector is primarily on creating an increased competitive pressure that is creating a new way of thinking about human resources. This situation is making it ever more difficult to distinguish one hotel from the rest as stiff competition has resulted in a generally high standard in basic products and services. Increasingly what distinguishes one provider from another and sets one hotel apart from the rest is personal service and attention to detail.

The nature of service delivered by hotels underscores the role of human resources in the success of hotel operations. As it is basically an experiential purchase for guests, the choice of a hotel is not simply a matter of picking a room with bed and bath, but also includes food and beverage, and entertainment. The experiential nature of the service delivered involves all the senses and goes far beyond the requirement of simply being there, henceforth encompassing style and quality.

With the competitive pressure brought about by globalization, hotels have an impending need to rely on their human resources to deliver personal service with style and quality. Organizations henceforth have a need to place more emphasis on the important role played by their human resources in building a competitive advantage. A workforce that is skilled, well-motivated and who work as a team has become a major key to delivery of service quality that shall give hotels an edge over their competitors in a globalized world (Go, 1999).

ECONOMIC CRISES (Asian Financial Crisis and Aftermath of 9/11)

The Asian Financial Crisis which struck countries in the East and Southeast Asian region beginning the second half of 1997 created a surge in unemployment due to firm closures and layoffs in most industries in Asia. An International Labor Organization (ILO) study reported a loss of jobs for over twenty million workers in countries within the region. This was further aggravated by the impact of the September 11 terrorist attacks on the United States of America, adversely affecting major industries worldwide, leading to a worsening of the unemployment situation.

Impacts on the Hotel Industry

The tourism industry was one of the first to feel the effects of the economic crisis. As priorities shifted, tourism activity declined drastically leaving the demand for transportation and travel and tourist accommodation services to a low level. In a survey conducted by the World Tourism Organization in 1999, statistics reveal that many countries within Asia were hard hit by the Asian Financial crisis as intra-regional tourism went down by 10 % in 1998, and with total arrivals down by 5.6 %.

There were a few exceptions such as Thailand which was able to increase its tourist arrivals as it took advantage of cheaper prices resulting from the currency depreciation. Together with its proximity to large adjacent markets seeking lower travel cost opportunities, it hence was able to increase its volume of visitor arrivals.

Overall, the study concluded that the Asian Financial crisis impacted the hotel sector in Asia in two ways: (1) it increased the cost of debt servicing because much of the new hotel investment was borrowed in \$US currency and (2) squeezed the regional market's capacity to pay for the many up-market hotels developed. As a result, the performance of hotels deteriorated with a significant collapse in yield (i.e. average earnings per available room) and gross operating profits as hotel operators scrambled for whatever business they could get. This predicament was also experienced by Thailand which as mentioned earlier was able to increase tourist arrivals, but nevertheless was not spared from the adverse effects of the economic crisis.

Deep staff reductions and greater reliance on casual contract staff was a major cost reduction strategy resorted to by accommodation operators and owners in the hotel sector. Other strategies employed include extensive cost cutting, closure of unprofitable establishments, mergers and acquisitions (Refer to Exhibit 1 for Accommodation Sector Operational and Marketing Strategies).

As the tourism industry was still trying to recover from the repercussions of the Asian Financial Crisis, the situation was further aggravated by the 9/11 event which created a very dramatic impact on the industry. As an aftermath of the bombings of the World Trade Center in New York, major industries all over the world were adversely affected resulting in more firm closures. Tourism was one of the most affected industries as people all over the world became enveloped with fear and restrained themselves from traveling. Tourism activity suffered an all time low and most sectors in the industry (i.e. airlines, hotels and tourist accommodation, travel agencies, etc.) were drastically affected. Hundreds and thousands of workers in the tourism sector lost their jobs with massive layoffs and retrenchments undertaken due to lack of business activity.

The World Travel and Tourism Council (WTTC, 2002), estimated that for the year

2001 and 2002, the event produced a decrease in Travel and Tourism demand by 7.4 % and 10.9 % worldwide and in Southeast Asia, respectively. This has led to the loss of the equivalent of 10.45 million and 1.23 million jobs worldwide and in Southeast Asia, respectively (Refer to Exhibit 2 for Impact of 9/11 on Travel and Tourism Growth (2001-2002- Worldwide and Southeast Asia).

THE PHILIPPINE SCENARIO

In the Philippines, global competition has led to an alteration of the economic landscape upon which employer-employee and that of protection of labor are anchored (Macaraya, 1999). The lowering and eventual removal of tariff and free trade made competition even stiffer, which led to an increased pressure to reduce costs and to restructure enterprises. Many businesses unable to compete had to close down while those that continued operations had to resort to labor related measures, one of which is referred to as flexible employment arrangements (Amante, 2000; Fernando, 1999; Jabar, 1998; Noriel, 1999; Ofreneo, 1999; Szal, 1999).

A landmark survey on Industrial Relations in the Workplace (DOLE,1999) revealed the prevalent use of flexible employment arrangements as a means to cope with the impact of globalization in most industries in the Philippines. Other measures that establishments employed include the following: improvement of quality of products and services, acquisition of appropriate technology, investments in Human Resources Development, streamlining of work practice and diversification.

For the hotel and restaurant industry in particular, it was noted in the same survey that a substantial respondent establishments (44%) admit the practice of utilization of flexible employment arrangements among other mechanisms as a means to cope with the impact of globalization.(Refer to Exhibit 3 for Mechanisms Adopted by Establishments to Cope with Globalization - 1999).

With the Asian economic crisis, the unemployment situation worsened with more firms resorting to closures, layoffs and retrenchments (Ofreneo, 1999). Although international media reports in 1997 claim that the Philippines was one of the least affected among ASEAN countries as compared to Indonesia, South Korea and Thailand, repercussions on the Philippine labor market is a grave concern.

Data gathered by the Department of Labor and Employment (DOLE) reveal that the number of establishments reporting closures and retrenchments trebled within the one year period from 1997 to 1998, and with the number of displaced workers increasing by double in the same period covered. Reasons given by reporting companies are all related

to the economic crisis. These include the lack of market, redundancy, high cost of production, peso depreciation, lack of capital, reorganization and financial losses among others (Refer to Exhibit 4 for Establishments Resorting to Permanent Closure/Retrenchment Due to Economic Reasons and Workers Displaced- All Industries and the Hotel and Restaurant Sector 1996- 2000, and Exhibit 5 for Establishments Resorting to Closure/Retrenchment Due to Economic Reasons and Workers Affected by Reason 1996-2000).

Flexible work arrangements became commonplace in many Philippine businesses in the late 1990's. A survey conducted by the DOLE shows the percentage of workers employed under flexible labor contracts reached almost 21 % of total workforce in 1997 in contrast to the 14 % level in 1994 (Refer to Exhibit 6 for Flexibilization of Work in the Philippines as a Percentage of Total Employment).

The Asian financial crisis has continued to persist and with the currency turmoil expected to drag the economy to a lower growth path even beyond the new millennium, more workers are expected to either lose their jobs or be subjected to various coping mechanisms that are undertaken by establishments in order to survive.

The Philippine tourism industry was adversely affected by the impact of the Asian financial crisis. Although air visitor arrivals was maintained at the 2 million mark in the period 1997-1999, a noticeable shift in type of visitors can be noted. A drop in arrivals for holiday, business and convention purposes, those more likely to stay in tourist accommodation establishments, was recorded at 15 %, 5.8 %, and 5.9 % respectively. A 28.6 % increase in arrivals with the purpose of visiting friends and relatives offset the decline in the aforementioned categories. However, this category of arrivals is comprised mostly of Balikbayans and Filipino overseas contract workers who are more likely to stay with families and friends, hence with no perceived significant impact on demand for tourist accommodation establishments and related tourist services. (Refer to Exhibit 7 for Air Visitor Arrivals by Purpose of Travel 1997-1999).

A marked decrease by 17.66 % in occupancy rate of accommodation establishments was recorded in 1998 from that of the previous year. The decline can be attributed to the increase in rooms for sale as a result of additional hotels in operation, as well as the slowdown in visitor arrivals to the country due to the effects of the Asian financial crisis which began in the latter half of 1997.

A slight increase of 4 % in occupancy was obtained in 1998 from that of the previous year. However the improvement did not bring the demand for rooms to the same level as that of previous years (Refer to Exhibit 8 for Average Occupancy Rates of Guest Rooms of Accredited Hotels in Metro Manila).

Similar to worldwide impacts on Travel and Tourism demand, the situation in the Philippines was further aggravated by the September 11 events. The WTTC estimated a decrease in Travel and Tourism demand by 8.9 percent for the years 2001 and 2002. This led to the loss of an equivalent of over 205,000 jobs in 2001 and an estimated 108,000 jobs in 2002, for a total of over 300,000 jobs in the same period covered (Refer to Exhibit 9` for Impact of 9/11 on Travel and Tourism Growth- Philippines: 2001-2002).

Government Initiatives

As a response to the impacts of the crisis, the Philippine government concretized specific measures to assist both employers and workers to protect jobs and prevent layoffs and closures of firms. One initiative was the signing of an accord that would help promote industrial peace and stability. On February 6, 1998, a Social Accord for Industrial Harmony and Stability was signed by representatives of labor and employers (i.e. Labor Advisory and Consultative Council, Trade Union Congress of the Philippines and the Employers Confederation of the Philippines) with the Department of Labor and the Department of Industry as witnesses.

The accord committed the employers to “exercise utmost restraint in the layoff, termination or rotation of their employees which should be used only as a last resort.” Labor, on the other hand, was obliged “to exercise utmost restraint in declaring or going on strikes, slowdown of work and other forms of concerted work stoppages which should be availed of only as last resort”. (DOLE, 1998)

In effect, the accord obliged both employers and labor to work together for mutual adjustments and the sharing of sacrifices for the common objective of sustaining viability of the business and at the same time protecting the jobs of workers during trying times. It served as a mechanism for both employers and labor to work together in a productive way to enable them to cope with the crisis in a cooperative and less conflict-ridden fashion.

In 1997, the DOLE issued a policy guideline allowing contingent employment arising out of “contracting and subcontracting arrangements” (DOLE Department Order No. 10 1997). Prior to the issuance of these guidelines, labor only contracting was expressly prohibited as specified in Article 106, of the amended Labor Code. The new policy guidelines provided restrictions in the use of contingent employment by specifying clauses consistent with the promotion of employment, protection of workers’ welfare, enhancement of industrial peace, and the right of workers to self-organization and collective bargaining. The policy in effect recognizes “flexibility for the purpose of increasing flexibility and streamlining operations essential for every business to grow in an atmosphere of free competition”. It expressly condemns any form of flexibility that is intended to circumvent or evade workers’ rights.

In May of 2001, the DOLE issued another policy guideline revoking the earlier directive which allowed for contingent employment arising out of “contracting and subcontracting” arrangements. The order also reiterated the prohibition of labor-only contracting. In essence, government became keen again on the prohibition of contingent employment which it felt vehemently violated workers’ rights. (DOLE Department Order No. 3).

However, in February 2002, another guideline governing contracting and subcontracting arrangements was issued. Department Order No. 18-02 again expressly allowed for such employment arrangements but which now was subject to regulations for the promotion of employment and the observance of the rights of workers to just and humane conditions of work, security of tenure, self-organization and collective bargaining. Again the prohibition of labor only contracting was reiterated.

FLEXIBILITY ARRANGEMENTS IN INDUSTRY AND SERVICES

Flexible work arrangements are resorted to in order to achieve a perfect match between labor demand and changing labor supply and/or between changing individual needs and work supply. (Gust, 1999) Such arrangements refer to “flexibility in the deployment of human resources, in working practices and wages, the ability to reduce or increase employment or wage levels with ease, the ability to increase mobility, to make more elastic use of skills and to introduce non-conventional working arrangements.” (Kanawaty, 1989)

Palafox (1990) identified two types of flexible work arrangements, internal and external flexibility. Internal flexibility measures are those which are utilized by companies to flexibly utilize labor which it employs within the boundaries of its plant, and with which the employer has an employment relationship with the workers. Examples of such are overtime, forced leaves and scheduled vacations. External labor flexibility measures, on the other hand are those which are utilized by companies outside of the firm and which usually involves other employers as an agent or subcontractor.

Aside from scheduling of work time (e.g. overtime, forced leaves, scheduled vacations) one type of internal flexibility measure is referred to as high level type of flexibilization. Workers are encouraged to develop new skills and get exposed to various types of work so that they can become multi-skilled and hence capable of doing a variety of tasks in a flexible environment. This strategy involves instilling among workers the idea that they are strategic partners facing the common enemy: competition in a global market.

External flexibility on the other hand is achieved primarily through labor turnover, i.e establishments hire or retrench workers depending on the business volume.

Practices to enhance numerical flexibility may include temporary layoffs, greater reliance on casual or contractual labor, increasing the ratio of part time to full time workers, resorting more to probationary workers and contracting out employment. This permits establishments to adjust their direct labor inputs more easily, hence basically involve numerical adjustments. Greater external flexibility potentially has an added advantage for the firm and that is the avoidance of many wage and non-wage labor costs associated with employing regular workers.

External flexibility practices as identified by Edgren (1998) include the following:

- a) reducing the core of permanent workers while increasing the proportion of temporary and casual employment
- b) increasing the use of women, apprentices and migrants
- c) subcontracting the production of components previously manufactured within the company
- d) subcontracting services like transport, packaging, maintenance, security, etc.
- e) increasing the number of shifts per day or the use of overtime
- f) reducing pay systems based on price rates and bonuses
- g) introducing internal training systems which facilitate redeployment of workers within the enterprise
- h) reducing influences from external trade union organization by either eliminating unions or establishing a controllable union

In essence, external flexibility practices permit establishments to adjust their direct labor inputs more easily. This type of measure are also referred to as low level type flexibilization which simply means the ability of employers to reduce the cost of labor, increase labor productivity and strengthen management control over the work process and workers.

The Philippine Labor Code distinguishes the various forms of flexible employment arrangements from regular employment. An employment is deemed regular where the employee is engaged to perform activities that are usually necessary and desirable in the usual business or trade of the employer. Regular employees enjoy security of tenure, and as such their services cannot be terminated by employers unless for a just cause as provided for in the Labor Code or when authorized by existing laws. They also are protected by labor standards, the right to collective bargaining and are entitled to benefits and services prescribed by law.

Beyond the regular employer-employee relationships, other forms of employment which fall under the classification of flexible arrangements are (1) casual (2) temporary

or substitute (3) contractual (4) agency (subcontracting, jobcontracting) (5) project employees (not part of a work-pool, i.e hired on a project to project basis), and (6) apprentices and student trainees.

Workers hired under these forms of employment arrangement do not enjoy security of tenure as they may be dismissed at any time. While such employment are covered by provisions on labor standards, they are not covered by social benefits such as membership in the Social Security System, Medi-care, and Pag-ibig Funds, nor are the workers entitled to other benefits and services prescribed by law that regular employees enjoy.

In a survey by the DOLE (2000), statistics show that the average wages, salaries and allowances of non-regular rank and file workers in hotels and restaurants as well as in all other industries, are definitely much lower than that of regular employees (Refer to Exhibit 10 for Average Monthly Wages, Salaries and Allowances of Rank and File Workers-Philippines First to Second Quarter 2000).

In a review of previous studies conducted on flexible labor arrangements, Esguerra (1997) pointed out that flexible labor arrangements have been explained as a cost reduction mechanism in response to protective labor standards that increase labor costs or that prevent firms from varying their labor inputs in response to changes in economic circumstances. This mechanism of employing flexible workers henceforth provides a means by which employers can circumvent the effects of protective labor standards without necessarily reducing employment. This is the case when labor standards are strictly enforced, hence, when labor standard enforcement is weak as observed particularly in developing countries, it was proposed that firms need not resort to various forms of non-regular employment if their main objective is to circumvent labor laws.

