

# Worker disengagement seen eroding productivity

NEARLY NINE in 10 employers in the Philippines are reporting declining productivity tied to employee disengagement, according to global talent solutions firm Robert Walters.

In a statement on Thursday, the recruitment consultancy said 89% of hiring managers surveyed in the Philippines identified employee disengagement as a major factor affecting workplace productivity and team dynamics.

The phenomenon, known as “quiet cracking,” involves employees continuing to fulfil their responsibilities while internally feeling disengaged, demotivated, or emotionally strained.

According to the survey findings, released alongside the

Robert Walters Talent Trends 2026 report, more than 38% of Filipino professionals said they experience quiet cracking “very often,” while nearly one in four said they encounter it occasionally.

Josua T. Mata, secretary-general of labor group Sentro ng mga Nagkakaisa at Progresibong Manggagawa, told *BusinessWorld* that worker disengagement is often the result of accumulated frustration, burnout, and loss of hope rather than a sudden decline in motivation.

“Workers are not ‘quiet cracking’ because they suddenly lost motivation. Many are simply exhausted from low wages, insecure jobs, overwork, toxic workplace

and the erosion of work-life balance,” Mr. Mata said via Viber.

“You cannot expect workers to remain fully engaged when they are constantly anxious about survival while being asked to do more with less,” he said.

Employers seeking long-term employee engagement should go beyond workplace wellness campaigns and address issues such as living wages, job security, manageable workloads, and respect for workers’ dignity and rights, he added.

Kimberlyn Lu, chief executive officer at Robert Walters Southeast Asia, said in the statement that disengagement often goes unnoticed because employees may still appear productive

despite dealing with prolonged pressure and uncertainty.

“If left unaddressed, these issues can erode productivity, lower morale, and lead to higher turnover rates. Employers should be proactive in identifying early signs and fostering an environment where employees feel supported,” she said.

The study also found that 47% of Philippine employers are recognizing employee achievements to improve morale, while 42% are conducting regular feedback sessions to strengthen engagement within teams.

Robert Walters cited a 2025 Gallup report estimating that declining global employee engagement resulted in about

\$438 billion in lost productivity in 2024.

The company said workplace disengagement is evolving into what it described as an “engagement recession,” where reduced motivation spreads across teams and weakens collaboration, creativity, and workplace culture.

Among Filipino workers surveyed, 40% identified distracted behavior and lack of focus as the most common signs of disengagement, while 33% pointed to reduced collaboration and 20% cited low participation during meetings.

The report also examined factors affecting employee retentions, with 54% of respondents saying career growth opportu-

nities were the main reason for staying with an employer.

Flexible work arrangements were cited by 32%, while 15% said inclusive workplace culture was their priority.

Meanwhile, 56% of professionals said they preferred transformational leadership styles that encourage change and innovation, while 34% favored leaders who provide greater autonomy in the workplace.

Robert Walters said companies may need to strengthen communication, career development programs, and workplace flexibility to prevent disengagement from affecting productivity and employee retention further. — **Erika Mae P. Sinaking**

OPINION

## Pirating an executive from a sister firm

IN THE WORKPLACE  
REY ELBO

**I'm planning to hire a junior executive within our conglomerate. My idea is to promote him as a manager or one rank higher from his original post. What do you think of this plan? — Gray Tower.**

Promoting someone from within, whether the person comes from the same organization or within the group of companies is an excellent idea. In today's so-called “war for talent,” some companies have gone from head-hunting to hijacking. The battlefield has expanded to include not just competitors, but even companies under the same corporate umbrella.

It's like raiding your cousin's refrigerator for the last slice of cake. Technically, it's family property — but still bad manners. So, the burning question is: Is it advisable to pirate an executive from a sister company?

Recruiting talent from within your conglomerate can be a smart move — but only if handled with transparency and tact. Otherwise, you could create animosity to make your next conglomerate convention feel like a family reunion gone wrong.

But first, better to ask your boss for approval and support. If he agrees, then go ahead talk to the boss of your candidate. Or maybe, your boss can do it for you.

RISKS

Indeed, it's tempting to pirate someone within the group of companies. They're already familiar with the corporate culture, its policies, systems, buzzwords, and acronyms. Training time? Practically zero. Risk of cultural mismatch? Minimal. But convenience doesn't always mean correctness. Here's why:

**One, legal and contractual obligations.** Some organizations have agreements that include non-piracy clauses, even among affiliates. That's why you must secure the permission of one's boss.

Even without it, the executive's employment contract might include a non-compete or conflict-of-interest provision.

**Two, breach of trust.** In business, trust is the invisible glue that holds everything together. Pirating talent from an affiliate without transparency can feel like betrayal. If you break that trust, you may not be able to recover your partnership with people.

And your affiliate may perceive your move as an act of war rather than collaboration.

**Three, reputational damage.** The corporate world has sharp ears and long memories. Once you earn a bad reputation as a “pirate,” other leaders may become cautious around you. They'll lock their best people in metaphorical vaults.

When you need cross-functional support in future projects, expect a cold shoulder and longer e-mail response times, if ever they take the time to reply.

