



# SUSTAINING THE COMPETITIVENESS OF THE PHILIPPINE IT-BPM INDUSTRY IN THE CHANGING WORLD OF WORK

ISSUE NO. 2 | SERIES OF 2019

## LABOR MARKET INTELLIGENCE REPORT



Technical Education and Skills Development Authority

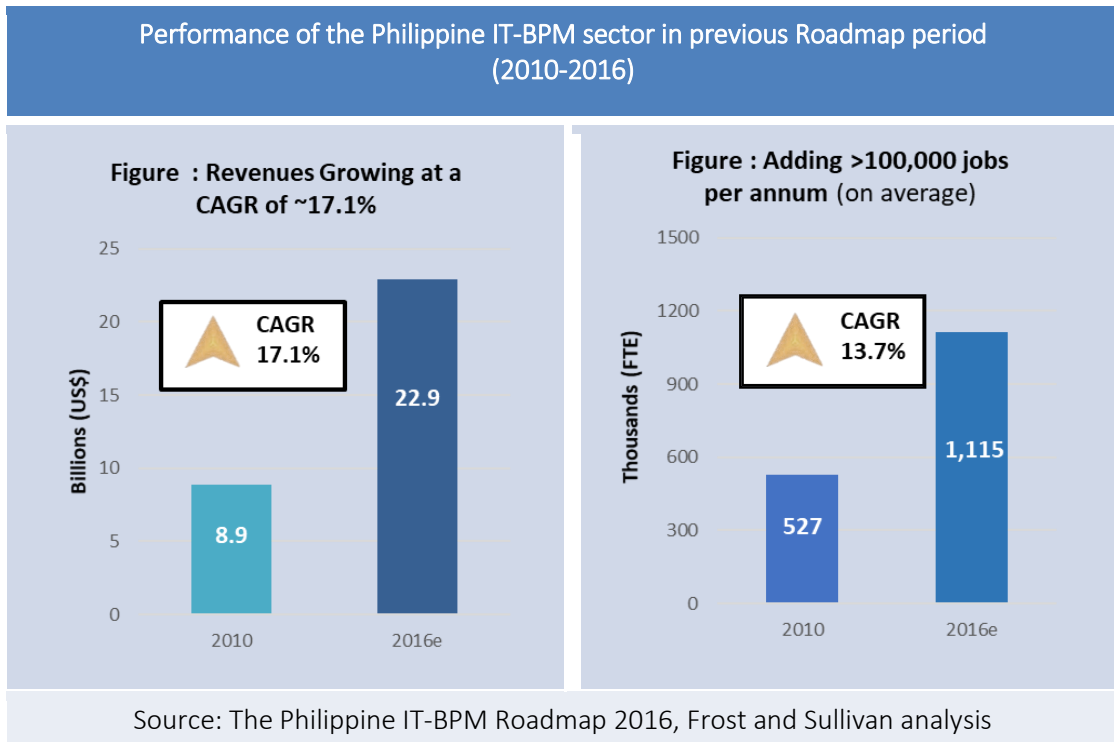
September 2019

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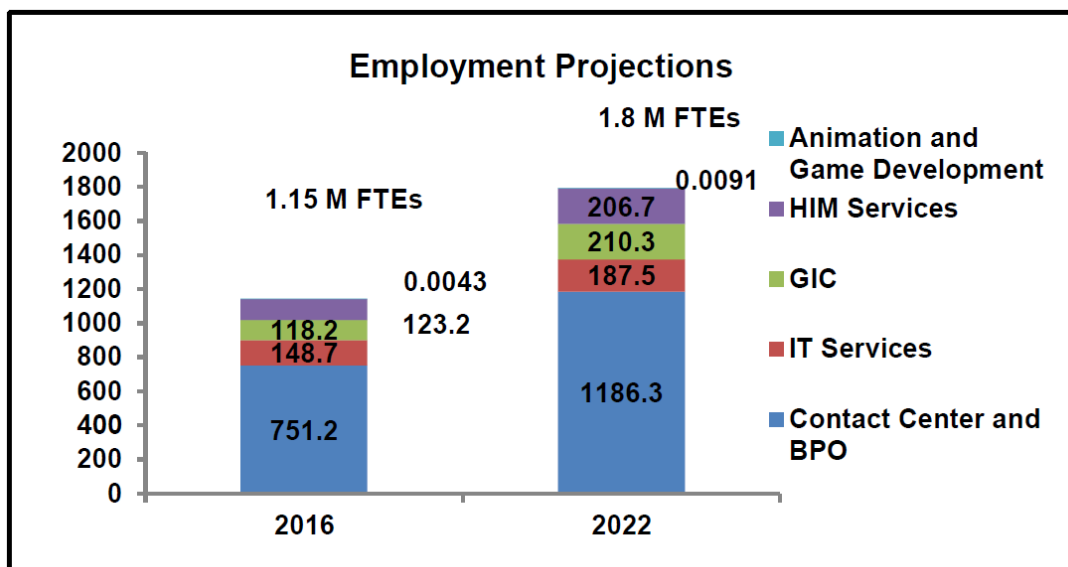
## IT-BPM SECTOR