Esguerra further pointed out that the practice of employing non-regular workers in effect segments the workforce between the highly valued core workers who are trained and enticed to stay with generous compensation packages on the one hand, and other workers who get little training and no inducements to stay on the other hand. The negative effects may show in terms of lower worker morale as workers know they can be replaced at any time.

Ofreneo and Barriatos (1991) advanced that in the Philippines, establishments employ external labor flexibility measures for several reasons. First, it permits the realization of cost differentials through lower wages and other overhead costs compared to the hiring of regular and unionized workers. Second, it is also more convenient and practical as the tedious and time consuming exercise of advertising, screening, selecting and training additional workers especially if the demand for such workers is immediate, is avoided. A third reason is that it provides for flexibility in length of service as once the

need for additional workers is over, the employers can easily terminate the relations with workers.

The authors further advanced that labor flexibility as observed in the Philippines has serious implications on employment security in the informal sector. Labor flexibility as operationalized in the Philippines largely leads to a reduction in the regular workforce and therefore, of the number of workers with regular tenure. In essence, it erodes the bargaining power and overall employment security of regular workers. Other problems that labor flexibility practices bring to fore are possible “enmities” between regular and casual workers and management problems of having to attend to complaints of flexible workers.

III. SCOPE AND METHODOLOGY

A. Scope and Delimitation of the Study

The survey was limited to the accommodation sector because hotels, relative to other sectors (i.e. airlines, resorts, travel agencies, convention and transportation) in the Philippine tourism industry, have more developed and organized Human Resource Departments. It is expected that the range of frontline functions (rooms, food and beverage, concierge, travel facilitation, etc.) within the setting can, for now, provide a suitable proxy for the tourism industry as a whole. Ultimately, this particular study can serve as a pilot survey which will help fine tune the research methodologies and instruments for application to the other tourism sectors in the future.

One major constraint encountered in obtaining data was resistance from target establishments in participating in the study. Notwithstanding the legal provisions on the prohibition and/or restrictions on various employment arrangements, the issue on employment practices is a sensitive one.

The project proponent had to rely on personal contacts and former colleagues in the industry dating back to previous years as an industry practitioner. Only through the generous support of friends and associates was data vis a vis employment practices in the accommodation sector obtained. Due to the difficulty in convincing target establishments to participate, only a total of eleven establishments were finally included in the study. The eleven were likewise chosen a result of willingness to participate in the study rather than through random sampling.

Majority of the respondent establishments claim they do not keep records on statistics on employment for long periods of time. Hence, as only figures for recent years were made available, there were a number of items in the questionnaires left unanswered and therefore not included in the analysis.

B. The Sample

The study sought to include a minimum number of eight establishments with a total of 37 respondents per establishment broken down as follows:

A.

B. *Table 1 : Target Respondents*

Employee Category	FO	F &B	HK	HRD	Total
Managers/Supervisors	2	2	2	1	7
Employees- regular	5	5	5		15
Employees-non-regular-	5	5	5		15
Sub-total	12	12	12	1	
TOTAL:					37

Aside from the HRD Manager/Officer, all the respondents under the category managers/supervisors are from the three major operations departments of a hotel: Front Office, Housekeeping, and Food and Beverage Departments. Two managers/ supervisors from each of these departments were requested to respond to the Questionnaire for Managers/Supervisors that is specific to their department.

C. Survey Instruments

A survey of the emerging patterns of employment and the consequent HRD strategies and interventions adopted by management was undertaken in selected hotels and tourism accommodation establishments in the Metro Manila area. Data gathering was done primarily with the use of structured questionnaires which were designed to elicit information that shall address the issues on adequacy of worker protection, and the implications of HRD strategies as hiring, training and performance management including its consequences on service delivery.

Three types of survey questionnaires were developed:

a) Questionnaire for HRD Managers – designed to solicit information on employment arrangements, the reasons for their adoption, and the various conditions that accompany the arrangements such as compensation and benefits, training and performance management (Refer to Appendix A).

b) Questionnaire for Managers/Supervisors of the three operational department Front Office, Food and Beverage and Housekeeping- designed to compare regular versus non-regular employees in terms of their level of competence on the occupational standards for

the positions of Front Office Agent¹, Food and Beverage Attendant² and Room Attendant³ respectively. The Occupational Standards were derived from the Occupational Skills Standards developed by the Technical Education and Skills Development Authority (TESDA) together with industry practitioners. These standards define the minimum required stock knowledge and skills an employee is supposed to possess to qualify for the position for which the standards were developed (Refer to Appendices A1, A2, & A3).

c. Questionnaire for Employees- designed to compare the perceptions of regular versus non-regular employees on seven work elements: clarity of purpose, morale, fairness, recognition, teamwork, participation and communication. Each element is comprised of four statements for a total of twenty eight statements rated by the employees on a five point scale. The statements were sequenced randomly, hence the respondents did not have any prior knowledge on the classification of the statements (Refer to Appendix A 4 for Questionnaire for Employees)

Follow-up interviews were also conducted to supplement the data gathered through the survey questionnaires, and specifically to validate the information and obtain more in-depth responses.

D. Scheme of Analysis

Frequency counts of the HRD Managers' responses on the various issues relating to employment arrangements was made. A qualitative analysis was made based on the survey data and interviews with the HRD Managers.

For the comparison of regular versus non-regular employees in terms of the level by which they possess the occupational skills standards, the Mann-Whitney U Test was utilized. The same tests were used for determining differences in worker perceptions on the seven work related elements.

IV. PRESENTATION AND ANALYSIS OF DATA

A. Profile of Respondents

The informants of this study consisted of employees from various departments involved in operations. Management as well as workers, both on regular and temporary employment status, were represented in the sample selected.

A total of 212 respondents from 11 establishments participated in the study: 45 Managers/Supervisors from Front Office, Food and Beverage and Housekeeping, 158

employees and 9 HRD Managers (Refer to Table 2 for Profile of Establishments and Table 3 for Summary of Profile of Respondents by Employment Classification).

For the managers and supervisors, the positions of the respondents included that of Front Office Manager and Front Office Head Cashier (Front Office), Executive Housekeeper and Housekeeping Supervisor (Housekeeping Department) and Food and Beverage Manager and Captain Waiter (F & B Department). These managers/supervisors are all in the position to rate the performance of their staff on the checklist of competencies as they are those directly responsible for the latter's performance.

Positions of respondents who are regular or contingent employees were comprised of Front Desk Clerk/Guest Services Agent and Concierge (Front Office), Room Attendant (Housekeeping) and F & B Attendant (Food and Beverage Department). Both regular and non-regular employees filled out the questionnaire for employees.

Table 2: Profile of Establishments

	Classification	Years in Operation	Ownership	Number of Rooms	Total Number of Employees (2002)
1	Standard	less than 2 years	Chinese-Filipino	150	
2	Standard	27 years	Chinese-Filipino	89	
3	Standard	8 years 6 months	Chinese-Filipino	110	
4			Filipino	64	
5	First Class		60 % Filipino 40 % foreign	150	170
6	Standard	35 years	Filipino	73	159
7	Standard	less than 2 years	Filipino	64	98
8		less than 2 years	Filipino plus 25 % foreign	151	99
9	First Class	2 years	Singaporean	138	75
10	Standard	8 years	Filipino		93
11	De Luxe	8 years 9 months	Taiwanese	284	388

Table 3: Summary of Profile of Respondents by Employment Classification

NO.	MANAGERS/ SUPERVISORS			EMPLOYEES REGULAR			EMPLOYEES NON-REGULAR			HRD MGR	TOTAL
	F O	F & B	H K	FO	F & B	H K	F O	F & B	H K		
1	1	2	2	2	1	4	2	5	5	1	25
2	0	0	1	3	1	5	0	0	0	1	11
3	2	2	2	5	4	4	0	4	0	1	24
4	2	2	2	0	4	0	5	1	5	0	21
5	2	0	2	4	0	2	1	0	5	0	16
6	2	2	2	5	5	5	0	5	0	1	27
7	1	1	1	2	0	0	2	5	5	1	18
8	2	0	2	5	5	5	1	5	5	1	31
9	2	2	0	5	0	1	0	0	0	1	11
10	2	1	1	5	2	1	4	3	0	1	20
11	2	0	0	5	0	0	0	0	0	1	8
Total	18	12	15	41	22	27	15	28	25	9	212

FO – Front Office

F & B- Food and Beverage

HK- Housekeeping

B. Findings

1. Employment Arrangements and Reasons for Adoption

The most prevalent flexible employment arrangement utilized by the respondent establishments are the use of casuals, contractuels, agency hirees, extras, seasonal and apprentices. These are primarily used for positions as food and beverage attendants, banquet waiters, room and public area attendants and bellmen.

Table 4 : Summary of Flexible Employment Arrangements and Positions Assigned

ESTABLISHMENT	FLEXIBLE EMPLOYMENT ARRANGEMENT	POSITONS ASSIGNED
01	Casuals Extras	Front Office Agent (FO) Public Area Attendant (HK) Room Attendant (HK) Public Area Attendant (HK) Room Attendant (HK)
03	Casuals Agency Contractual Extras	Room Attendant (HK) F & B Attendant (F & B) Kitchen Helper (F & B) Steward (F & B) House Detectives (Security) Room Attendant (HK) Room Attendant (HK) Banquet Waiters (F & B)
04	Causal	Front Office Agent (FO) Food and Beverage Attendants (F & B) Room Attendant (HK)
05	Agency Contractual	HK Attendant (HK) Security Officers (Security) Carpenters (Engineering) Electrical Technician (Engineering)

Table 4 (con't)

ESTABLISHMENT	FLEXIBLE EMPLOYMENT ARRANGEMENT	POSITIONS ASSIGNED
06	Casual Contractual Extras Seasonal Apprentices	Waiter (F & B) Food Attendant (F & B) Steward (F & B) Painter (Engineering) Banquet Waiters (F & B) Food Checker (F & B) Waiter (F & B) Room Attendant (HK)
07	Casual Agency Extras Seasonal	HK Attendant (HK) Front Office Agent (FO) Bellman (FO) F& B Attendant (F & B) Kitchen Helper (F & B) Banquet Waiters (F & B) F & B Attendant (F & B) HK Attendant (HK)
08	Casual Agency	Housekeeper (HK) Technician (Engineering) Clerk/ Messenger Public Area Attendant (HK) Security Officer (Security)
09	Agency	Room Attendant (HK) Janitor Security Guard
10	Casual	Room Attendant (HK) Front Office Agent (FO)
11	Casual Agency Contractual Extra Apprentices Seasonal	Room Attendant (HK) Collection Attendant Accounting Clerk House Officer/Security Food Attendant (F & B) Houseman/ Powder Girl (HK) Painter (Engineering) Waiter (F & B) Houseman (HK) Room Attendant (HK) Kitchen Helper (F & B) Houseman/Powder Girl Waiter (F & B)

Legend:

- a. Casual – hired directly by the company for a five month term*
- b. Agency- hired through an agency/contractor for a period of five months*
- c. Contractual- employment fixed for a specific project or undertaking, termination of which has been determined at the time of engagement*
- d. Extras- hired daily on as per needed basis*

A number of establishments also utilize apprentices, a form of employment which requires more than three months of practical on the job training supplemented by related theoretical instruction.

Majority of the establishments also rely on student trainees (practicum) who are assigned in positions in Front Office, Food and Beverage, Housekeeping and the Offices.

Table 5: Reasons for Adoption of Flexible Employment Arrangements

REASONS	FREQUENCY OF RESPONSES
<ul style="list-style-type: none">• as a stop gap measure to cover for unusual workload, temporary absences	2
<ul style="list-style-type: none">• as alternative to regular workers	4
<ul style="list-style-type: none">• project of limited duration	6
<ul style="list-style-type: none">• to cut on labor costs	1

N= 9 (multiple responses)

Respondents report that flexible employment arrangements are resorted to for limited duration projects and as an alternative to regular workers. Other reasons given were as a stop gap measure to cover for unusual workload and to cut on labor costs.

2. Hiring Policies

Table 6: Minimum Qualification Requirements, Recruitment Methods and Screening Measures

	FREQUENCY OF RESPONSES	
	Regular Employees	Non-regular Employees
MINIMUM QUALIFICATION REQUIREMENTS		
High School Graduate	2	6
Vocational Technical Graduate	4	5
College Level	1	3
College Graduate	9	4
Skills Certification	3	3
RECRUITMENT METHODS		
Agency	1	5
Advertisement/Want –ads	7	2
Internal Promotion	8	2
Personal Referrals	8	5
Walk-ins	8	5
SCREENING MEASURES		
Employment Interview	9	7
Employment Test	7	5
Background Investigation	8	4
Physical-medical check-up	9	5
Curriculum Vitae	9	7

N= 9 (multiple responses)

3. Compensation (Rate of Pay and Benefits)

C. Table 7: Rate of Pay of Regular versus Non- Regular Employees

Non-regular	Frequency of Responses
Lower Rate of Pay than Regular	5
The Same Rate of Pay as Regular	4

D. N = 9

E. Table 8: Benefits of Regular versus Non-regular Employees

BENEFITS	FREQUENCY OF RESPONSES	
	REGULAR EMPLOYEES	NON-REGULAR EMPLOYEES
SSS/GSIS	9	7
First Aid Emergency Services	8	6
Company Medical and Dental services (regular consultations)	6	1
13 th month pay	9	7
Retirement Plan	5	
Pension Plan	1	
Company Financial Assistance	6	1
Credit Union	1	
Legal Advise	3	2
Counseling Services	8	6
Duty Meal	9	7
Uniforms	7	5
Service Charge	8	2 (less than regular)
Use of Safety Equipment	6	5
Life Insurance	3	
Company Outing	1	1

N= 9 (multiple responses)

Regular employees receive either the same rate of pay or lower than regular employees. In terms of benefits and employee services, the regular employees receive more items than the non-regular employees. Even when establishments opt to give the non-regulars a share in the service charge, this is still smaller than what is due the regular workers.

4. Training of Employees

Table 9: Types of Training of Regular versus Non-regular Employees

TYPES OF TRAINING	REGULAR	NON-REGULAR
General Orientation	9	9
Guest Service	9	8
Values and Attitudes	8	6
Team Building	7	4
Safety and Security	8	6
Telephone Etiquette	9	8
On-the-Job Training	6	7
Long Term Educational Programs		
Short Term Educational Programs		
Job Rotation Programs	5	4
Facilitation/Coaching Skills	1	

N = 9 (multiple responses)

Both regular and non-regular employees appear to be given trainings on general programs as the orientation, guest service, safety and security and telephone etiquette. The same is true for on-the-job training and job rotation programs.

5. Performance Monitoring

Table 10: Performance Evaluation of Regular versus Non-Regular Employees

	REGULAR	NON-REGULAR
Frequency of Evaluation		
• monthly		1
• quarterly		
• five/six months	5	4
• annually	4	
• none		4
Rater		
• supervisor	5	3
• Department Head	2	1

N = 9

Regular employees are evaluated either annually or semi-annually by the direct supervisor or Department Head. For non-regular employees, there are some establishments that do not anymore evaluate their performance. Some others undertake the evaluation at the end of the five month period of temporary employment.

6. Worker Competence

In terms of ratings by managers/supervisors on the level by which regular employees as compared to non-regular employees possess the occupational skills standards, a significant difference was noted for some skills and knowledge standards for the position of Front Office Agent, Food and Beverage Attendant and Room Attendant.

