

Supreme Court affirms URC worker's firing not commensurate to violation

THE Supreme Court has affirmed, with modifications, a ruling that found Universal Robina Corp. (URC) liable for the illegal dismissal of a machine operator.

In a 10-page decision dated July 6 and made public on July 20, the tribunal upheld a Court of Appeals (CA) ruling that found the

dismissal of Roberto De Guzman Magalang to be disproportionate since he had only stolen a bottle of ethyl alcohol worth P60.

"The court finds that the penalty of dismissal is not proportional to Roberto's misconduct," Associate Justice Mario V. Lopez said in the ruling.

"His preventive suspension was a sufficient penalty for the misdemeanor."

As a machine operator, the employee did not occupy a position of trust and confidence which would greatly affect URC's operations, the tribunal said.

Citing the Labor Code, the tribunal ruled Mr. Magalang was not entitled to back wages since his employment was terminated in good faith.

"Believing that Roberto committed serious misconduct under the Labor Code, URC acted in good faith in dismissing him. For these

reasons, Roberto is not entitled to back wages," it said, also denying him legal fees on the same basis.

The court remanded the case to the labor arbiter to determine separation pay due to the former machine operator.

The incident happened in 2015 when a security guard found a

bottle of ethyl alcohol that belonged to the company in Mr. Magalang's bag.

The machine operator was charged with criminal theft and was detained at a police station for five days, which led to a 60-day suspension imposed by URC. — **John Victor D. Ordoñez**

Business groups balk at proposed P150 wage hike

OPINION

The problem with tardiness grace periods

I'm the human resource (HR) manager of a medium-sized, 10-year-old company. Our work schedule is between 8:30 a.m. and 5:30 p.m. every day. Recently, we received some suggestions from employees, ask for a grace period of 15 minutes before being considered late, similar to the practice in other companies. This is due to the lack of transport or road congestion during rush hour, among other issues. What do you think? — Rainbow Connection.

My brief answer is no. In fact, it's a terrible idea. Even if one thousand companies observe a grace period, say from five up to 15 minutes, it doesn't mean that they're correct. You may even worsen the tardiness rate in your organization. Take a hard look at this suggestion.

HR professionals must take into consideration the mutual interest of both labor and management if they benefit the whole organization. This requires a balancing act to produce a fair and reasonable judgment, considering all the circumstances.

Take a look at your tardiness rate. Check your records and find out its impact on company operations. How much money is the company losing in terms of productivity? How many employees are habitually tardy? Are they the same people asking for the grace period?

What department or division has the greatest number of tardy workers? This question is important as it reflects on the management style that the line leaders are providing to their workers.

IN THE WORKPLACE REY ELBO

ELBONOMICS: Choose a win-win solution for every people management issue.

If you have a number of employees violating the tardiness policy, all the more reason to be stricter on attendance. Cite the violators right away but allow them due process. The team leaders, line supervisors and managers must be the ones to correct the problem because they're closest to the situation.

By and large, it's not a good idea to reinforce the idea of Filipino time. There's no need for anyone, least of all HR professionals, to make excuses for our cultural folly.

SOLUTIONS

The challenge is to come up with irrefutable reasons that employees will find easy to understand and accept. Being an HR manager, you must provide dynamic solutions to help the workers avoid tardiness. And no, I don't recommend giving out a perfect attendance award.

Why reward people who are required to report for work on time and every day? If you missed my article on the perfect attendance award, check the archives of this paper. Rediscover my article, "What's wrong with the perfect attendance award?" published on March 1, 2019.

So, let's explore the following solutions:

One, consider the nature of your company's operations.

In a business process outsourcing or factory set-up, you can't simply apply a grace period; even a five-minute allowance could mean hundreds of thousands in lost productivity. It is easy to imagine situations where operations can't start on time when one or two workers are tardy.

Try to anticipate the negative effect on the morale of other employees who report on time every day.

Two, allow flextime for selected workers. Require applicants for flextime to justify their need for it. It helps if the applicant has demonstrated above-average work performance over the past three years. If you approve their application, implement a temporary scheme, say two months at most, while you monitor the overall impact on business operations.