### I. Background

- The Philippine IT-BPM industry is one of the best performing and employment generating activities in the past for years. The industry has grown rapidly over the last Information Technology and Business Process Association of the Philippines (IBPAP) roadmap period (2010-2016), increasing revenue at a compound annual growth rate of ~17% (from US\$ 8.9 billion in 2010 to an estimated US\$ 22.9 billion in 2016).



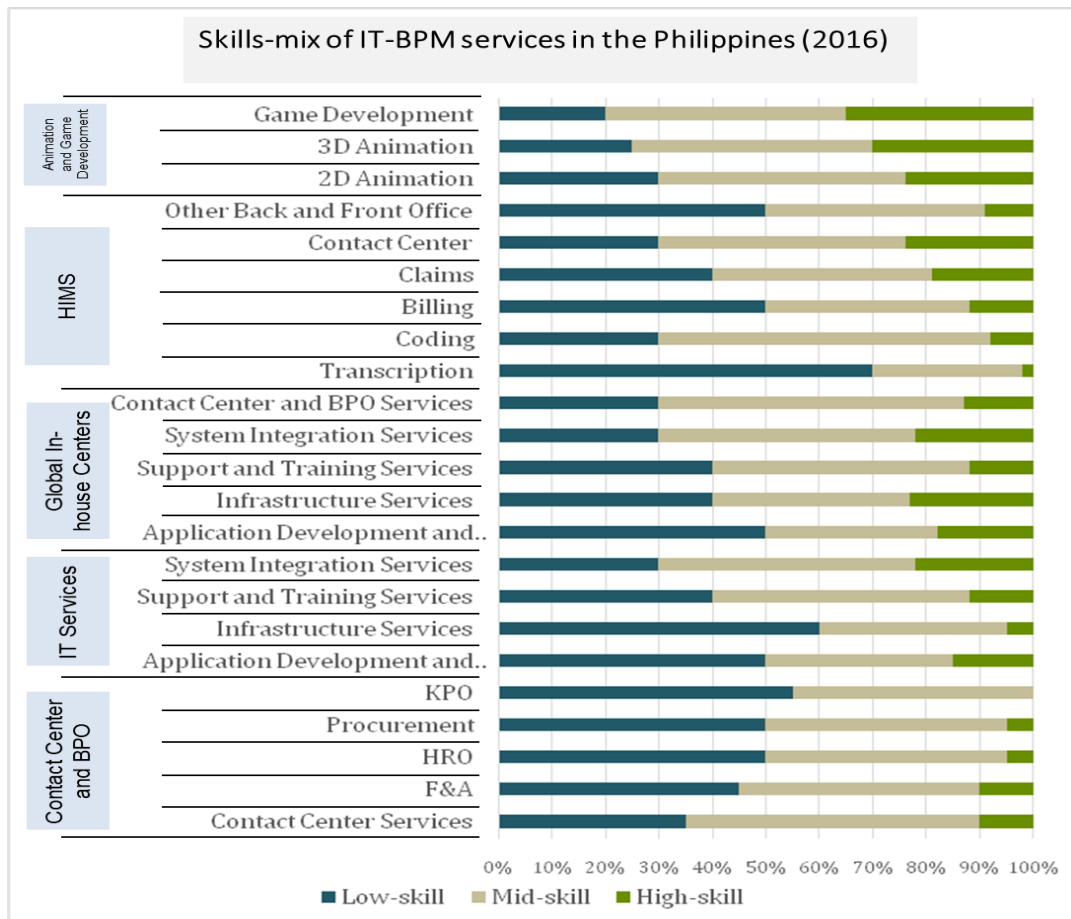
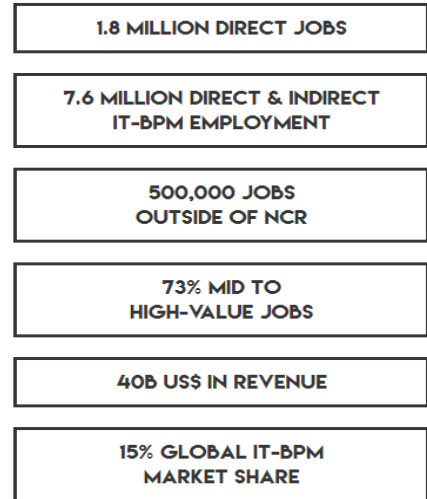
- The total manpower employed by the sector is projected to increase from an expected 1.15 million Full-Time Equivalents (FTEs) in 2016 to an estimated 1.8 million FTEs by 2022, equivalent to a CAGR of 7.8%.