Table 11 :
Comparison Between Regular and Non-regular Employees on Occupational Standards
for the Position of Front Office Agent

ITEM NO.	OCCUPATIONAL STANDARD	MANN-WHITNEY U	P-VALUE
SKILLS			
CHECKING IN GUESTS			
1	Receiving/registering walk-in/ pick-up guests	20.000	.076
2	Receiving/registering FITs/returning guests	11.000	.026 *
3	Receiving/registering group and lay-over guests	19.000	.062
4	Rooming guests (assigning rooms)	29.000	.312
5	Preparing guest folio	22.000	.152
HANDLING GUESTS			
6	Responding to guests' request for extension of stay	18.500	.051 *
7	Responding to guests' request for additional room facilities	16.500	.033 *
8	Responding to guests' request for room transfer	18.000	.051 *
9	Responding to guests' request for confidentiality	16.500	.087
10	Handling messages, incoming or outgoing faxes	17.000	.041 *
11	Handling guests' complaints	22.500	.080
12	Handling foreign exchange	14.000	.056
13	Handling flight confirmation	26.500	.349
14	Handling other related matters or special requests from guests	20.500	.055
CHECKING OUT GUESTS			
15	Handling procedures in checking out guests	11.500	.012 *
16	Presenting guest folio	17.500	.143
17	Accepting manner of settlement	11.500	.035 *
18	Applying procedures after accepting payment	12.500	.046 *
19	Determining and tallying total sales for the day	19.500	.087
20	Remitting cash sales and foreign currency	8.500	.019 *
PREPARING AND MAINTAINING RECORDS AND REPORTS			
21	Preparing guest arrival report	17.000	.029 *
22	Preparing guest departure report	18.500	.051 *
23	Preparing/updating guest occupancy report	20.500	.055
24	Preparing guest no show and cancellation reports	19.000	.119
25	Keeping guest history files	17.000	.081

Table 11 (con't)

<u>KNOWLEDGE</u>			
PRODUCT KNOWLEDGE			
26	Room category/class	18.000	.051 *
27	Room type/rates	22.500	.109
28	Bed sizes and types according to accommodations	15.000	.026 *
29	Product selling point i.e. floor level view	18.500	.051 *
30	Room features	14.500	.020 *
31	Room services	18.500	.051 *
32	Rooming terminology	16.000	.033 *
33	Hotel facilities and services	21.500	.091
34	General information	16.000	.033 *
35	Word Processing	17.000	.041 *
FRONT OFFICE EQUIPMENT			
36	Different types of front office equipment	13.500	.015 *
37	Maintenance and proper use of equipment	23.500	.130
38	Computer/Desktop	17.500	.041 *
HOTEL OPERATIONAL PROCEDURES			
39	Organizational structure in hotels, resorts and similar establishments	24.000	.153
40	Personnel rules and regulations	19.000	.062
41	Registration procedures for: - walk-in and pick-up guests - returning guests - group and FIT arrangement	15.000	.026 *
42	Key control procedures for: - guestroom keys - lost/missing keys - office/outlet keys	20.000	.076
43	Key inventory procedures	23.000	.130
44	Use of guest rooms	18.000	.051 *
COMMUNICATION			
45	Selling/rooming dialogue	7.500	.002 *
46	Upselling techniques	18.500	.036 *
47	Upgrading versus discounting	17.000	.029 *
48	Communicating in English	16.000	.023 *
49	Understanding common foreign language	22.000	.080
50	Following oral and written instructions	23.500	.095
51	Report forms	24.000	.112
52	Front office records	27.500	.395
53	Personal grooming and hygiene	24.000	.112
54	Etiquette and gestures	37.500	.569

Table 11 (con't)

MATHEMATICS			
55	Multiplication, division, addition and subtraction principles	27.000	.178
56	Fractions, decimal and percentages	31.500	.302
57	Conversion of foreign currencies	24.500	.153
SAFETY PRACTICES			
58	Emergency procedures	18.500	.036 *
59	Fire prevention and control	19.500	.045 *
60	First aid treatment	34.500	.424
ATTITUDES AND HABITS			
61	Service attitude/customer orientation	30.000	.267
62	Attention to detail	39.000	.677
63	Positive attitude towards work	23.500	.095
64	Cooperation and teamwork	39.500	.677
65	Attendance and punctuality in reporting for work	33.500	.381

* significant difference between regular and non-regular employees

Table 12: Comparison Between Regular and Non-regular on Occupational Skills Standards for the Position of Food and Beverage Attendant

ITEM NO.	OCCUPATIONAL STANDARD	MANN-WHITNEY U	P-VALUE
SKILLS			
SETTING UP THE TABLE			
1	Preparing china, glassware, silver and hollow ware	24.000	.095
2	Preparing condiments and food accompaniment and guest supplies	29.000	.211
3	Distributing/stocking operating equipment in	38.000	.604
4	Checking and preparing function and order arrangement	23.500	.079
WELCOMING GUESTS			
5	Acknowledging arrival of guests	34.000	.400
6	Ushering guest in seating	32.500	.315
7	Assisting guest in seating	28.500	.133
TAKING GUEST ORDERS			
8	Taking beverage orders	20.000	.083
9	Presenting menu	15.000	.046 *
10	Writing down orders	19.000	.114
11	Placing orders	20.000	.139
SERVING GUEST ORDERS			
12	Serving beverage order	36.000	.497
13	Getting food from the kitchen	24.000	.095
14	Assembling order on the tray	13.000	.014 *
15	Serving food	23.500	.236
16	Asking for additional orders and guest service	17.500	.022 *
17	Filling/refilling water goblet	40.500	.720
CLEARING TABLE			
18	Removing soiled plates/flat wares	22.500	.065
19	Removing condiments, shaker, soiled glasses, soiled napkins	29.000	.360
20	Replacing soiled ash tray	22.500	.113
21	Replacing table cloth	24.500	.095
22	Resetting table	26.500	.237
SETTLING BILLS			
23	Preparing the bill	17.000	.074
24	Presenting the bill	26.000	.370
25	Biding goodbye	20.000	.139

* significant difference between regular and non-regular

Table 12 (con't)

PERFORMING SUPPLEMENTAL ACTIVITIES			
26	Making table reservations	24.000	.161
27	Preparing inventory of stock	21.500	.094
28	Handling guest complaints	12.000	.006 *
29	Participating in restaurant meetings	25.500	.113
30	Forwarding guest lost items	35.500	.447
31	Preparing reports	19.500	.063
PERFORMING SAFETY PRACTICES			
32	Observing company rules and regulations	35.000	.447
33	Using fire extinguishers	21.500	.167
34	Applying first-aid treatment	30.500	.606
35	Storing / handling tools and equipment	25.000	.113
36	Observing sanitation and environmental friendly housekeeping practices	39.500	.661
KNOWLEDGE			
PRODUCT KNOWLEDGE			
37	Trade terminology (identification)	27.000	.156
38	Menu specification	17.000	.022 *
39	Beverage Specification	23.500	.079
40	Alcoholic Beverages	21.500	.053
41	Non-alcoholic beverages	30.000	.243
42	Proper service procedures	32.000	.315
43	Wine liquor specification	13.500	.027 *
OPERATING SUPPLIES AND EQUIPMENT			
44	Different types of equipment and table appointment and wares	19.500	.035 *
45	Serving equipment	18.00	.055
46	Transporting equipment	19.500	.336
47	Special equipment and supplies	20.000	.252
48	Different guest supplies	17.000	.074
49	Uses and specification of operating equipment and supplies	18.000	.093
50	Condiments and accompaniments	24.000	.277
51	Monitoring proper usage of equipment and supplies	18.000	.093

* significant difference between regular and non-regular

Table 12 (con't)

TABLE PREPARATION			
52	Pre-service operation	18.500	.028 *
53	Post-service operation	20.500	.043 *
54	Types of table service	21.000	.053
55	Advantages and disadvantages of different types of table service	26.500	.133
FOOD HANDLING PROCEDURES			
56	Methods and procedures	20.500	.043 *
57	Composition	19.500	.036 *
58	Types/characteristics of menu	30.000	.243
59	Ingredients requirements	26.500	.133
60	Selection and sequence	15.000	.013 *
ASSEMBLING AND SERVING ORDERS			
61	Procedures/methods of assembling foods on the tray	12.000	.021 *
62	Procedures in serving food	28.000	.481
63	Merchandising/ suggestions and upselling approaches	22.000	.200
CONTROL PROCEDURES			
64	Basic mathematics	19.500	.336
65	Percentages	8.000	.073
66	Ratio/proportions/volumes	14.000	.366
67	Unit conversion	24.500	.694
68	Cost analysis	20.000	.397
69	Par stock	21.000	.167
70	Inventory procedures	20.000	.139
71	Requisition reports	23.000	.236
72	Food and beverage order procedures	16.000	.059
73	Monitoring and controlling losses and breakages	19.000	.114
HOTEL AND RESTAURANT OPERATIONAL PROCEDURES			
74	Organizational structure in hotels and restaurants	27.500	.423
75	Lost and found procedures	25.500	.321
76	1. Reporting		
76	2. Safekeeping	22.500	.200
77	Personality Development	25.500	.321
77	1. Personal grooming/hygiene		
78	2. Working relationship	20.00	.139
79	3. Etiquette and gestures	23.00	.236
80	4. Personnel rules and regulations	24.00	.277

* significant difference between regular and non-regular

Table 12 (con't)

COMMUNICATION AND RECORDS KEEPING			
81	Verbal communication	2.500	.113
82	Written communication	29.500	.211
83	Signs and charts	34.00	.400
84	Interpretation of foreign languages	22.000	.200
85	Reporting	24.000	.095
86	Handling complaints	10.500	.003 *
87	Merchandising	26.500	.370
88	Encouraging feedback and comments from guests	24.500	.095
SAFETY PRACTICES			
89	Basic safety practices	14.000	.121
90	Fire prevention	20.000	.139
91	First-aid treatment	22.000	.200
92	Proper handling of tools and equipment	20.000	.139
93	Proper storage of equipment	19.000	.114
94	Sanitation	29.000	.541
ATTITUDES			
95	Service Attitude and Customer Orientation	36.000	.497
96	Attention to Detail	20.500	.043 *
97	Positive Attitude Towards Work	22.500	.113
98	Cooperation and Teamwork	41.500	.780
99	Attendance and Punctuality in Reporting for Work	27.000	.258

* significant difference between regular and non-regular employees

Table 13 : Comparison Between Regular and Non-regular Employees on Occupational Standards for the Position of Room Attendant

ITEM NO.	OCCUPATIONAL STANDARD	MANN-WHITNEY U	P-VALUE
<u>SKILLS</u>			
PREPARING TO CLEAN			
1	Securing key	14.500	.002 *
2	Checking room status	27.000	.036 *
3	Preparing room attendants' cart	28.500	.069
CLEAN GUEST ROOMS			
4	Emptying waste basket and ash tray	49.500	.556
5	Sanitizing tumblers	42.500	.292
6	Removing soiled dishes, old newspapers and amenities	25.000	.025 *
7	Stripping bed	21.500	.025 *
8	Making bed	26.000	.049 *
9	Vacuuming carpets and edges	15.000	.003 *
10	Dusting furniture, fixtures, walls and baseboards	27.500	.036 *
11	Checking and charge mini-bar consumption	18.500	.030 *
CHECKING ROOMS			
12	Checking appliances	27.500	.036 *
13	Checking room amenities and supplies	27.500	.036 *
14	Checking lighting and ventilation	55.500	.845
15	Checking bathroom and shower room	40.500	.235
16	Checking furniture	44.000	.357
CLEAN BATHROOM			
17	Removing soiled, towels, empty waste baskets and ash trays	52.500	.277
18	Cleaning light diffusers	33.000	.049 *
19	Cleaning bathroom ceilings	42.500	.254
20	Cleaning mirrors/glass panels	44.500	.119
21	Cleaning wash basin	36.000	.041 *
22	Cleaning bathtub	55.000	.525
23	Cleaning toilet bowl	35.000	.035 *
24	Polishing stainless fixture and fittings	45.000	.211
25	Cleaning bathroom floors	45.500	.211

* significant difference between regular and non-regular

Table 13 (con't)

CLEANING HALLS/HALLWAYS OF GUEST ROOMS			
26	Vacuumping carpets	38.000	.055
27	Polishing room numbers, baseboard and wood panels	45.000	.211
28	Polishing furniture and fixtures	41.500	.082
29	Spraying air freshener	51.000	.582
MAINTAINING SERVICE AREA			
30	Arranging amenities	42.500	.093
31	Arranging linen supplies	47.500	.167
32	Cleaning serving area floor	50.000	.228
33	Emptying vacuum cleaner	38.000	.159
34	Arranging cart supplies	46.000	.150
35	Cleaning service cart	38.000	.159
36	Stocking supplies	54.000	.331
PREPARING REPORTS/REQUISITION			
37	Preparing daily room attendant's report	41.000	.082
38	Preparing report/relay guest order and request	46.000	.150
39	Preparing room supplies requisition	52.000	.277
40	Reporting losses and damages	46.500	.150
<u>KNOWLEDGE</u>			
SAFETY PRACTICES			
41	Storage and handling of chemicals	26.000	.007 *
42	Fire control and prevention	44.500	.119
43	First aid treatment	28.500	.021 *
44	Proper handling of equipment and supplies	42.500	.093
45	Use of protective devices	46.000	.257
46	Emergency procedures	45.000	.346
PRODUCT KNOWLEDGE ROOM ARRANGEMENTS			
47	Bed-setting	33.000	.026 *
48	Curtains/draperies installation	35.000	.035 *
49	Furniture arrangement	46.000	.150
50	Mini-bar supplies arrangement	42.000	.292
ROOM TYPES			
51	Suites	58.500	.923
52	Deluxe	39.500	.456
53	Superior	43.500	.656
BED TYPES			
54	Queen-size bed (for single use)	43.500	.656
55	King-size bed (double size)	38.000	.251

* significant difference between regular and non-regular

Table 13 (con't)

HOUSEKEEPING ABBREVIATIONS FOR MARKING ROOM STATUS			
56	VCI – Vacant Clean Inspected	42.000	.579
57	VC – Vacant Clean	57.500	.648
58	OD – Occupied Dirty	38.000	.393
59	OC – Occupied Clean	46.000	.257
60	VCP – Vacant Clean Pick-up	48.000	.702
61	OCI - Occupied Clean Inspected	38.000	.393
62	VC – Vacant Dirty	38.000	.251
63	OOO – Out of Order	54.500	.522
HOUSEKEEPING LINEN AND SUPPLIES			
64	Kinds of linen	44.500	.508
65	Kinds of curtains and draperies	35.500	.193
66	Kinds of detergents	28.500	.069
67	Kinds of cleaning agents	33.000	.148
DIFFERENT TYPES OF HOUSEKEEPING EQUIPMENT			
68	Floor polisher	42.500	.422
69	Vacuum cleaner	46.500	.602
70	Carpet sweeper	35.000	1.000
DIFFERENT TYPES OF HOUSEKEEPING TOOLS			
71	Brushes and brooms	44.000	.508
72	Sprayer	52.500	.917
73	Mop and rugs	52.000	.917
74	Carts	52.500	.917
ELECTRICAL APPLIANCES OPERATION			
75	Operation of television sets	50.000	.808
76	Operation of air conditioners	45.500	.554
77	Operation of refrigerators	50.500	.808
78	Operation of lighting	50.000	.808
79	Operation of shavers/dryers	49.500	.754
MATHEMATICS			
80	Addition, subtraction, multiplication and division principles	22.000	.428
81	Areas and volumes	46.000	.602
82	Fractions and percentages	34.000	.169
SANITATION			
83	Health and hygiene	40.000	.345
84	Personal grooming	40.000	.345
85	Fumigation procedure	48.500	.702

* significant difference between regular and non-regular

Table 13 (con't)

COMMUNICATION AND RECORD KEEPING			
86	Following oral and written instructions	36.500	.077
87	Understanding booking sheets	38.500	.101
88	Understanding requisition forms	32.000	.082
89	Preparation of simple reports	40.500	.131
90	Maintaining simple records	43.500	.186
91	Understanding organizational structure of hotels	34.000	.057
92	Personnel rules and regulations	41.000	.148
ATTITUDES AND HABITS			
93	Service attitude/customer orientation	46.000	.257
94	Attention to detail	40.000	.131
95	Positive attitude towards work	51.000	.410
96	Cooperation and teamwork	55.000	.563
97	Attendance and punctuality in reporting for work	61.000	.832

*significant difference between regular and non-regular

7. Worker Perception on Work Elements

There appears to be no significant differences in the perceptions of regular in comparison with the non-regular employees on the seven work elements: clarity of purpose, morale, fairness, recognition, teamwork, participation and communication. This was noted for all the three operational departments included in the study: Front Office, Food and Beverage and Housekeeping (Refer to Tables 14, 15 and 16).