SMARTER ROUTE

Instead of outright poaching, consider collaborative talent-sharing arrangements. If you truly believe that executive talent from an affiliate can make a significant impact, there are cleaner, smarter, and win-win solutions to go about it.

Here are the things you can do simultaneously:

**One, limited secondment.** It could be four to six months — even longer. This is beneficial to both sides. The “pirated” executive gains new challenges, exposure, and skills, while his original employer retains the relationship.

**Two, mentoring project.** This means assigning the executive to create a training program for the young guns of the “pirate” organization. To entice the executive, offer a monthly allowance while continuing his current pay and benefits from his employer.

**Three, exchange program.** Initiate an internal job program that allows employees within the conglomerate to undergo a corporate *Rigodon de Honor*, a formal rotational exchange among affiliates. This is for faster career mobility for those with high potential.

HONOR

Good leaders don't just win the war for talent — they win it honorably. Leadership isn't about collecting the best people by any means. It's about building a system that attract talent naturally from everywhere.

If your culture is strong, people will come to you without being lured with a golden handshake. But if your only way to fill key roles is to “pirate” from affiliates, it may be time to check your ship's condition. Maybe it's not a talent shortage. It could be that you're not doing enough to train your people so they become promotable.

After all, piracy, even when successful, rarely earns applause. Collaboration and transparency in creating a dynamic management development program gives you stronger, more sustainable organizations.

In the modern talent marketplace, companies are learning that the real competitive advantage isn't in stealing good people — it's in developing them. If you need a rare talent, then create one. Mentor a rising star. Cultivate your own people. It's better to be known as a talent builder than a talent pirate.

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SEC,  
from S1/1

A broker director's service of more than six months in a year will be counted as one full year for purposes of computing the five-year term and 10-year maximum cumulative service under the circular.

Following the cooling-off period, the re-elected broker director can serve a fresh term of up to five cumulative years.

The SEC circular also provides for a two-year transition period for incumbent broker directors, allowing them to complete their current terms and remain eligible for the next two annual elections.

Covered exchanges that exceed the maximum cumulative term limit for broker directors will be subject to penalties, including a P1-million fine per broker director per year and a P30,000 monthly penalty for each month that the violation continues.

Third or succeeding offense for the same violation will be subject to suspension or revocation of the exchange's secondary or primary license.

The new directive would affect several long-serving broker directors at the Philippine Stock Exchange, including Ma. Vivian Yuchengco (28 years), Eddie T. Gobing (25 years), and Wilson L. Sy (12 years).

The SEC's term limit proposal had previously drawn opposition from individuals, including Ms. Yuchengco, who argued that it would be “wrong,” noting that brokers are also shareholders of the PSE.

Certain business groups expressed support for the changes, saying these would promote board renewal and investor confidence, and committed to working with regulators and stakeholders to help develop a fair capital market.

The SEC circular will take effect 15 days after its full publication in the *Official Gazette* or in at least two newspapers of general circulation. — **Alexandria Grace C. Magno**

Financial system,  
from S1/1

The latest available BSP data also showed nonbanks held P6.347 trillion in resources as of end-2025. This reflects a 7.26% climb from the P5.917-trillion resources logged at end-2024.

Nonbanks include investment houses, finance companies, security dealers, pawnshops, and lending companies. Institutions such as nonstock savings and loan associations, credit card companies, private insurance firms, the Social Security System, and the Government Service Insurance System are also considered nonbank financial firms.

In the coming months, analysts noted that tighter financial conditions amid lingering economic uncertainties could dampen the growth of the financial sector's resources.

“Looking ahead, while resources are expected to continue expanding, the pace of growth may moderate amid tighter financial conditions, elevated inflation, and softer economic momentum,” Mr. Asuncion said.

“Key factors to watch include BSP policy direction, liquidity conditions, risk sentiment, and the strength of domestic demand, which will collectively shape the trajectory of financial system resources in the coming months,” he added.

The industry should also strive to maintain healthy asset quality and credit conditions, especially as economic risks continue to weigh on them, according to Mr. Rivera. — **Katherine K. Chan**

InstaPay,  
from S1/1

The volume of PESONet transactions also went up by an annual 12.89% to 41.938 million in the four-month period from 37.148 million previously.

InstaPay and PESONet are automated clearing houses under the central bank's National Retail Payment System framework.

InstaPay is a real-time, low-value electronic fund transfer facility for transactions up to P50,000 and is mostly used for remittances and e-commerce.

Meanwhile, PESONet is mainly used for high-value transactions and may be considered as an electronic alternative to paper-based checks.

As of April, there are 94 InstaPay participants, most of which are nonbank electronic money issuers. PESONet has a total of 124 participants, with the bulk being universal and commercial banks.

The BSP wants digital payments to make up 60%-70% of the total volume of retail payments by 2028 in line with the Philippine Development Plan.

In 2024, online payments made up 57.4% of the volume and 59% of the value of the country's total monthly retail transactions, according to the BSP's 2024 Status of Digital Payments in the Philippines report. — **Katherine K. Chan**

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