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## IT-BPM SECTOR

- The industry roadmap entitled, “Accelerate PH: Future-ready Roadmap 2022” leverage the successes and learning from the previous roadmaps to ensure that the Philippines will continue to expand market share while moving up in complexity and value of its IT-BPM capabilities.
- By 2022, IT-BPM alone is expected to have a compound annual growth rate of 9.2%, or around USD 38.9 billion in total value.
- The sector target creation of 7.6 million employments in the IT-BPM sector.
- The roadmap specified that due to operational efficiency brought about by the 4<sup>th</sup> IR, there is a growing demand for IT services in the following sectors:
  - Banking, financial services and insurance (BFSI)
  - Manufacturing
  - Telecom/Hi-Tech
  - Healthcare
  - Utility
  - Oil and gas
  - Education Government
- However, as the new technology trends enables the sector to move up the value chain, the reduction in low-skill jobs in the sector will be more than compensated by significant employment opportunities in mid and high-skilled services.



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## IT-BPM SECTOR

### CHALLENGES IN THE IT-BPM SECTOR

- While being the fastest growing sector in the Philippines, IT-BPM is the most affected by the changing technological landscape across the world, prompting the need for skills enhancements and/or retraining within the workforce.
- The major issues the industry faces are **shortfall of supply, skills mismatch and staff attrition**. For an industry whose service output largely hinges on the quality of its human capital, this is a major problem.
- As the sector mostly attracts fresh graduates who are about to start their professional careers, the industry plans to **strengthen the development of a career progression path and skill mapping** as it is a great way to change potential IT-BPM job-seekers' view from IT-BPM jobs being transitory toward having a long-term career in the sector.
- The roadmap also made mention of the industry's move to **upskill its workforce from low to mid and from mid to high skills** which means that there is a need for higher level qualifications.
- The survey conducted in the roadmap revealed that the IT-BPM workforce in the Philippines is currently (2016) involved in the following roles:
  - Low-skilled 45.8%
  - Mid-skilled 39.4%
  - High-skilled 14.7%
- The slight skew in favor of mid-skilled roles is due to the service mix of contact centers which has the highest weight in terms of service type in the IT-BPM industry.

### II. Skills Requirements in the IT-BPM Sector

- According to the **DOLE Project JobsFit 2020**, the following significant occupations to the IT-BPM industry are as follows:

| In-Demand and Hard-to-Fill Occupations in the BPO Industry |   |   |
|--|---|---|
| Industry   | In-demand Occupations   | Hard-to-fill Occupations  |
| IT-BPM   | <ul style="list-style-type: none"> <li>* Animator</li> <li>* Autocad Designers and Operators</li> <li>* Call Center Agents</li> <li>* Customer Service Representative</li> <li>* Software Developers</li> <li>* Technical Support</li> <li>* Virtual Assistants</li> <li>* Web Developer</li> <li>* Computer Transcriptionist</li> <li>* IT Specialist/Staff</li> <li>* Graphic Artists</li> <li>* Programmer</li> <li>* Other Business Process Outsourcing related jobs</li> </ul> | <ul style="list-style-type: none"> <li>* Animator</li> <li>* Autocad Designers and Operators</li> <li>* Call Center Agent</li> <li>* Customer Service Representatives</li> <li>* Software Developers</li> <li>* Technical Support</li> <li>* Virtual Assistants</li> <li>* Web Developer</li> <li>* Game Developer</li> <li>* IT Developer</li> </ul> |