Table 14: Comparison Between Perceptions of Regular and Non-regular Employees on Work-Related Elements (FRONT OFFICE)

	<u>STATEMENT</u>	Mann-Whitney U	p-value
1	My work is appreciated by management.	2.500	.640
2	There is no discrimination amongst workers.		
3	I am trusted by management.	302.500	.843
4	Systems and procedures are adequate.	269.000	.405
5	I am kept informed of what is going on in the company.	270.500	.525
6	I feel respected as a person.	207.000	.057
7	I am treated fairly.	256.000	.608
8	Tasks and responsibilities are clearly organized.	312.500	.879
9	There is a positive spirit in the workplace.	282.500	.469
10	Individual effort is rewarded appropriately.	283.000	.730
11	The company looks at what you can do, not who you know.	217.500	.160
12	I know what is expected of me.	279.500	.522
13	My rights are respected by management.	249.500	.522
14	I have a voice in decisions made around here.	233.500	.108
15	I am compensated fairly	282.000	.543
16	I know where I stand.	283.500	.742
17	I am able to give my suggestions freely.	289.000	.649
18	People here care for each other (malasakit).	299.000	.682
19	I am provided with information I need to do my work well.	288.000	.536
20	Whenever I see anything that does not meet the standards of procedures in my department, I inform the supervisor or manager first before I act on it.	318.500	.977
21	If you do something well, it is noticed.	317.000	.954
22	There is camaraderie and teamwork amongst the employees (magandang pakikipagsamahan).	269.500	.316
23	People here help each other out (tulong-tulong).	265.500	.286
24	I am able to contribute much to my section's output.	232.500	.154
25	I understand why things are asked of me.	237.500	.110
26	Communication is clear and timely between mgt and employees.	267.500	.380
27	I understand why things are asked of me.	284.000	.488
28	People here are out for the company, not just for oneself (hindi pansarili).	281.000	.812

Table 15: Comparison Between Perceptions of Regular and Non-regular Employees on Work-Related Elements (FOOD AND BEVERAGE)

	<u>STATEMENT</u>	Mann Whitney U	p- value
1	My work is appreciated by management.	1.000	1.00
2	There is no discrimination amongst workers.		
3	I am trusted by management.	281.500	.965
4	Systems and procedures are adequate.	181.000	.075
5	I am kept informed of what is going on in the company.	251.000	.469
6	I feel respected as a person.	213.500	.199
7	I am treated fairly.	257.000	.555
8	Tasks and responsibilities are clearly organized.	274.500	.668
9	There is a positive spirit in the workplace.	246.000	.303
10	Individual effort is rewarded appropriately.	180.000	.014
11	The company looks at what you can do, not who you know.	269.000	.796
12	I know what is expected of me.	260.500	.603
13	My rights are respected by management.	234.000	.305
14	I have a voice in decisions made around here.	285.500	.857
15	I am compensated fairly	255.000	.379
16	I know where I stand.	266.000	.552
17	I am able to give my suggestions freely.	263.000	.875
18	People here care for each other (malasakit).	278.500	.737
19	I am provided with information I need to do my work well.	274.500	.678
20	Whenever I see anything that does not meet the standards of procedures in my department, I inform the supervisor or manager first before I act on it.	281.500	.768
21	If you do something well, it is noticed.	290.000	.928
22	There is camaraderie and teamwork amongst the employees (magandang pakikipagsamahan).	274.500	.672
23	People here help each other out (tulong-tulong).	242.500	.258
24	I am able to contribute much to my section's output.	276.000	.682
25	I understand why things are asked of me.	290.500	.938
26	Communication is clear and timely between mgt and employees.	258.000	.554
27	I understand why things are asked of me.	239.500	.319
28	People here are out for the company, not just for oneself (hindi pansarili).	262.000	.488

Table 16: Comparison Between Perceptions of Regular and Non-regular Employees on Work-Related Elements (HOUSEKEEPING)

	<u>STATEMENT</u>	Mann Whitney U	p- value
1	My work is appreciated by management.	.500	.228
2	There is no discrimination amongst workers.		
3	I am trusted by management.	298.500	.326
4	Systems and procedures are adequate.	339.500	.839
5	I am kept informed of what is going on in the company.	336.500	.791
6	I feel respected as a person.	295.500	.551
7	I am treated fairly.	334.000	.968
8	Tasks and responsibilities are clearly organized.	343.500	.901
9	There is a positive spirit in the workplace.	350.000	1.00
10	Individual effort is rewarded appropriately.	335.000	.770
11	The company looks at what you can do, not who you know.	335.500	.775
12	I know what is expected of me.	335.500	.938
13	My rights are respected by management.	339.500	.834
14	I have a voice in decisions made around here.	314.000	.467
15	I am compensated fairly	294.500	.282
16	I know where I stand.	279.000	.180
17	I am able to give my suggestions freely.	326.000	.639
18	People here care for each other (malasakit).	326.000	.634
19	I am provided with information I need to do my work well.	332.500	.737
20	Whenever I see anything that does not meet the standards of procedures in my department, I inform the supervisor or manager first before I act on it.	289.000	.360
21	If you do something well, it is noticed.	.348.500	.977
22	There is camaraderie and teamwork amongst the employees (magandang pakikipagsamahan).	279.000	.234
23	People here help each other out (tulong-tulong).	334.500	.760
24	I am able to contribute much to my section's output.	254.000	.058
25	I understand why things are asked of me.	282.000	.263
26	Communication is clear and timely between mgt and employees.	280.000	.236
27	I understand why things are asked of me.	312.500	.603
28	People here are out for the company, not just for oneself (hindi pansarili).	290.000	.347

C. Discussion

The type of non-regular employment arrangement often resorted to by the participating establishments are those which basically provide for numerical flexibility. Employing casuals, contractuels, agency hirees, extras and apprentices permit the establishments to adjust their labor inputs easily depending on the requirements for a given period. The nature of business activity in tourism is such that there are peak and low seasons, hence the need to adjust the manpower size in accordance with requirements. In times when hotels experience financial difficulties and hence the impending need to cut on costs in order to survive, this measure offers a suitable means for establishments to be able to cope.

The manner by which labor flexibility measures is implemented by the respondent establishments suggests efforts on the part of management to simulate the conditions surrounding the employment of regular workers. This can be gleaned on several counts: screening practices, provision of training, and benefits and services schemes. With respect to screening of potential non-regular employees, the respondent establishments take measures to obtain employees who are viewed as suitable for employment, even if they are to be with the company only for a limited duration. These include the employment interview, employment tests, physical-medical check-up and screening through use of the curriculum vitae. These are the same screening procedures that are taken for prospective regular employees.

In terms of rate of pay, more than half of the respondent establishments admit they give a lower rate to the non-regular workers as compared to the regulars. In terms of benefits and services, it is to be noted that majority of the respondents provide the same entitlements to non-regular as the regular employees on several items such as SSS, first aid emergency services, counseling services, duty meal, and 13th month pay. Uniforms and safety equipment were also among those mentioned by a number of respondents. Two establishments also provide the non-regular employees a share of the service charge, although the percentage is less than that given the regular workers. Only one establishment reported providing them with company financial assistance and medical/dental services. Needless to say, regular employees usually receive more in total compensation than non-regular employees overall.

In terms of trainings provided, it is of worth to note that the respondent establishments provide practically the same types of programs to the non-regular as that of the regular employees. It is only on team building programs where only four of the respondent establishments claim it is provided to both types of employees.

While it is apparent that respondent establishments attempt to provide both regular and non-regular employees with the necessary knowledge, skills and attitudes through trainings provided, there is a noted significant difference on some aspects of worker competence as identified through the survey. One possible explanation to this is that while non-regular workers are also developed through the training programs, the transient nature of their employment hinders them from fully learning and being able to apply all what has been learned.

In the comparison for the position of front office agent, a significant difference in the perceived competence in favor of regular versus non-regular was observed in 47 % of the occupational standards (29 out of 65 standards). This is a serious concern particularly for the position concerned, as usually the front office agent is the first point of contact between the employees and guests.

It is of interest to note that there is a clustering of the items where the significant difference was observed. In particular, the difference was noted mainly for the standards pertaining to handling guests (44 %, i.e. 4 out of 9 standards), checking out guests (66 %, i.e. 4 out of 6 standards) and product knowledge (80 %, i.e. 8 out of 10 standards). Other standards where a difference was noted fall under the classification of checking in guests, preparing and maintaining records and reports, and knowledge of hotel operational procedures, communication and safety practices.

For the positions of food and beverage attendant and room attendant, a significant difference in the perceived competence in favor of regular versus non-regular employees was noted in 14.14 % (14 out of 99 standards) and 17.52 % (17 out of 97 standards) respectively, of the occupational standards. The smaller percentage of standards wherein a significant difference was noted can possibly be explained by the fact that standards for food and beverage attendant and room attendant are not as complex as that of the front office agent.

Similar to the observations for the position of front office agent, there is a clustering of the standards wherein a significant difference was observed for the position of a room attendant. In particular, a difference was noted for the standards pertaining to cleaning guest rooms (75 %, i.e. 6 out of 8 standards) and cleaning bathrooms (50 % 3 out of 6 standards). Other standards wherein a difference was noted fall under preparing to clean, checking rooms, product knowledge and safety practices.

In view of the findings on perceived competence of regular versus non-regular employees on a number of the occupational standards, closer performance monitoring of the latter would henceforth be necessary in order to avoid commission of mistakes. While

performance evaluation is undertaken for regular employees in all the respondent establishments, it is not the same case for non-regular employees where only a few undertake the process. Half of the respondent establishments reportedly do not evaluate their employees at all. Needless to say, closer monitoring and performance evaluation are seen as essential in order to ensure attainment of the standards.

It is of interest to note that there are no significant differences in perceptions of regular from non-regular employees on the work-related elements as clarity of purpose, morale, fairness, recognition, teamwork, participation, and communication. One possible explanation to this relates to the earlier mentioned notion that management attempts to provide working conditions to non-regular employees which are similar to the regular-employees. It is only on the aspect of rate of pay and a few benefit items where regular employees usually receive more than the non-regular employees. Otherwise, non-regular employees also are able to participate in the same company activities including training and development activities, and recreational and health related services. It may be the case wherein non-regular workers have come to accept the situation that temporary employment is resorted to by establishments considering the economic necessity in order to survive difficult times. They view their employment as a better alternative to not having any job at all considering the difficulty in finding employment with the current tight labor market.

With due consideration of the conditions that have brought about the utilization of labor flexibility and the conditions that usually accompany this type of employment arrangement, the following diagram is an attempt to illustrate the results of the study.

Figure 1 illustrates an apparent gap between the conditions surrounding flexible employment arrangements and conditions that are seen to propel workers to perform well. Contingent employees are those who have no security of tenure as their employment with the establishment is only for a predetermined period of time. The transient nature of their engagement with the establishment has implications in terms of the compensation (monetary and nonmonetary) they receive as well as the training they obtain while in the firm. They usually receive compensation below that of a regular employee although the work performed is essentially the same. They also have no entitlements for financial assistance and other long term benefits such as retirement and pension. With regards training, although they may be provided with development activities to upgrade their knowledge and skills, the transient nature of their employment may account for their inability to fully learn all essential elements to enable them to perform as well as the regular employees particularly for highly complex tasks such as

those performed by the Guest Services Agents² (Front Office). These are opposite the conditions that are seen to bring about quality worker performance: equitable compensation, security of tenure and well trained staff. All these pose challenges in ensuring that contingent employees deliver quality service.

The need for work performance of employees that shall enable them to deliver quality service is highlighted by competitive pressures amongst hotels which has been heightened by the impact of globalization. This is particularly true for hotels which are service organizations owing to the nature of service which involves a high degree of interaction between the frontline employee and the customer. It is this interaction, known as the “service encounter” that has a direct impact on the customers’ level of satisfaction and hence the primary gauge of whether the establishment shall continue to be patronized vis a vis competitors.

While work performance is one of the means to gain a competitive advantage to maintain economic viability, there is potential tradeoff brought about by the use of flexible labor arrangements as a cost reduction mechanism also to maintain economic viability because of its adverse effect on worker performance particularly of front desk workers.

The issue that arises out of resorting to labor flexibility measures is that quality worker performance may be put at risk with the conditions that accompany this type of arrangement. Quality worker performance can be achieved with employees who are competent, motivated, skilled and committed, and who work together as a team in the delivery of service. This situation may be difficult to achieve when workers enter into flexible working arrangements because there are no other employment alternatives open to them.

In service organizations as in tourist accommodation establishments, the employment of labor flexibility measures, if not managed properly may have negative repercussions on service delivery. Hence, if no policy changes are effected, the economic viability of establishments employing labor flexibility measures is also threatened as guests turn to competitors who may better be able to deliver.

² *Guest Services Agent- " Workers in this occupational group make room reservations, register arriving guests, assign rooms, answer enquiries regarding hotel services, in person or by letter, telephone or fax. They respond to guests' enquiries, requests and complaints. They also compile daily record sheets, guest accounts, receipts and vouchers using computerised or manual systems. Finally, they present statements of charges to departing guests and receive payments ".*
(http://workfutures.yk.ca/text/body/6435EY_T.html)

Knowing that it is vital for an establishment to maintain a set of highly qualified, well trained, motivated staff with the appropriate personality make up in order to ensure quality service delivery, it is a must that the gap between the conditions surrounding flexible labor and those required to achieve quality worker performance be addressed. The challenge is how to manage the employment of flexible labor and at the same time ensure service delivery is up to par with standards set by the establishment, both of which are essential to maintaining the economic viability of the firm. Equally important is to ensure that workers' rights and protection are safeguarded. Equity for the workers in spite of the predicament that companies are faced with is a basic philosophy that must be adhered to.

V. POLICY OPTIONS AND ALTERNATIVES

Historically, turnover (rate by which employees are hired and separated from organizations) has been viewed by hospitality organizations in two different ways : (1) an issue of concern since it entails costs to the company, and (2) something that is not necessarily undesirable since there are some benefits that can be derived from such a phenomenon (Rutherford, 1995).

The first view advances that turnover entails costs to the organization in terms of money that is spent on recruitment and training. Moreover, there are also nonquantifiable costs due to diminished image and possibly customer loyalties to previous employees. This view henceforth puts an emphasis on the need to control turnover. The other implication of this view has to do with the well-being of employees as it relates to their security of tenure and corollary repercussions as commitment and motivation to do the job well.