The main thing is that all workers must be present during core hours, considering the number of customers or the production timeline. If your work schedule is from 8:30 a.m. to 5:30 p.m., require all flextime workers to be physically present in the office or factory anytime from 9 a.m. to 6 p.m. That 30-minute difference is better than a grace period.

Three, offer an interest-free motorcycle loan. Once again, give this loan only to those with excellent work performance over the past three years or longer. This sends the message that people with consistent high performance will always enjoy preference. Require the worker to put up some equity so the company need not offer a 100% loan.

Four, arrange for a transport service. This should not lead to additional cost on the part of the company. Perform a survey of your employees to find out how many of them commute along certain routes. If the number is substantial enough for a bus company or shuttle service to undertake special trips, arrange for a pick-up service and require the workers to pay their usual fares.

An enterprising worker may even step in to provide a vehicle. Explore that possibility, but make sure to follow the relevant government regulations.

Last, allow a hybrid of in-person office work and work-from-home. For example, do in-person office work three times a week or every Monday, Wednesday and Friday, with Tuesday and Thursday reserved for work-from-home. You can start with a trial period while you review its implications on work operations.

BUSINESS GROUPS are asking the government to reconsider a proposed P150 wage hike, saying their companies need to remain competitive while being allowed time to recover.

"The industry was okay with the P40 approved increase but P150 seems high. That's a 35% increase in wages, further increasing operating costs and reducing industry competitiveness," Semiconductor and Electronics Industries in the Philippines Foundation, Inc. President Danilo C. Lachica said in a Viber message.

Senate President Juan Miguel F. Zubiri has been pushing to legislate a P150 wage hike for all daily wage earners.

The National Capital Region Tripartite Wages and Productivity Board approved last month a P40 increase in the minimum wage for workers in Metro Manila, which brought the floor on the daily wage to P610 from P570.

Ebb Hinchliffe, American Chamber of Commerce of the

Philippines, Inc. executive director, said in a Viber message that the regional tripartite wage and productivity boards should determine wage level, not legislators.

"We suggest letting the tripartite decide that. Through this existing mechanism — where government, workers, and employers are amply represented — the needs of workers, the capability of enterprises, and varying conditions across industries and regions can be carefully balanced," Mr. Hinchliffe said.

Rosemarie B. Ong, Philippine Retailers Association chair, said in a Viber message that the proposal is "not in the best interest of the economy ... due to the potential inflationary effects it may have. While we understand the concerns about declining purchasing power caused by inflation and the desire to support workers, it is crucial to consider the broader impact of such a measure."

Ms. Ong warned that such legislation could force some businesses to close.

"Approval of the wage increase could lead to difficult decisions for employers, such as adjusting prices, reducing the workforce, or even closing down. Only a small percentage of large firms have the financial capacity to accommodate the wage increase," Ms. Ong said.

"Rising inflation has already strained businesses, particularly micro, small, and medium enterprises (MSMEs), which have faced significant challenges due to the pandemic and may still be in the process of recovery," she added.

Inflation slowed to 5.4% in June from the 6.1% posted in May due to a slowdown in the increase of food, transport, and utility prices.

Philippine Amalgamated Supermarkets Association President Steven T. Cua said in a Viber message that the proposed wage hike would be challenging for supermarkets.

"(Supermarkets) rely on the manpower support of suppliers' merchandisers, promo- or push-

girls and coordinators to help us monitor movement of stock on a daily basis. If wages keep increasing by leaps and bounds, manufacturers and distributors will not hesitate to cut their budget for supplemental manpower," Mr. Cua said.

"This will result in smaller chains fending for themselves in terms of merchandising these products which normally are market leaders for their categories; thus, basic necessities and prime commodities for shoppers. This will consequentially lead to less organized retailing, (less efficient) distribution and probably the shutdown of the weakest links in the food retail supply chain," he added.

Mr. Cua proposed staggered increases until 2025 if the measure becomes law.

"Best is to increase wages in agreeable installments over a period of time, so employers go slow on lay-offs and are amply prepared for additional costs given the certainty of the time intervals," Mr. Cua said. — **Revin Mikhael D. Ochave**

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