Source: DOLE Project JobsFit 2020

- The Philippine Employment Projections Model (PEPM) has identified the employment projection for the following BPO-related occupations:

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## IT-BPM SECTOR

| Employment Projection for the BPO Industry using the PEPM 2013-2022   |                                  |                |
|---|----------------------------------|----------------|
| Occupations   | Employment Projection            |                |
|   | Net Employment<br>(In Thousands) | Growth<br>Rate |
| IT-BPM  | 1,010                            | 3              |
| Publishing activities, motion picture, TV, programming and broadcasting, and telecommunications                                 | 250                              | 2.8            |
| Computer programming, consultancy and related activities, information service activities, and repair of computers and equipment | 136.5                            | 3.3            |
| Legal and accounting activities   | 74.7                             | 2.8            |
| Activities of head offices, management consultancy activities   | 7.1                              | 1.4            |
| Architectural and engineering activities, technical consultancies   | 34.1                             | 2              |
| Scientific research and development   | 5                                | 3              |
| Advertising, market research and public opinion polling , and other professional, scientific and technical activities           | 70                               | 1.3            |
| Call centers and other office administrative, support and other business support activities                                     | 432.2                            | 3.4            |

Sources:  
Philippine Employment Projections Model, JobsFit 2022 Regional Reports,  
and Various industry consultations conducted by TESDA

- The Net Employment for Call centers and other office administrative, support and other business support activities alone as a subsector under IT-BPM is already considered the highest compared to the other sectors.
- On the other hand, the IT-BPM sector as a whole has a Net Employment of 1,010.

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## IT-BPM SECTOR

### Philippine IT-BPM Sector's Roadmap

- The **Philippine IT-BPM Sector's Roadmap 2020** presents the sectors specific requirements:
  - According to experts, it is estimated that in the next three years, one out of three low-skilled IT-BPM tasks have a 40% to 60% likelihood of automation by 2020.
  - IT-BPM, in particular, is already transitioning towards such trends like **Knowledge Process Outsourcing, demanding a greater need for mid and high-skilled workers.**
  - There is also a need for so-called **super-agents**. These are employees who are now doing multiples tasks end-to-end instead of doing specific compartmentalized jobs. They are expected to be knowledgeable in the different levels of the product of service, handling client concerns from start to finish.
  - With the requirement for higher skills for the IT-BPM workforce, the roadmap also highlighted the need to **focus on Science, Technology, Engineering and Mathematics (STEM)** as it is a major foundation needed to understand the new technology trends such as artificial intelligence, Internet of Things and virtual reality.
  - The skills needs in IT-BPM are rapidly changing thanks to the convergence of the four (4) major trends brought about by the Fourth Industrial Revolution (4<sup>th</sup> IR) namely: **Big Data and Analytics (BDA), Internet-of-Things (IoT), Automation and Artificial Intelligence, and Cloud Computing.**
  - According to the roadmap, the following IT-BPM roles have the highest propensity to be automated: **1) Medical Transcription, 2) Simple Contact Center Services, 3) Basic 2D animation services, 4) Parts of IT Technical Support, and 5) Transactional mid and back-office process.**

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## IT-BPM SECTOR

- Emerging Skills

- One major issue faced by the IT-BPM sector are the emerging skills brought about by the Fourth Industrial Revolution. According to the sector’s roadmap, most of the skills needed are higher level skills highlighting the need for low to mid and mid-to-high trainings/reskilling of its workforce.

| Core Competency Areas            |
|----------------------------------|
| Data Analytics                   |
| Cyber Security                   |
| Blockchain                       |
| Digital Commerce                 |
| Financial Technologies (FinTech) |

- On the right are the core competency areas according to the LinkedIn’s 2019 Emerging Jobs in the Philippines Report:

- All emerging skills requires mid to higher-level qualifications. According to the LinkedIn report, despite the demand for employees with digital competencies, the local supply of qualified workers remains low. The report recommended that companies should invest in “upskilling” workers by training them to progress their skills.