The second view espouses that turnover is not necessarily undesirable since performance and longevity have an inverse "U-shaped" relationship wherein performance increases over the short to intermediate term but decreases over the longer term (i.e. the longer the employees stay, the less likely they are to increase their performance). This view complements the idea that through constant replacement of workers, an establishment would have a freer hand in assigning employees who are relatively new and presumably still young and energetic to front-of-the-house positions (i.e. positions which entail face-to-face interaction with the guest). This is particularly of value in service organizations which are expectedly conscious of maintaining their image which is basically projected through their front-of-the-house service employees.

It has been noted that for some firms such as in the cases of McDonalds and Jollibee in the Philippines, it has become a conscious HR policy to encourage turnover of employees as it is believed that by engaging young, contingent workers, the firm is constantly assured of enthusiasm and productivity (Palafox, 2002).

Cognizant of the fact that the emerging trend of increased use of flexible labor arrangements in the workplace is inevitable as most organizations, not only those in the tourism services sectors, have had to resort to measures to maintain their economic

viability amidst the new challenges brought about by globalization and other changes in the economic environment, the challenge now for firms is how to make the practice of hiring contingent employees work to their advantage, and at the same time give due regard for the rights of workers and be able to provide for their welfare.

The policy options and alternatives that are offered take into account the unique characteristics of service organizations, that of (1) the seasonality of business volume and (2) the simultaneity of production and consumption of the service which necessitates interaction between the service employee and the guest. One or a combination of policy options and alternatives may serve to attain the dual objectives of production of quality service and at the same time give due consideration for meeting the needs of employees.

Policy Option 1:

Strengthening of Protection of Workers on Contingent Employment

A number of provisions included in the Labor Code are specifically intended for the protection of contingent workers' rights. These provisions have been supplemented with policy guidelines intended to ensure rights and privileges of these category and which were issued by the Department of Labor and Employment (DOLE) in more recent years. However, their implementation has been weak as many establishments are able to circumvent existing laws. The prevalent practice of "labor-only" contracting, though prohibited, is an example of how numerous establishments are able to get away with noncompliance with legal provisions.

Protection of workers on contingent employment arrangements must be strengthened. Strict implementation of the legal provisions must be monitored by the DOLE to ensure that organizations comply with requirements. Moreover, workers need to be educated on their rights and privileges in order for them not to become victims of exploitation.

Policy Option 2: Industry Initiatives and Regulation

2.1 Maintenance of a pool of workers who pass certification training and can easily be hired to meet the requirements of tourist accommodation establishments

Develop and maintain a pool of qualified employees for semi-skilled positions. This would necessitate intensive training on occupational skills standards leading to certification of workers for a particular position that would enable individuals to render service that meets the standards of the industry. This mechanism serves to ensure that those who pass trade skills training have the desired skills and knowledge competencies required by the industry.

A centralized government agency that shall hold responsibility for the certification training and deployment of these personnel is needed if this alternative is to be pursued.

2.2. Assignment of Contingent Workers only to Back of the House Posts

It has been noted that many flexible workers are assigned to front of the house posts. Even student trainees and practicumers are fielded to very sensitive front of the house positions including assignments at the Front Desk. The danger in this arrangement is that quality experience of guests in every service encounter may be difficult to achieve with workers who are not secure in their jobs and perhaps not as prepared in terms of knowledge and skills to perform the tasks required. As it may be difficult to be assured of quality service with the conditions that contingent workers are faced with, it is best to bar them from having to interact directly with the customers.

Assigning them to back of the house assignments perhaps in office work in areas as the HRD or Comptrollers Division would result in a situation where they can be more closely supervised without committing mistakes in the presence of the guest.

Policy Option 3: Emphasis on Internal Flexibility Instead of the Use of External Flexibility Measures

The prevalent practice when resorting to the use of flexible employment arrangements is to adjust the labor inputs. This basically involves external flexibility wherein numerical adjustments in manpower results in a high degree of turnover of employees.

The use of internal flexibility is seen as a means by which employees can maintain the regular employment relationship with the organization as the measures involved are within the boundaries of the firm. Two ways by which this can be implemented are through the use of work pools and multi-skilling of workers, a high level from of internal flexibilization.

3.1. Work pools wherein workers are employed on a regular employment arrangement but on a “no-work-no-pay” scheme

Cognizant of the seasonal nature of business activity in tourism organizations and hence the difficulty in maintaining a full complement of manpower throughout the year, firms may opt to maintain work pools instead. Workers hired in this category may be regularized after the appropriate probationary period but shall be engaged on a “no-work-no-pay” scheme. In other words, they shall be called upon to perform duties for the

company only when there is a need for their services. This strategy allows for internal flexibility and is within the parameters set by law.

With regards benefits and services, it is seen as fair enough for the company to provide at least the minimum mandated by law. Company benefits not required by law shall be at the firm's option. Several tiers of benefits and wages can be established wherein the newly hired shall have less benefits than those with more seniority. In this way, although the company may not be able to save as much in benefits and services as compared to hiring contingent workers on casual or contractual basis, at least these additional costs are kept at a minimum level. At the same time employees in the work pools also get to enjoy certain privileges which in the first place are really due them.

While payroll costs can be kept at a minimum due to the "no-work-no-pay" scheme, and benefits and services costs at a controlled level due to several tiers arrangement, there are also disadvantages of this alternative. For one, employment is relatively restricted to the company as employees hired on this bases may not be able to maximize potential earnings as compared to those hired as regular workers on a continuous basis arrangement. Although those in work pools may opt to work part time in other establishments when they are temporarily not required to report to work, they are obliged to return to work the moment they are called, lest be charged with insubordination. Repeated violation of such may even possibly lead to termination.

This alternative may not offer a perfect solution to the predicament that workers are faced with but at least elevates the status of contingent workers to that with regular employment.

3.2. Multi-skilling of workers (High level Internal Flexibilization)

This alternative would require providing workers with multi-skills to enable them to assume other responsibilities aside from their current posts. It primarily involves equipping a core group of employees with the ability to render quality service for a variety of tasks, hence it may be expected that workers may be moving from one department to another depending on the needs of the units concerned.

This strategy would also involve continuous training, provision of working conditions that would instill worker loyalty and commitment, and instilling in the workers the notion that they are strategic partners of the organization.

VI. AREAS FOR FUTURE RESEARCH

One area for future research that is worthwhile to explore is related to the role of the union in terms of safeguarding workers' rights. With companies resorting to flexible work arrangements it is possible that trade unions and labor organizations were weakened as regular employment served as its organizational base. Corollary to this, the relevance of the collective bargaining system given the new conditions in the workplace is also put to issue. Studies that focus on the union and its role in bridging the gap between labor flexibility and recognition for the rights of contingent workers may help further enlighten policy makers in the future.

As stated earlier, this study is limited to the accommodation sector. The reason for such is that since in the Philippine setting hotels have more developed and organized Human Resource Departments, the range of frontline functions in its major operational departments (Front Office, Housekeeping and Food and Beverage) were seen as serving as a suitable proxy for the other sectors of the tourism industry. Including the other sectors of tourism (e.g. transportation, travel agencies, airlines and convention) in future studies can account for a more complete picture of the problems and challenges of the tourism industry as a whole.

VII. CONCLUDING NOTES

Globalization and changes in the world economy have threatened the economic viability of establishments worldwide. Labor flexibility, as one of the prominent measures that has been utilized by many establishments to cope with the impacts, is seen as being characterized by conditions inconsistent with the elements that would account for quality worker performance.

The need to bridge the gap between conditions surrounding labor flexibility and conditions that are seen to ensure quality worker performance henceforth must be addressed if firms, particularly service establishments such as hotels are to achieve a competitive advantage that would ensure their economic viability.

Human dignity should be the underlying philosophy with which strategies should be built. While it is inevitable that economic needs are a prime concern of establishments in view of the challenges posed by the financial crisis and globalization, there is a moral obligation for all policy makers to reconcile establishments' interests with that of workers', and with the well being of society as a whole. At the same time that the workers' welfare is kept in mind, chances of achieving a competitive advantage through quality work performance is increased. Only then can the economic viability of an establishment be ensured.

REFERENCES

- Alburo, F. (1998) Effects of Globalization on Growth and Equity in the Philippines” in Globalization: Effects on Growth and Equity (Proceedings of the Third Sustainable Human Development Forum, April 4, 1997)
- Amante, M. (March 2000). “Diversity in Contingent Employment in the Philippines: Policy Options” in Study Group on Philippine Labor Law & Reform and the Future of Work Relations. Quezon City: U.P. Center for Integrative Studies
- Department of Labor and Employment (2000). Employers’ Monthly Reports on Terminations
- Department of Labor and Employment (1999) Industrial Relations at the Workplace Survey
- Department of Tourism (1999) Statistical Reports
- Department of Labor and Employment (DOLE) Department Order No. 10 Series of 1997
- Department of Labor and Employment (DOLE) Department Order No. 3 Series of 2001
- Department of Labor and Employment (DOLE) Department Order No. 18-02 Series of 2002
- Erikson, C. and Kurnville, S. (1998). “Industrial Relations Implications of the Asian Economic_Crisis.” (unpublished manuscript)
- Esguerra, E. (1997) Flexible Labor Arrangements in the Philippines: Trends, Theory, Implications (IDE paper)
- Evans, P., Pucik, V., and Barsoux, J. (2002) The Global Challenge. New York: McGraw Hill Company
- Go, F., Monachello, M. and Baume, T. (1999). Management for the Hospitality Industry. New York: Van Nostrand Reinhold
- Go, F. and Pine, R. (1995) Globalization Strategy in the Hotel Industry. New York: Routledge

- Gust, D. (1999). Occupational Safety and Health Challenges” in Philippine Industrial Relations for the 21st Century: Emerging Issues, Challenges & Strategies (Proceedings of the National Conference on Industrial Relations, Nov. 1999)
- Jabar, R. (1998). “Prospects for the Filipino workers in a Globalized Economy and the Role of the ILO” in The Social Dimension of Globalization and the Role of the ILO in the Next Century (Proceedings of A Tripartite Roundtable Discussion in Celebration of the 50th Anniversary of the Philippine Membership in ILO)
- Kanawaty, George, et. al. (1989) “Adjustments at the Micro Level” International Labor Review, vol. 128 no.3. Geneva: International Labor Organization
- Kleiman, L. (1997) Human Resource Management: A Tool for Competitive Advantage MN: West Publishing Company
- Knowles, T., Diamantis, D. and El-Mourhabi, J. (2001) The Globalization of Tourism and Hospitality: A Strategic Perspective
- Locke, R., Kochan, T. and Piore, M. (1995). Employment Relations in a Changing World Economy. Cambridge, MA: MIT Press
- Lim, J. (1999). The Social Impact of and Responses to the Current East Asian Economic and Financial Crisis: the Philippine Case” (unpublished manuscript)
- Noriel, C. (1999) “Philippine Industrial Relations in a Regional Perspective”. Philippine Industrial Relations in the 21st Century: Emerging Issues, Challenges and Strategies (Proceedings of the National Conference on Industrial Relations, Nov. 1999)
- Ofreneo, R. (1999). “Globalization and the Asian Economic Crisis: An Assessment of the Social Accord Initiatives in the Philippines” (unpublished manuscript)
- Ofreneo, R. & Barriatos, N. (1991). “Employment Security & Labor Market Flexibility in the Philippines” (Paper contributed to the international comparative research project on labor market flexibility and employment security conducted by the Labor Law & Labor Relations Branch, Industrial Relations & Labor Administration Department, ILO, Geneva)
- Ofreneo, R. and Macaraya, B. (1998) The Crisis: Impact on Philippine Labor Relations (Paper presented at the Conference on “The Crisis After One Year” organized by the Philippine Economic Society and the Friedrich Ebert Stiftung)

Ozaki, M. (1999). Negotiating Flexibility. Geneva: International Labor Organization

Palafox, J. (July 1990) “HRD Strategies and Labor Market Flexibility Measures in Selected Manufacturing Firms in Metro Manila”(Professorial Chair Paper, University of the Philippines)

Philippine Labor Code (1999 ed)

Rutherford, D. (ed.) 1995. Hotel Management and Operations. N.Y.: Van Nostrand Reinhold

Szal, R. (November 1999). “Globalization, Employment and Industrial Relations” in Philippine Industrial Relations for the 21st Century: Emerging Issues, Challenges & Strategies.(Proceedings of the National Conference on Industrial Relations, Nov., 1999)

Technical Education and Skills Development Authority (TESDA, 1998) Training Regulations: Tourism, Hotel and Restaurant Occupations, Manila: TESDA Tourism Occupations

Weiss, M. (November 1999). “Globalization: Challenges and Opportunities for Philippine Industrial Relations in the Next Millennium” in Philippine Industrial Relations for the 21st Century: Emerging Issues, Challenges & Strategie (Proceedings of the National Conference on Industrial Relations, Nov.1999)

World Travel and Tourism Council (2002). The Impact of Travel and Tourism on Jobs and the Economy. WTTC

World Tourism Organization (1999) Impacts of the Financial Crisis on Asia’s Tourism Sector. Madrid, Spain: WTO

http://workfutures.yk.ca/text/body/6435_T.html

RESOURCE PERSON

Juan Amor F. Palafox
Dean, U.P. School of Labor and Industrial Relations

EXHIBIT 1:

**Accommodation Sector Operational and Marketing Strategies
as a Result of the Asian Financial Crisis**

Country	Cost Reduction Strategies	Marketing Strategies
PHILIPPINES	<ul style="list-style-type: none"> - Deep staff reductions and greater reliance on casual contract staff; - Reductions in operating costs of salaries and wages, training, purchasing, inventories, supplies, laundry, etc.; - Mergers and acquisitions. 	<ul style="list-style-type: none"> - More flexible pricing policies – discounting - Greater focus in domestic markets; - Increased marketing activities.
THAILAND	<ul style="list-style-type: none"> - Deep staff reductions and salary cuts; - Strengthened training activities; - Closed down rooms to save overheads; - Consolidated operations where more than one property to gain economies of scale; - Mergers and acquisition of hotels; - Closure of unprofitable establishments; - Deferral of non-essential maintenance and refurbishment. 	<ul style="list-style-type: none"> - Strengthened relationship with travel trade – especially in long haul markets; - Kept contracts with tour operators – not in some resort areas; - Pricing in Baht not dollars on the whole – not in resort areas; - maintain standards; - heavy discounting by +30%.

Exhibit 1 (con't)

CHINA	<ul style="list-style-type: none"> - extensive and deep cost cutting; 	<ul style="list-style-type: none"> - discounting room rates;
--------------	--	---

	<ul style="list-style-type: none"> - reduction of inventories to minimum; - reductions in permanent staff and greater reliance on casual staff; - centralized purchasing to get better prices; - salary freeze in 1999; - more frequent review of property operations and marketing performance; - strengthen training of staff, especially in English language skills; - introduced energy and waste management programs to reduce costs. 	<ul style="list-style-type: none"> - aggressively going for the tour market; - developing the domestic market; - introducing new value added services; - offering special fly/stopover packages; - seeking Western partners in the tour operation, carrier area; - adjusting the services of the hotel to meet the needs of Western clients.
MALAYSIA	<ul style="list-style-type: none"> - downsizing and cost cutting; - introducing multi-skilling; - cut training budgets; - reducing full time staff and relying more on casual staff; - increasing use of professional management companies and referral chains; - mergers and acquisitions. 	<ul style="list-style-type: none"> - discounting by +50% to maintain market share; - participation in co-operative marketing programs; - offering value added services; - focusing more on the domestic market.