- According to the IT-BPM industry roadmap, most of the Philippine IT-BPM sector’s growth will be driven by high-value services as the country moves up the value chain in the next six years. Some of these high-value services include:

| High-value Services related TRs                |  |                      |
|--|--|----------------------|
| Subsector                                      | High-value Services  | Existing related TRS |
| Contact Center and BPO subsector               | Engineering Services Outsourcing (ESO)   | - No TR available -  |
|  | Data Analytics   | - No TR available -  |
|  | Performance Management   | - No TR available -  |
|  | Legal Process Outsourcing (LPO)  | - No TR available -  |
| Information Technology (IT) Services subsector | Application Development Management (ADM)   | - No TR available -  |
|  | System Integration   | - No TR available -  |
|  | Automation Enablement  | - No TR available -  |
|  | IoT-Enablement languages   | - No TR available -  |
| Health Information Management (HIM)            | Preventive Health  | - No TR available -  |
|  | Remote Healthcare Management   | - No TR available -  |
|  | Provider Services  | - No TR available -  |
| Animation and Game Development subsector       | 3D animation   | 3D Animation NC III  |
|  | Augmented & Virtual Reality (AR/VR)  | 3D Animation NC III  |
|  | Gamification   | 2D Animation NC III  |
| Global In-house Center (GIC)                   | Industry specific services for Telecom, Healthcare, Insurance and Pharmaceutical | - No TR available -  |



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## IT-BPM SECTOR

- Results of Action Programming conducted by TESDA disclosed specific requirements of the IT-BPM Sector.
  - Another key area that requires intervention is increasing **English proficiency** (spoken, written, verbal, emotive and other facets) to the Common European Framework of Reference for Languages (CEFR) **B2 Level**, which is a core competency and considered as the bedrock for a career in the IT-BPM services sector.
  - The industry also identified **core and essential skills** in which immediate intervention is necessary. A consensus was established that employers have been prioritizing and giving a premium on **personal traits and essential skills** which are not taught in traditional technical skills trainings being offered right now. As long as the prospective employees have the basic skills for the IT-BPM sub-sector being applied for, then it would be easy for the enterprises to teach them the necessary technical skills to level up if they have the essential skills.
  - Among the **non-technical core competencies - or essential skills** - highlighted as particularly lacking from local graduates are leadership qualities and skills, emotional quotient (EQ), creativity, critical thinking, structured and logical thinking, and basic math.

| Subsector                    | Core Skills  | Essential Skills   | Psychomotor Skills  |
|------------------------------|--|--|---|
| <i>Voice</i>                 | Communication skills is B2 CEFR Level (global standard)<br><br><i>Applicants now are A2-B1 level. Below B2 level should be trained further for a duration of 150-200 hours to increase CEFR level by 1 step.</i> | Analytical<br>Critical<br>Logical<br>Ethical   | Computer literacy<br>Hardware servicing<br>Typing<br>Multitasking skills (able to navigate through number of windows) |
|                              | Comprehension  |  |   |
| <i>Medical transcription</i> | Medical background   | Analytical<br>Critical<br>Logical<br>Ethical   | Computer literacy<br>Typing   |
|                              | Advance coding   |  |   |
| <i>Game/gaming</i>           | Traditional and digital drawing skills   | Patient<br>Creative<br>Passion for excellence and quality<br>Problem solving<br>Analytical | Computer literacy<br>Hardware servicing   |
|                              | Vendor specific skills   |  |   |

Source: NTESDP 2018-2022 Action Programming



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## IT-BPM SECTOR

### II. TVET Capacity

#### ☐ Registered Programs

- The existing related TRs were also identified based on the In-Demand and Hard-to-Fill Occupations in the DOLE Project JobsFit 2022 above:

| Skills                          | Sector  | Corresponding TRs   |
|---------------------------------|---|---|
| Animator                        | IT-BPM  | <ul style="list-style-type: none"> <li>2D Animation NC III</li> <li>3D Animation NC III</li> <li>Animation NC II</li> </ul>   |
| Call Center Agents              | IT-BPM  | <ul style="list-style-type: none"> <li>Contact Center Services NC II</li> </ul>   |
| Autocad Designers and Operators | Construction<br>Metals and Engineering        | <ul style="list-style-type: none"> <li>Technical Drafting NC II<br/>-Prepare computer-aided drawings</li> <li>CAD/CAM Operation NC III<br/>-Create drawing using CAD software<br/>-Apply CAD/CAM program</li> </ul>   |
| Customer Service Representative | IT-BPM<br>Wholesale and Retail Trading Sector | <ul style="list-style-type: none"> <li>Contact Center Services NC II</li> <li>Customer Service NC II</li> </ul>   |
| Software Developers             | IT-BPM  | <ul style="list-style-type: none"> <li>Web Development NC III</li> <li>Game Programming NC III</li> <li>Programming (.Net Technology) NC III</li> <li>Programming (Java) NC III</li> <li>Programming (Oracle Database) NC III</li> </ul>  |
| Technical Support               | Wholesale and Retail Trading Sector<br>IT-BPM | <ul style="list-style-type: none"> <li>Customer Service NC II</li> <li>Cable TV Installation NC II</li> <li>Cable TV Operation and Maintenance NC III</li> <li>Broadband Installation (Fixed Wireless Systems) NC II</li> <li>Telecom OSP and Subscriber Line Installation (Copper Cable/POTS and DSL) NC II</li> <li>Telecom OSP Installation (Fiber Optic Cable) NC II</li> </ul> |
| Virtual Assistants              | N/A   | <ul style="list-style-type: none"> <li>No Available TRs</li> </ul>  |
| Web Developer                   | IT-BPM  | <ul style="list-style-type: none"> <li>Web Development NC III</li> </ul>  |
| Computer Transcriptionist       | IT-BPM  | <ul style="list-style-type: none"> <li>Medical Transcription NC II</li> <li>Contact Center Services NC II</li> </ul>  |

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## IT-BPM SECTOR

|                           |        |   |
|---------------------------|--------|---|
| Graphic Artists           | IT-BPM | <ul style="list-style-type: none"> <li>• 2D Animation NC III</li> <li>• 3D Animation NC III</li> <li>• Animation NC II</li> <li>• Visual Graphic Design NC III</li> </ul>   |
| IT Specialist/Staff       | IT-BPM | <ul style="list-style-type: none"> <li>• Cable TV Installation NC II</li> <li>• Cable TV Operation and Maintenance NC III</li> <li>• Broadband Installation (Fixed Wireless Systems) NC II</li> <li>• Telecom OSP and Subscriber Line Installation (Copper Cable/POTS and DSL) NC II</li> <li>• Telecom OSP Installation (Fiber Optic Cable) NC II</li> </ul> |
| Computer Transcriptionist | IT-BPM | <ul style="list-style-type: none"> <li>• Medical Transcription NC II</li> <li>• Contact Center Services NC II</li> </ul>  |
| Programmer                | IT-BPM | <ul style="list-style-type: none"> <li>• Game Programming NC III</li> <li>• Programming (.Net Technology) NC III</li> <li>• Programming (Java) NC III</li> <li>• Programming (Oracle Database) NC III</li> </ul>  |
| Game Developer            | IT-BPM | <ul style="list-style-type: none"> <li>• Game Programming NC III</li> <li>• 2D Animation NC III</li> <li>• 3D Animation NC III</li> <li>• Animation NC II</li> </ul>  |
| IT Developer              | IT-BPM | <ul style="list-style-type: none"> <li>• Web Development NC III</li> <li>• Game Programming NC III</li> <li>• Programming (.Net Technology) NC III</li> <li>• Programming (Java) NC III</li> <li>• Programming (Oracle Database) NC III</li> </ul>  |