Source: WTO Impacts of the Financial Crisis on Asia's Tourism Sector

**EXHIBIT 2 : Impact of 9/11 on Travel and Tourism Growth (2001-2002)
Worldwide and Southeast Asia**

	2001	2002	TOTAL
Travel & Tourism Demand (%)			
Worldwide	-4.4	-3.0	-7.4
Southeast Asia	-5.8	-5.1	-10.9
Travel & Tourism Industry Employment (000)			
Worldwide	-2,959.6	-2,307.3	-5,266.9
Southeast Asia	-319.3	-408.1	-727.4
Travel & Tourism Economy Employment (000)			
Worldwide	-5,955.1	-4,496.8	-10,451.9
Southeast Asia	-482.8	-747.6	-1,230.4

**T&T Industry Employment generally includes those jobs with face-to-face contact with visitors (airlines, hotels, car rental, restaurant, retail, entertainment, etc.)*

**T&T Economy Employment generally includes T&T Employment plus those faceless jobs associated with industry suppliers (airline caters, laundry services, food suppliers, wholesalers, accounting firms, etc.), government agencies, manufacturing and construction of capital goods and exported goods used in Travel and Tourism, and supplied commodities*

EXHIBIT 3: Mechanisms Adopted by Establishments to Cope With Globalization
Total All Industries and the Hotel and Restaurant Sector (1999)
(in percent except total)

MECHANISMS ADOPTED	ALL INDUSTRIES	HOTEL AND RESTAURANT SECTOR
TOTAL	6,376	842
Acquisition of Appropriate Technology	73.7	67.7
Investment in HRD	53.3	51.4
Shutdown of Redundant Unit/Department	15.7	10.3
Improvement of Quality of Products/ Services	79.8	80.4
Increase in R & D Product Development	25.2	32.8
Streamlining of Work Practice	52.6	39.5
Diversification and Expansion	33.4	41
Employment Flexibility	36.8	43.8
Seeking Other Partners	14.0	7.8
Others	1.0	2.4

**Exhibit 4: Establishments Resorting to Permanent Closure/Retrenchment Due to
Economic Reasons and Workers Displaced
All Industries and Hotel and Restaurant Sector (1996-2000)**

	NUMBER OF ESTABLISHMENTS	NUMBER OF WORKERS DISPLACED
ALL INDUSTRIES		
1996	900	47,023
1997	884	39,263
1998	2,525	79,023
1999	2,289	71,723
2000	2,258	67,624
HOTELS AND RESTAURANTS		
1996	56	1,443
1997	53	1,071
1998	153	2,181
1999	155	2,224
2000	149	2,676

EXHIBIT 5: Establishments Resorting to Closure/Retrenchment Due to Economic Reasons and Workers Displaced by Reasons (1996-2000)

	Establishments Reporting		Displaced Workers	
	Number	Percent	Number	Percent
1996				
All Reasons	900	100.0	47,023	100.0
Lack of Market	129	14.3	12,173	25.9
High Cost of Production	163	18.1	8,287	17.6
Lack of Raw Materials	39	4.3	3,103	6.6
Lack of Capital	254	28.2	13,889	29.5
Uncompetitive Price of Product	0	0.4	312	0.7
Reorganization/Downsizing/Redundancy	304	33.8	9,167	19.5
Peso Depreciation	1	0.1	30	0.1
Financial Losses	0	0.0	0	0.0
Economic Crisis	0	0.0	0	0.0
Minimum Wage Rate Increase	0	0.0	0	0.0
Competition from Imported Products	6	0.7	62	0.1
Others	0	0.0	0	0.0
1997				
All Reasons	907	100.0	39,176	100.0
Lack of Market	159	17.5	5,462	13.9
High Cost of Production	128	14.1	3,824	9.8
Lack of Raw Materials	41	4.5	2,600	6.6
Lack of Capital	259	28.6	11,296	28.8
Uncompetitive Price of Product	5	0.6	669	1.7
Reorganization/Downsizing/Redundancy	289	31.9	14,478	37.0
Peso Depreciation	3	0.3	135	0.3
Financial Losses	17	1.9	406	1.0
Economic Crisis	1	0.1	31	0.1
Minimum Wage Rate Increase	1	0.1	7	*
Competition From Imported Products	1	0.1	16	*
Others	3	0.3	252	0.6

	Establishments Reporting		Displaced Workers	
	Number	Percent	Number	Percent
1998				
All Reasons	2,525	100.00	79,023	100.00
Lack of Market	668	26.5	23,099	29.3
High Cost of Production	183	7.2	5,899	7.5
Lack of Raw Materials	40	1.6	1,982	2.5
Lack of Capital	190	7.5	4,244	5.4
Uncompetitive Price of Product	13	0.5	282	0.4
Reorganization/Downsizing/Redundancy	762	30.2	23,434	29.7
Change in Management/Merger	21	0.8	1,285	1.6
Peso Depreciation	236	9.3	6,302	8.0
Financial Losses	253	10.0	7,506	9.5
Economic Crisis	95	3.8	3,025	3.8
Minimum Wage Rate Increase	11	0.4	195	0.2
Competition from Imported Products	8	0.3	388	0.5
Others	45	1.8	1,392	1.8
1999				
All Reasons	2,289	100.00	71,723	100.00
Lack of Market	501	21.9	15,925	22.2
High Cost of Production	88	3.8	3,083	4.3
Lack of Raw Materials	56	2.4	2,795	3.9
Lack of Capital	123	5.4	2,483	3.5
Uncompetitive Price of Product	27	1.2	1,156	1.6
Reorganization/Downsizing/Redundancy	903	39.4	20,882	29.1
Change in Management/Merger	40	1.7	1,509	2.1
Peso Depreciation	63	2.8	2,044	2.8
Financial Losses	326	14.2	15,519	21.6
Economic Crisis	67	2.9	2,285	3.2
Minimum Wage Rate Increase	12	0.5	236	0.3
Competition from Imported Products	14	0.6	1,288	1.7
Others	69	3.0	2,578	3.6

EXHIBIT 5 (con't)

	Establishments Reporting		Displaced Workers	
	Number	Percent	Number	Percent
2000				
All Reasons	2,258	100.00	67,624	100.00
Lack of Market	484	21.4	12,955	19.2
High Cost of Production	97	4.3	2,615	3.9
Lack of Raw Materials	30	1.3	3,653	5.4
Lack of Capital	111	4.9	2,279	3.4
Uncompetitive Price of Product	27	1.2	1,080	1.6
Reorganization/Downsizing/ Redundancy	972	43.4	24,148	35.7
Change in Management/ Merger	62	2.7	5,726	8.5
Peso Depreciation	21	0.9	341	0.5
Financial Losses	351	15.5	9,997	14.8
Economic Crisis	38	1.7	1,096	1.6
Minimum Wage Rate Increase	28	1.2	431	0.6
Competition From Imported Products	7	0.3	167	0.2
Others	30	1.3	3,136	4.6

EXHIBIT 6: Flexibilization of Work in the Philippines as a Percentage of Total Employment (1994/1997)

	1994	1997
NON-REGULAR	13.70 %	20.9 %
PART-TIME	1.5 %	2.20 %
CONTRACTUAL	7.29 %	14.00 %
CASUAL	4.3 %	4.7 %

EXHIBIT 8: Average Occupancy Rates of Guest Rooms of Accredited Hotels In Metro Manila

YEAR	AVERAGE OCCUPANCY RATE	NO. OF ROOMS AVAILABLE
1995	62.15 %	11,742
1996	70.03 %	12,007
1997	69.13 %	12,387
1998	56.92 %	13,320
1999	59.20 %	13,035
2000	58.77 %	13,011
2001	55.85 %	11,784

**EXHIBIT 9: Impact of 9/11 on Travel and Tourism Growth
PHILIPPINES (2001 and 2002)**

	2001	2002	TOTAL
Travel & Tourism Demand (%)	-5.5	-3.4	-8.9
Travel & Tourism Industry Employment (000)	-87.2	-45.4	-132.6
Travel & Tourism Economy Employment (000)	-205.8	-108.8	-314.7

**T&T Industry Employment generally includes those jobs with face-to-face contact with visitors (airlines, hotels, car rental, restaurant, retail, entertainment, etc.)*

**T&T Economy Employment generally includes T&T Employment plus those faceless jobs associated with industry suppliers (airline caters, laundry services, food suppliers, wholesalers, accounting firms, etc.), government agencies, manufacturing and construction of capital goods and exported goods used in Travel and Tourism, and supplied commodities*

**EXHIBIT 10: Average Monthly Wages, Salaries and Allowances
of Rank and File Workers by Type of Worker
(PHILIPPINES- First to Second Quarter 2000 -
in Pesos)**

TYPE OF WORKER	HOTEL AND RESTAURANT SECTOR
REGULAR	
1 ST Quarter	7,700
2 ND Quarter	7,600
AVERAGE	7,700
NON-REGULAR	
1 st Quarter	4,000
2 ND Quarter	4,100
AVERAGE	4,100

APENDIX A

QUESTIONNAIRE FOR HRD MANAGERS

Dear Respondent,

Greetings!

I am a faculty member of the U.P. Asian Institute of Tourism currently working on a study on employment arrangements in tourist accommodation establishments as part of our research activities. For this purpose, may I request you to accomplish the attached questionnaire.

Rest assured that the information you provide will be treated with strict confidentiality.

Thank you very much for your cooperation.

Very truly yours,

Susan L. Solis
Faculty
U.P. Asian Institute of Tourism

Name of Respondent: _____

Position Title: _____

Years/Months in this Position: _____ years _____ months

Name of Establishment: _____

Year Established: _____

Ownership: _____ Filipino owned
_____ Foreign owned (pls. specify) _____

No. of Rooms _____ No. of F & B outlets : _____

(1) NUMBER OF EMPLOYEES:

Category	Frnt.Ofc.	Hsekeepng	F & B	Others	TOTAL
REGULAR 1) 2001 2) 2000 3) 1999 4) 1998 5) 1997 6) 1996					
CASUAL 1) 2001 2) 2000 3) 1999 4) 1998 5) 1997 6) 1996					
CONTRAC- TUAL 1) 2001 2) 2000 3) 1999 4) 1998 5) 1997 6) 1996					
OTHERS: Pls. Specify 1) 2001 2) 2000 3) 1999 4) 1998 5) 1997 6) 1996					

2. Were there any major changes in the number and/composition of employees in the period 1996-2001? _____yes _____no

If yes, please assign a score from 1 to 5 for all applicable reasons using the following scale:

- 5- very much
- 4- much
- 3- moderately
- 2- little
- 1- not applicable

REASONS	Reduction in No. of Employees	Change in Composition (e.g. increase in no. of casuals)
Lack of market		
Lack of capital		
To save on manpower costs		
Peso depreciation		
Financial Losses		
Minimum wage rate increase		
Reorganization		
High cost of materials and supplies		
Uncompetitive price of service and facilities		
Change in management/merger		
Others (pls. Specify)		

(3) What are the main forms of temporary work arrangements in your company? Please indicate the position titles and number of workers hired for each type of "non-regular" employees whenever applicable: (Please use back page if necessary).

a) **Casuals** (hired directly by the company for a 5 month term)

Position Title	Department	No. of Employees
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----

b) **Agency Hirees** (hired through an agency / contractor for a 5 month term)

Position Title	Department	No. of Employees
-----	-----	-----
-----	-----	-----
-----	-----	-----

c) **Contractual** (employment fixed for a specific project or undertaking or termination of which has been determined at the time of engagement)

Position Title	Department	No. of Employees
-----	-----	-----
-----	-----	-----

d) **Part time** (regular wage employment with hour of work substantially shorter than normal)

Position Title	Department	No. of Employees
-----	-----	-----
-----	-----	-----

e) **Extras** (hired daily on as per needed basis)

Position Title	Department	No. of Employees
-----	-----	-----
-----	-----	-----

f) **Seasonal employees** (those called from time to time i.e. temporarily laid off during off season and re-employed when services are needed)

Position Title	Department	No. of Employees
-----	-----	-----
-----	-----	-----

g) **Apprentices** (a form of employment which requires more than 3 months of practical on the job training supplemented by related theoretical instruction)

Position Title	Department	No. of Employees
-----	-----	-----
-----	-----	-----

h) **Student Trainees** (e.g. practicum trainees)

Departments Assigned _____, _____ - _____

(4) What are the reasons for hiring non-regular workers?

_____ as a stop gap measure to cover for unusual workload, temporary absences

_____ as alternative to regular workers

_____ project of limited duration

_____ others : please specify _____

(5) Other measures employed vis-a vis labor:

_____ forced leaves _____ overtime

_____ scheduled vacations _____ multi-skilling

Briefly describe all applicable measures _____

(please use back page if necessary)

(6) HIRING POLICIES

What are your minimum qualification requirements, recruitment methods and screening measures employed for your regular workers? Non-regular workers? Please check applicable items.

Minimum Qualification Requirements	REGULAR EMPLOYEES	NON-REGULAR EMPLOYEES (casuals, etc.)
None		
Grade School		
High School graduate		
Vocational-Technical Graduate		
College Graduate		
Skills Certification		
Others (pls. specify)		

RECRUITMENT METHODS	REGULAR EMPLOYEES	NON-REGULAR EMPLOYEES (casuals, etc.)
Agency		
Advertisement/want-ads		
Internal promotions		
Personal referrals		
Walk-ins		
Others (pls. specify)		

SCREENING MEASURES	REGULAR EMPLOYEES	NON-REGULAR EMPLOYEES (casuals, etc.)
Employment interview		
Employment test		
Background investigation		
Physical-medical check-up		
Curriculum Vitae		
Others (pls. specify)		

(7) Do temporary workers receive higher, lower or the same rate of pay as regular workers doing similar work?

- _____ higher
- _____ lower
- _____ the same as regular workers

(8) What benefits do the regular workers get? The non-regular workers?
Please check whenever applicable.

BENEFITS	REGULAR EMPLOYEES	NON-REGULAR EMPLOYEES
SSS/GSIS		
First Aid/Emergency Services		
Company Medical and Dental Services (regular consultations)		
13 th month pay		
Retirement Plan		
Pension Plan		
Company Financial Assistance		
Credit Union		
Legal Advise		
Counselling Services		
Duty Meal		
Uniforms		
Service Charge		
Use of safety equipment		
Others: (pls. specify)		

(9) TRAINING of EMPLOYEES

What types of training do your employees undergo? Please check all applicable items.

TYPE OF TRAINING GIVEN	REGULAR	NON-REGULAR EMPLOYEES
General Orientation		
Guest Service		
Values and Attitudes		
Team Building		
Safety and Security		
Telephone Etiquette		
On-the-job Training		
Long term educational Programs (graduate degrees)		
Short term educational programs (e.g. certificate or diploma programs)		
Job rotation programs		
Others (pls. specify)		

(10) PERFORMANCE MONITORING

How often are the employees' performance evaluated? Who evaluates employee performance?

	REGULAR	NON-REGULAR
How often evaluated?		
Who evaluates?		

(11) What are the problems usually associated with each type of employment arrangement? Please describe the problem area as applicable to each type of employment arrangement.

Problem Area	REGULAR	NON-REGULAR
(1)		
(2)		
(3)		
(4)		

(12) Does your company have a recognized union representing workers?

_____ yes _____no

If yes, what is the percentage of union membership of total manpower?

_____ number of union members in the company
_____ total number of employees in the company (including
non-regular workers)

THANK YOU VERY MUCH FOR YOUR COOPERATION !!!!

APPENDIX A.1

**QUESTIONNAIRE FOR MANAGERS / SUPERVISORS
(Front Office)**

Dear Respondent,

Greetings!

I am a faculty member of the U.P. Asian Institute of Tourism working on a study as part of our research activities. For this purpose, may I request you to accomplish the attached questionnaire.

Rest assured that the information you provide will be treated with strict confidentiality.

Thank you very much for your cooperation.

Very truly yours,

Susan L. Solis

Name: _____

Gender: _____ Male _____ Female

Position Title: _____ Department: _____

Years/Months in this Position: _____ years _____ months

Years/Months in this Establishment: _____ years _____ months

Other Positions Prior to Current Position:

Highest Educational Attainment:

- _____ high school graduate
- _____ college level
- _____ college graduate
- _____ vocational-technical graduate

Average Number of Hours you are on duty (per shift):

- _____ 8 hours
- _____ >8 hours – 10 hours
- _____ >10 hours – 12 hours
- _____ others: pls. specify-_____ hours

- I. General assessment of the level of skills, knowledge and attitudes of the regular and non-regular (casuals, contractuals, etc.) employees in your section -

From the following list of knowledge, skills and attitudes requirements for a **FRONT OFFICE AGENT**, please check all applicable items with respect to the level by which your regular and non-regular employees possess these. Please use the following scale:

5 – VERY GOOD (VG)

4 – GOOD (G)

3 – AVERAGE (A)

2 – POOR (P)

1 – VERY POOR (VP)

A. SKILLS

REGULAR EMPLOYEES

**NON-REGULAR
EMPLOYEES**

(casuals, contractuals, etc.)

					Very Poor						Very Poor				
VG						VG									
					CHECKING IN GUESTS										
5	4	3	2	1	Receiving/registering walk-in/pick-up guests	5	4	3	2	1					
5	4	3	2	1	Receiving/registering FITs/retruning guests	5	4	3	2	1					
5	4	3	2	1	Receiving/registering group and lay-over guests	5	4	3	2	1					
5	4	3	2	1	Rooming guests (assigning rooms)	5	4	3	2	1					
5	4	3	2	1	Preparing guest folio	5	4	3	2	1					
					HANDLING GUESTS										
5	4	3	2	1	Responding to guests' request for extension of stay	5	4	3	2	1					
5	4	3	2	1	Responding to guest' request for additional room facilities	5	4	3	2	1					
5	4	3	2	1	Responding to guests' request for room transfer	5	4	3	2	1					
5	4	3	2	1	Responding to guests' request for confidentiality	5	4	3	2	1					
5	4	3	2	1	Handling messages, incoming or outgoing faxes	5	4	3	2	1					

REGULAR EMPLOYEES

**NON-REGULAR EMPLOYEES
(causals, contractuels, etc.)**

Very Poor						Very Poor				
VG						VG				
5	4	3	2	1	Handling guests' complaints	5	4	3	2	1
5	4	3	2	1	Handling foreign exchange	5	4	3	2	1
5	4	3	2	1	Handling flight confirmation	5	4	3	2	1
5	4	3	2	1	Handling other related matters or special requests from guests	5	4	3	2	1
					CHECKING OUT GUESTS					
5	4	3	2	1	Handling procedures in checking out guests	5	4	3	2	1
5	4	3	2	1	Presenting guest folio	5	4	3	2	1
5	4	3	2	1	Accepting manner of settlement	5	4	3	2	1
5	4	3	2	1	Applying procedures after accepting payment	5	4	3	2	1
5	4	3	2	1	Determining and tallying total sales for the day	5	4	3	2	1
5	4	3	2	1	Remitting cash sales and foreign currency	5	4	3	2	1
					PREPARING AND MAINTAINING RECORDS AND REPORTS					
5	4	3	2	1	Preparing guest arrival report	5	4	3	2	1
5	4	3	2	1	Preparing guest departure report	5	4	3	2	1
5	4	3	2	1	Preparing/updating guest occupancy report	5	4	3	2	1
5	4	3	2	1	Preparing guest no show and cancellation reports	5	4	3	2	1
5	4	3	2	1	Keeping guest history files	5	4	3	2	1

B. KNOWLEDGE

REGULAR EMPLOYEES

**NON-REGULAR EMPLOYEES
(casuals, contractuels, etc.)**

Very Poor						Very Poor				
VG						VG				
PRODUCT KNOWLEDGE										
5	4	3	2	1	Room category/class	5	4	3	2	1
5	4	3	2	1	Room type/rates	5	4	3	2	1
5	4	3	2	1	Bed sizes and types according to accommodations	5	4	3	2	1
5	4	3	2	1	Product selling point i.e. floor level view	5	4	3	2	1
5	4	3	2	1	Room features	5	4	3	2	1
5	4	3	2	1	Room services	5	4	3	2	1
5	4	3	2	1	Rooming Terminology	5	4	3	2	1
5	4	3	2	1	Hotel facilities and services	5	4	3	2	1
5	4	3	2	1	General information	5	4	3	2	1
5	4	3	2	1	Word Processing	5	4	3	2	1
FRONT OFFICE EQUIPMENT										
5	4	3	2	1	Different types of front office equipment	5	4	3	2	1
5	4	3	2	1	Maintenance and proper use of equipment	5	4	3	2	1
5	4	3	2	1	Computer/Desktop	5	4	3	2	1
HOTEL OPERATIONAL PROCEDURES										
5	4	3	2	1	Organizational structure in hotels, resorts and similar establishments	5	4	3	2	1
5	4	3	2	1	Personnel rules and regulations	5	4	3	2	1
5	4	3	2	1	Registration procedures for: - walk-in and pick-up guests - returning guests - group and FIT arrangement	5	4	3	2	1
5	4	3	2	1	Key control procedures for: - guestroom keys - lost/missing keys - office/outlet keys	5	4	3	2	1
5	4	3	2	1	Key inventory procedures	5	4	3	2	1
5	4	3	2	1	Use of guest rooms	5	4	3	2	1

REGULAR EMPLOYEES**NON-REGULAR EMPLOYEES
(casuals, contractuels, etc.)**

Very Poor						Very Poor				
VG						VG				
COMMUNICATION										
5	4	3	2	1	Selling/rooming dialogue	5	4	3	2	1
5	4	3	2	1	Upselling techniques	5	4	3	2	1
5	4	3	2	1	Upgrading versus discounting	5	4	3	2	1
5	4	3	2	1	Communicating in English	5	4	3	2	1
5	4	3	2	1	Understanding common foreign language	5	4	3	2	1
5	4	3	2	1	Following oral and written instructions	5	4	3	2	1
5	4	3	2	1	Report forms	5	4	3	2	1
5	4	3	2	1	Front office records	5	4	3	2	1
5	4	3	2	1	Personal grooming and hygiene	5	4	3	2	1
5	4	3	2	1	Etiquette and gestures	5	4	3	2	1
MATHEMATICS										
5	4	3	2	1	Multiplication, division, addition and subtraction principles	5	4	3	2	1
5	4	3	2	1	Fractions, decimals and percentages	5	4	3	2	1
5	4	3	2	1	Conversion of foreign currencies	5	4	3	2	1
SAFETY PRACTICES										
5	4	3	2	1	Emergency procedures	5	4	3	2	1
5	4	3	2	1	Fire prevention and control	5	4	3	2	1
5	4	3	2	1	First aid treatment	5	4	3	2	1

C. ATTITUDES AND HABITS**REGULAR EMPLOYEES****NON-REGULAR EMPLOYEES
(casuals, contractuels, etc.)**

5	4	3	2	1	Service attitude/customer orientation	5	4	3	2	1
5	4	3	2	1	Attention to detail	5	4	3	2	1
5	4	3	2	1	Positive attitude towards Work	5	4	3	2	1
5	4	3	2	1	Cooperation and teamwork	5	4	3	2	1
5	4	3	2	1	Attendance and punctuality in reporting for work	5	4	3	2	1

II. What are the problems usually associated with each type of employment arrangement? Please describe the problem area as applicable to each type of employment arrangement.

Problem Area	REGULAR EMPLOYEES	NON-REGULAR EMPLOYEES (casuals, contractuels, etc.)
(1)		
(2)		
(3)		
(4)		

THANK YOU VERY MUCH FOR YOUR COOPERATION!!!!

APPENDIX A 2

**QUESTIONNAIRE FOR MANAGERS / SUPERVISORS
(Food and Beverage)**

Dear Respondent,

Greetings!

I am a faculty member of the U.P. Asian Institute of Tourism working on a study as part of our research activities. For this purpose, may I request you to accomplish the attached questionnaire.

Rest assured that the information you provide will be treated with strict confidentiality.

Thank you very much for your cooperation.

Very truly yours,

Susan L. Solis

Name: _____

Gender: _____ Male _____ Female

Position Title: _____ Department: _____

Years/Months in this Position: _____ years _____ months

Years/Months in this Establishment: _____ years _____ months

Other Positions Prior to Current Position:

Highest Educational Attainment:

- _____ high school graduate
- _____ college level
- _____ college graduate
- _____ vocational-technical graduate

Average Number of Hours you are on duty (per shift):

- _____ 8 hours
- _____ >8 hours – 10 hours
- _____ >10 hours – 12 hours
- _____ others: pls. specify-_____ hours

- I. General assessment of the level of skills, knowledge and attitudes of the regular and non-regular (casuals, contractuals, etc.) employees in your section -

From the following list of knowledge, skills and attitudes requirements for a **FOOD AND BEVERAGE SERVICE ATTENDANT**, please check all applicable items with respect to the level by which your regular and non-regular employees possess these. Please use the following scale:

5 – VERY GOOD (VG)

4 – GOOD (G)

3 – AVERAGE (A)

2 – POOR (P)

1 – VERY POOR (VP)

A. SKILLS

REGULAR EMPLOYEES					NON-REGULAR EMPLOYEES					
VG				Very Poor		VG				Very Poor
					SETTING UP THE TABLE					
5	4	3	2	1	Preparing china, glassware, silver and hollow ware	5	4	3	2	1
5	4	3	2	1	Preparing condiments and food accompaniment and guest supplies	5	4	3	2	1
5	4	3	2	1	Distributing/stocking operating equipment in	5	4	3	2	1
5	4	3	2	1	Checking and preparing function and order arrangement	5	4	3	2	1
					WELCOMING GUESTS					
5	4	3	2	1	Acknowledging arrival of guests	5	4	3	2	1
5	4	3	2	1	Ushering guest in seating	5	4	3	2	1
5	4	3	2	1	Assisting guest in seating	5	4	3	2	1
					TAKING GUEST ORDERS					
5	4	3	2	1	Taking beverage orders	5	4	3	2	1
5	4	3	2	1	Presenting menu	5	4	3	2	1
5	4	3	2	1	Writing down orders	5	4	3	2	1
5	4	3	2	1	Placing orders	5	4	3	2	1

REGULAR EMPLOYEES
EMPLOYEES

NON-REGULAR

VG

**Very
Poor**

VG

**Very
Poor**

					SERVING GUEST ORDERS					
5	4	3	2	1	Serving beverage order	5	4	3	2	1
5	4	3	2	1	Getting food from the kitchen	5	4	3	2	1
5	4	3	2	1	Assembling order on the tray	5	4	3	2	1
					Serving food	5	4	3	2	1
5	4	3	2	1	Asking for additional orders and end guest service	5	4	3	2	1
5	4	3	2	1	Filling/refilling water goblet	5	4	3	2	1
					CLEARING TABLE					
5	4	3	2	1	Removing soiled plates/flat wares	5	4	3	2	1
5	4	3	2	1	Removing condiments, shaker, soiled glasses, soiled napkins	5	4	3	2	1
5	4	3	2	1	Replacing soiled ash tray	5	4	3	2	1
5	4	3	2	1	Replacing table cloth	5	4	3	2	1
5	4	3	2	1	Resetting table	5	4	3	2	1
					SETTING BILLS					
5	4	3	2	1	Preparing the bill	5	4	3	2	1
5	4	3	2	1	Presenting the bill	5	4	3	2	1
5	4	3	2	1	Biding goodbye	5	4	3	2	1
					PERFORMING SUPPLEMENTAL ACTIVITIES					
5	4	3	2	1	Making table reservations	5	4	3	2	1
5	4	3	2	1	Preparing inventory of stock	5	4	3	2	1
5	4	3	2	1	Handling guest complaints	5	4	3	2	1
5	4	3	2	1	Participating in restaurant meetings	5	4	3	2	1
5	4	3	2	1	Forwarding guest lost items	5	4	3	2	1
5	4	3	2	1	Preparing reports	5	4	3	2	1
					PERFORMING SAFETY PRACTICES					
5	4	3	2	1	Observing company rules and regulations	5	4	3	2	1
5	4	3	2	1	Using fire extinguishers	5	4	3	2	1
5	4	3	2	1	Applying first-aid treatment	5	4	3	2	1
5	4	3	2	1	Storing/handling tools and equipment	5	4	3	2	1
5	4	3	2	1	Observing sanitation and environmental friendly housekeeping practices	5	4	3	2	1

B. KNOWLEDGE
REGULAR EMPLOYEES

NON-REGULAR EMPLOYEES

REGULAR EMPLOYEES					NON-REGULAR EMPLOYEES					
VG			Very Poor			VG			Very Poor	
					PRODUCT KNOWLEDGE					
5	4	3	2	1	Trade terminology (identification)	5	4	3	2	1
5	4	3	2	1	Menu specification	5	4	3	2	1
5	4	3	2	1	Beverage specification	5	4	3	2	1
5	4	3	2	1	Alcoholic beverages	5	4	3	2	1
5	4	3	2	1	Non-alcoholic beverages	5	4	3	2	1
5	4	3	2	1	Proper service procedures	5	4	3	2	1
					OPERATING SUPPLIES AND EQUIPMENT					
5	4	3	2	1	Different types of equipment and table appointment and wares	5	4	3	2	1
5	4	3	2	1	Serving equipment	5	4	3	2	1
5	4	3	2	1	Transporting equipment	5	4	3	2	1
5	4	3	2	1	Special equipment and supplies	5	4	3	2	1
5	4	3	2	1	Different guest supplies	5	4	3	2	1
5	4	3	2	1	Uses and specification of operating equipment and supplies	5	4	3	2	1
5	4	3	2	1	Condiments and accompaniments	5	4	3	2	1
5	4	3	2	1	Monitoring proper usage of equipment and supplies	5	4	3	2	1
					FOOD HANDLING PROCEDURES					
5	4	3	2	1	Methods and procedures	5	4	3	2	1
5	4	3	2	1	Composition	5	4	3	2	1
5	4	3	2	1	Types/characteristics of menu	5	4	3	2	1
5	4	3	2	1	Ingredients requirements	5	4	3	2	1
5	4	3	2	1	Selection and sequence	5	4	3	2	1
					ASSEMBLING AND SERVING ORDERS					
5	4	3	2	1	Procedures/methods of assembling foods	5	4	3	2	1
5	4	3	2	1	Procedures in serving food	5	4	3	2	1
5	4	3	2	1	Merchandising/ suggestions and upselling approaches	5	4	3	2	1
					CONTROL PROCEDURES					
5	4	3	2	1	Basic mathematics	5	4	3	2	1
5	4	3	2	1	Percentages	5	4	3	2	1

5	4	3	2	1	Ratio/proportions/volumes	5	4	3	2	1
5	4	3	2	1	Unit conversion	5	4	3	2	1
5	4	3	2	1	Cost analysis	5	4	3	2	1
5	4	3	2	1	Par stock	5	4	3	2	1
5	4	3	2	1	Inventory procedures	5	4	3	2	1
5	4	3	2	1	Requisition reports	5	4	3	2	1
5	4	3	2	1	Food and beverage order procedures	5	4	3	2	1
5	4	3	2	1	Monitoring and controlling losses and breakages	5	4	3	2	1
					HOTEL AND RESTAURANT OPERATIONAL PROCEDURES					
5	4	3	2	1	Organizational structure in hotels and restaurants	5	4	3	2	1
5	4	3	2	1	Lost and found procedures 1. Reporting	5	4	3	2	1
5	4	3	2	1	2. Safekeeping	5	4	3	2	1
5	4	3	2	1	Personality Development 1. Personal grooming/hygiene	5	4	3	2	1
5	4	3	2	1	2. Working relationship	5	4	3	2	1
5	4	3	2	1	3. Etiquette and gestures	5	4	3	2	1
5	4	3	2	1	4. Personnel rules and regulations	5	4	3	2	1
					COMMUNICATION AND RECORDS KEEPING					
5	4	3	2	1	Verbal communication	5	4	3	2	1
5	4	3	2	1	Written communication	5	4	3	2	1
5	4	3	2	1	Signs and charts	5	4	3	2	1
5	4	3	2	1	Interpretation of foreign languages	5	4	3	2	1
5	4	3	2	1	Reporting	5	4	3	2	1
5	4	3	2	1	Handling complaints	5	4	3	2	1
5	4	3	2	1	Merchandising	5	4	3	2	1
5	4	3	2	1	Encouraging feedback and comments from guests	5	4	3	2	1
					SAFETY PRACTICES					
5	4	3	2	1	Basic safety practices	5	4	3	2	1
5	4	3	2	1	Fire prevention	5	4	3	2	1
5	4	3	2	1	First-aid treatment	5	4	3	2	1
5	4	3	2	1	Proper handling of tools and equipment	5	4	3	2	1
5	4	3	2	1	Proper storage of equipment	5	4	3	2	1
5	4	3	2	1	sanitation	5	4	3	2	1

APPENDIX A 3

**QUESTIONNAIRE FOR MANAGERS / SUPERVISORS
(Housekeeping)**

Dear Respondent,

Greetings!