### Number of IT-BPM related Registered Programs, TVIs and Assessment Centers by Region

| REGION | Registered Programs | TVIs | Assessment Centers |
|--------|---------------------|------|--------------------|
| NCR    | 299                 | 134  | 57                 |
| CAR    | 16                  | 10   | 10                 |
| I      | 27                  | 20   | 15                 |
| II     | 0                   | 0    | 0                  |
| III    | 154                 | 97   | 29                 |
| IVA    | 106                 | 77   | 23                 |
| IVB    | 7                   | 7    | 6                  |
| V      | 40                  | 26   | 5                  |
| VI     | 29                  | 23   | 10                 |
| VII    | 51                  | 33   | 7                  |
| VIII   | 12                  | 10   | 1                  |

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## IT-BPM SECTOR

|        |     |     |     |
|--------|-----|-----|-----|
| IX     | 49  | 31  | 22  |
| X      | 30  | 19  | 7   |
| XI     | 38  | 24  | 19  |
| XII    | 5   | 4   | 1   |
| CARAGA | 21  | 13  | 16  |
| ARMM   | 7   | 7   | 5   |
| TOTAL  | 891 | 535 | 233 |

- NCR has the most with 1299 registered ITBPM-related programs followed by Regions III and IVA with 154 and 106 respectively.

### Top 10 Most Registered IT-BPM Related Program

| RANK | PROGRAM                       | NO. OF REGISTERED PROGRAMS |
|------|-------------------------------|----------------------------|
| 1    | Contact Center Services NC II | 224                        |
| 2    | Visual Graphic Design NC III  | 210                        |
| 3    | 2D Animation NC III           | 61                         |
| 4    | Animation NC II               | 52                         |
| 5    | 3D Animation NC III           | 44                         |
| 6    | Medical Transcription NC II   | 34                         |
| 7    | Programming NC IV             | 27                         |
| 8    | Web Development               | 18                         |
| 9    | Web Development Level III     | 18                         |
| 10   | Creative Web Design           | 15                         |

In terms of Registered Programs, Contact Center Services NC II leads as the qualification with the highest number of registered programs. Visual Graphic Design NC II is not far behind.

### ☐ Training Regulations

There are **19** IT-BPM related Training Regulations. These are the following:

#### Training Regulations in the IT-BPM Sector

| SECTOR  | QUALIFICATIONS                |
|---|-------------------------------|
| Information and Communication Technology<br>(19 Qualifications) | Contact Center Services NC II |
|   | Medical Transcription NC II   |
|   | 2D Animation NC III           |
|   | 3D Animation NC III           |
|   | Animation NC II               |

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## IT-BPM SECTOR

|  |
|--|
| Cable TV Installation NC II  |
| Cable TV Operation and Maintenance NC III                                      |
| Visual Graphic Design NC III   |
| Web Development NC III   |
| Broadband Installation (Fixed Wireless Systems) NC II                          |
| Telecom OSP and Subscriber Line Installation (Copper Cable/POTS and DSL) NC II |
| Telecom OSP Installation (Fiber Optic Cable) NC II                             |
| 2D Game Art Development NC III   |
| 3D Game Art Development NC III   |
| Game Programming NC III  |
| Programming (.Net Technology) NC III   |
| Programming (Java) NC III  |
| Programming (Oracle Database) NC III   |
| Medical Coding and Claims Processing NC III                                    |

According to TESDA's Qualification and Standards Office, Medical Coding and Claims Processing NC III has replaced Medical Coding and Billing NC II while Programming NC IV has now been broken down into three (3) training regulations (TRs) namely: Programming (.Net Technology) NC III, Programming (Java) NC III, and Programming (Oracle Database) NC III.

### ❑ Enrolled and Graduates on IT-BPM Related Programs

#### Enrolled and Graduates on ITBPM-related Qualifications 2014 – December 2018

| INDICATOR/YEAR | 2014    | 2015    | 2016    | 2017    | 2018    |
|----------------|---------|---------|---------|---------|---------|
| ENROLEES       | 286,339 | 246,888 | 162,864 | 202,690 | 124,721 |
| GRADUATES      | 239,910 | 217,219 | 164,277 | 185,201 | 119,335 |

The overall trend for the number of enrollees and graduates in ITBPM-related TVET programs is decreasing from 2014-2018. However, in 2017 there is an increase from the previous year.