I am a faculty member of the U.P. Asian Institute of Tourism working on a study as part of our research activities. For this purpose, may I request you to accomplish the attached questionnaire.

Rest assured that the information you provide will be treated with strict confidentiality.

Thank you very much for your cooperation.

Very truly yours,

Susan L. Solis

Name: _____

Gender: _____ Male _____ Female

Position Title: _____ Department: _____

Years/Months in this Position: _____ years _____ months

Years/Months in this Establishment: _____ years _____ months

Other Positions Prior to Current Position:

Highest Educational Attainment:

- _____ high school graduate
- _____ college level
- _____ college graduate
- _____ vocational-technical graduate

Average Number of Hours you are on duty (per shift):

- _____ 8 hours
- _____ >8 hours – 10 hours
- _____ >10 hours – 12 hours
- _____ others: pls. specify- _____ hours

- I. General assessment of the level of skills, knowledge and attitudes of the regular and non-regular (casuals, contractuals, etc.) employees in your section -

From the following list of knowledge, skills and attitudes requirements for a **ROOM ATTENDANT**, please check all applicable items with respect to the level by which your regular and non-regular employees possess these. Please use the following scale:

5 – VERY GOOD (VG)

4 – GOOD (G)

3 – AVERAGE (A)

2 – POOR (P)

1 – VERY POOR (VP)

F. SKILLS

REGULAR EMPLOYEES

**NON-REGULAR EMPLOYEES
(casuals, contractuals, etc.)**

VG					VG					
Very Poor					Very Poor					
					PREPARING TO CLEAN					
5	4	3	2	1	Securing key	5	4	3	2	1
5	4	3	2	1	Checking room status	5	4	3	2	1
5	4	3	2	1	Preparing room attendants' cart	5	4	3	2	1
					CLEAN GUEST ROOMS					
5	4	3	2	1	Emptying waste basket and ash tray	5	4	3	2	1
5	4	3	2	1	Sanitising tumblers	5	4	3	2	1
5	4	3	2	1	Removing soiled dishes, old newspapers and amenities	5	4	3	2	1
5	4	3	2	1	Stripping bed	5	4	3	2	1
5	4	3	2	1	Making bed	5	4	3	2	1
5	4	3	2	1	Vacuuming carpets and edges	5	4	3	2	1
5	4	3	2	1	Dusting furniture, fixtures, walls and baseboards	5	4	3	2	1
5	4	3	2	1	Checking and charge mini-bar consumption	5	4	3	2	1

REGULAR EMPLOYEES
EMPLOYEES

NON-REGULAR

VG

**Very
Poor**

VG

Very

Poor

					CLEAN BATHROOM					
5	4	3	2	1	Removing soiled, towels, empty waste baskets and ash trays	5	4	3	2	1
5	4	3	2	1	Cleaning light diffusers	5	4	3	2	1
5	4	3	2	1	Cleaning bathroom ceilings	5	4	3	2	1
5	4	3	2	1	Cleaning mirrors/glass panels	5	4	3	2	1
5	4	3	2	1	Cleaning wash basin	5	4	3	2	1
5	4	3	2	1	Cleaning bathtub	5	4	3	2	1
5	4	3	2	1	Cleaning toilet bowl	5	4	3	2	1
5	4	3	2	1	Polishing stainless fixture and fittings	5	4	3	2	1
5	4	3	2	1	Cleaning bathroom floors	5	4	3	2	1
					CLEANING HALLS/HALLWAYS OF GUEST ROOMS					
5	4	3	2	1	Vacuuming carpets	5	4	3	2	1
5	4	3	2	1	Polishing room numbers, baseboard and wood panels	5	4	3	2	1
5	4	3	2	1	Polishing furniture and fixtures	5	4	3	2	1
5	4	3	2	1	Spraying air freshener	5	4	3	2	1
					MAINTAINING SERVICE AREA					
5	4	3	2	1	Arranging amenities	5	4	3	2	1
5	4	3	2	1	Arranging linen supplies	5	4	3	2	1
5	4	3	2	1	Cleaning serving area floor	5	4	3	2	1
5	4	3	2	1	Emptying vacuum cleaner	5	4	3	2	1
5	4	3	2	1	Arranging cart supplies	5	4	3	2	1
5	4	3	2	1	Cleaning service cart	5	4	3	2	1
5	4	3	2	1	Stocking supplies	5	4	3	2	1
					PREPARING REPORTS/REQUISITION					
5	4	3	2	1	Preparing daily room attendant's report	5	4	3	2	1
5	4	3	2	1	Preparing report/relay guest order and request	5	4	3	2	1
5	4	3	2	1	Preparing room supplies requisition	5	4	3	2	1
5	4	3	2	1	Reporting losses and damages	5	4	3	2	1

G. KNOWLEDGE
REGULAR EMPLOYEES
VG **Very**
Poor

NON-REGULAR EMPLOYEES
VG **Very**
Poor

					SAFETY PRACTICES					
5	4	3	2	1	Storage and handling of chemicals	5	4	3	2	1
5	4	3	2	1	Fire control and prevention	5	4	3	2	1
5	4	3	2	1	First aid treatment	5	4	3	2	1
5	4	3	2	1	Proper handling of equipment and supplies	5	4	3	2	1
5	4	3	2	1	Use of protective devices	5	4	3	2	1
5	4	3	2	1	Emergency procedures	5	4	3	2	1
					PRODUCT KNOWLEDGE					
					ROOM ARRANGEMENTS					
5	4	3	2	1	Bed-setting	5	4	3	2	1
5	4	3	2	1	Curtains/draperies installation	5	4	3	2	1
5	4	3	2	1	Furniture arrangement	5	4	3	2	1
5	4	3	2	1	Mini-bar supplies arrangement	5	4	3	2	1
					ROOM TYPES					
5	4	3	2	1	Suites	5	4	3	2	1
5	4	3	2	1	Deluxe	5	4	3	2	1
5	4	3	2	1	Superior	5	4	3	2	1
					BED TYPES					
5	4	3	2	1	Queen-size bed (for single use)	5	4	3	2	1
5	4	3	2	1	King-size bed (double size)	5	4	3	2	1
					HOUSEKEEPING					
					ABBREVIATIONS FOR MARKING ROOM STATUS					
5	4	3	2	1	VCI – Vacant Clean Inspected	5	4	3	2	1
5	4	3	2	1	VC – Vacant Clean	5	4	3	2	1
5	4	3	2	1	OD – Occupied Dirty	5	4	3	2	1
5	4	3	2	1	OC – Occupied Clean	5	4	3	2	1
5	4	3	2	1	VCP – Vacant Clean Pick-up	5	4	3	2	1
5	4	3	2	1	OCI - Occupied Clean Inspected	5	4	3	2	1
5	4	3	2	1	VC – Vacant Dirty	5	4	3	2	1
5	4	3	2	1	OOO – Out of Order	5	4	3	2	1
					HOUSEKEEPING LINEN AND SUPPLIES					
5	4	3	2	1	Kinds of linen	5	4	3	2	1
5	4	3	2	1	Kinds of curtains and draperies	5	4	3	2	1
5	4	3	2	1	Kinds of detergents	5	4	3	2	1
5	4	3	2	1	Kinds of cleaning agents	5	4	3	2	1

					HOUSEKEEPING TOOLS AND EQUIPMENT					
					DIFFERENT TYPES OF HOUSEKEEPING EQUIPMENT					
5	4	3	2	1	Floor polisher	5	4	3	2	1
5	4	3	2	1	Vacuum cleaner	5	4	3	2	1
5	4	3	2	1	Carpet sweeper	5	4	3	2	1
					DIFFERENT TYPES OF HOUSEKEEPING TOOLS					
5	4	3	2	1	Brushes and brooms	5	4	3	2	1
5	4	3	2	1	Sprayer	5	4	3	2	1
5	4	3	2	1	Mop and rugs	5	4	3	2	1
5	4	3	2	1	Carts	5	4	3	2	1
					ELECTRICAL APPLIANCES OPERATION					
5	4	3	2	1	Operation of television sets	5	4	3	2	1
5	4	3	2	1	Operation of air conditioners	5	4	3	2	1
5	4	3	2	1	Operation of refrigerators	5	4	3	2	1
5	4	3	2	1	Operation of lighting	5	4	3	2	1
5	4	3	2	1	Operation of shavers/dryers	5	4	3	2	1
					MATHEMATICS					
5	4	3	2	1	Addition, subtraction, multiplication and division principles	5	4	3	2	1
5	4	3	2	1	Areas and volumes	5	4	3	2	1
5	4	3	2	1	Fractions and percentages	5	4	3	2	1
5	4	3	2	1	SANITATION	5	4	3	2	1
5	4	3	2	1	Health and hygiene	5	4	3	2	1
5	4	3	2	1	Personal grooming	5	4	3	2	1
5	4	3	2	1	Fumigation procedure	5	4	3	2	1
5	4	3	2	1	COMMUNICATION AND RECORD KEEPING	5	4	3	2	1
5	4	3	2	1	Following oral and written instructions	5	4	3	2	1
5	4	3	2	1	Understanding booking sheets	5	4	3	2	1
5	4	3	2	1	Understanding requisition forms	5	4	3	2	1
5	4	3	2	1	Preparation of simple reports	5	4	3	2	1
5	4	3	2	1	Maintaining simple records	5	4	3	2	1
5	4	3	2	1	Understanding organizational structure of hotels	5	4	3	2	1
5	4	3	2	1	Personnel rules and regulations	5	4	3	2	1

H. ATTITUDES AND HABITS

REGULAR EMPLOYEES

**NON-REGULAR
EMPLOYEES**

Very Poor						Very Poor				
VG						VG				
5	4	3	2	1	Service attitude/customer orientation	5	4	3	2	1
5	4	3	2	1	Attention to detail	5	4	3	2	1
5	4	3	2	1	Positive attitude towards work	5	4	3	2	1
5	4	3	2	1	Cooperation and teamwork	5	4	3	2	1
5	4	3	2	1	Attendance and punctuality in reporting for work	5	4	3	2	1

II. What are the problems usually associated with each type of employment arrangement? Please describe the problem area as applicable to each type of employment arrangement.

Problem Area	REGULAR EMPLOYEES	NON-REGULAR EMPLOYEES (casuals, contractuels, etc.)
(1)		
(2)		
(3)		
(4)		

THANK YOU VERY MUCH FOR YOUR COOPERATION!!!!

APPENDIX A 4
QUESTIONNAIRE FOR EMPLOYEES _____

Dear Respondent,

Greetings!

I am a faculty member of the U.P. Asian Institute of Tourism working on a study as part of our research activities. For this purpose, may I request you to accomplish the attached questionnaire.

Rest assured that the information you provide will be treated with strict confidentiality.

Thank you very much for your cooperation.

Very truly yours,

Susan L. Solis

Name: _____

Gender: _____ Male _____ Female

Position Title: _____ Department: _____

Years/Months in this Position: _____ years _____ months

Years/Months in this Establishment: _____ years _____ months

Employment Classification: _____ regular
_____ casual
_____ contractual
_____ extra
_____ others: pls. specify- _____

Highest Educational Attainment:

_____ elementary graduate _____ college level
_____ high school level _____ college graduate
_____ high school graduate _____ vocational-technical graduate

Average Number of Hours you are on duty (per shift):

_____ 8 hours
_____ >8 hours – 10 hours
_____ >10 hours – 12 hours
_____ others: pls. specify- _____ hours

If more than 8 hours per shift, please state reason/s for extended hours:

Union member? _____ yes _____ no

APPENDIX A 4 QUESTIONNAIRE FOR EMPLOYEES

I. Please encircle the number that best describes how you feel about the statements using the following scale:

- 5 - STRONGLY AGREE (SA)**
- 4 – AGREE (A)**
- 3 – NEUTRAL (N)**
- 2 – DISAGREE (D)**
- 1 - STRONGLY DISAGREE (SD)**

	STATEMENT	SA					SD				
1	My work is appreciated by management.	5	4	3	2	1					
2	There is no discrimination amongst workers.	5	4	3	2	1					
3	I am trusted by management.	5	4	3	2	1					
4	Systems and procedures are adequate.	5	4	3	2	1					
5	I am kept informed of what is going on in the company.	5	4	3	2	1					
6	I feel respected as a person.	5	4	3	2	1					
7	I am treated fairly.	5	4	3	2	1					
8	Tasks and responsibilities are clearly organized.	5	4	3	2	1					
9	There is a positive spirit in the workplace.	5	4	3	2	1					
10	Individual effort is rewarded appropriately.	5	4	3	2	1					
11	The company looks at what you can do, not who you know.	5	4	3	2	1					
12	I know what is expected of me.	5	4	3	2	1					
13	My rights are respected by management.	5	4	3	2	1					
14	I have a voice in decisions made around here.	5	4	3	2	1					
15	I am compensated fairly	5	4	3	2	1					
16	I know where I stand.	5	4	3	2	1					

17	I am able to give my suggestions freely.	5	4	3	2	1
18	People here care for each other (malasakit).	5	4	3	2	1
19	I am provided with information I need to do my work well.	5	4	3	2	1
20	Whenever I see anything that does not meet the standards of procedures in my department, I inform the supervisor or manager first before I act on it.	5	4	3	2	1
21	If you do something well, it is noticed.	5	4	3	2	1
22	There is camaraderie and teamwork amongst the employees (magandang pakikipagsamahan).	5	4	3	2	1
23	People here help each other out (tulong-tulong).	5	4	3	2	1
24	I am able to contribute much to my section's output.	5	4	3	2	1
25	I understand why things are asked of me.	5	4	3	2	1
26	Communication is clear and timely between mgt and employees.	5	4	3	2	1
27	I understand why things are asked of me.	5	4	3	2	1
28	People here are out for the company, not just for oneself (hindi pansarili).	5	4	3	2	1

II. What are your plans after your employment with this company is finished?

III. Any other comments?

THANK YOU VERY MUCH FOR YOUR COOPERATION!!!!