#### Top 10 Qualifications with Most Number of Enrolled and Graduates on IT-BPM Related Qualifications January – December 2018

| RANK | PROGRAM   |
|------|---|
| 1    | Contact Center Services II  |
| 2    | Visual Graphic Design III   |
| 3    | 2D Animation III  |
| 4    | Animation II  |
| 5    | 3D Animation III  |
| 6    | Programming IV  |
| 7    | Computer Systems Servicing NC II – Maintain Computer Systems and Networks |

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## IT-BPM SECTOR

|    |   |
|----|---|
| 8  | Computer Systems Servicing NC II – Setup Computer Networks              |
| 9  | Computer Systems Servicing NC II Install and configure computer systems |
| 10 | Web Development Level III   |
| 10 | Medical Transcription II  |

Contact Center Services NC II is the TR with the most enrollees and graduates. This may be due to the increase in the demand for call center agents which is also evident in the PEPM 2013-2022.

### Assessed and Certified on IT-BPM Related Programs

#### Assessed and Certified on ITBPM-related Qualifications 2014 – December 2018

| INDICATOR/YEAR | 2014   | 2015   | 2016   | 2017   | 2018    |
|----------------|--------|--------|--------|--------|---------|
| ASSESSED       | 97,768 | 81,091 | 17,656 | 17,403 | 123,984 |
| CERTIFIED      | 81,091 | 81,110 | 12,340 | 13,588 | 99,504  |

The ranking for qualifications that are most assessed and certified in the BPO sector are as follows:

#### Top 9 Qualifications with the Most Number of Assessed and Certified on IT-BPM Related Qualifications January – December 2018

| RANK | PROGRAM   | ASSESSED | CERTIFIED |
|------|---|----------|-----------|
| 1    | Visual Graphic Design NC III                          | 40,438   | 32,666    |
| 2    | Animation NC II                                       | 9,936    | 7,872     |
| 3    | 2D Animation NC III                                   | 7,698    | 6,192     |
| 4    | 3D Animation NC III                                   | 2,310    | 1,756     |
| 5    | Medical Transcription NC II                           | 1,136    | 896       |
| 6    | Broadband Installation (Fixed Wireless Systems) NC II | 282      | 206       |
| 7    | Cable TV Installation NC II                           | 130      | 126       |
| 8    | Game Programming NC III                               | 62       | 38        |

### Number of Trainers (NTTC Holders) and Assessor

# LABOR MARKET INFORMATION

## IT-BPM SECTOR

NTTC Holders and Accredited Assessors by Region  
As of December 2018

| REGION       | NTTC HOLDER | ASSESSOR   |
|--------------|-------------|------------|
| NCR          | 260         | 61         |
| CAR          | 36          | 26         |
| I            | 77          | 17         |
| II           | 2           | 0          |
| III          | 131         | 40         |
| IV-A         | 128         | 22         |
| IV-B         | 14          | 5          |
| V            | 10          | 6          |
| VI           | 49          | 11         |
| VII          | 41          | 12         |
| VIII         | 4           | 2          |
| IX           | 94          | 30         |
| X            | 31          | 6          |
| XI           | 123         | 34         |
| XII          | 19          | 1          |
| CARAGA       | 31          | 10         |
| ARMM         | 8           | 4          |
| <b>TOTAL</b> | <b>1058</b> | <b>287</b> |

There are 1,058 trainers and 287 assessors on IT-BPM related programs all over the country. Majority of the trainers and assessors are in regions NCR, III, IVA and XI. Considering the number of individuals need to be trained, the current capacity of TVET in terms of assessor and training is not sufficient.

Top 5 Qualifications with the Most Number of NTTC Holders on  
IT-BPM Sector and Other Related Qualifications  
January -December 2018

| No. | Qualification                | NTTC Holder |
|-----|------------------------------|-------------|
| 1   | Visual Graphic Design NC III | 643         |
| 2   | 2D Animation NC III          | 140         |
| 3   | Animation NC II              | 96          |
| 4   | 3D Animation NC III          | 66          |
| 5   | Medical Transcription NC II  | 50          |

Source: Certification Office

Top 5 Qualifications with the Most Number of Assessor on

# LABOR MARKET INFORMATION

## IT-BPM SECTOR

### IT-BPM Sector and Other Related Qualifications January - December 2018

| No. | Qualification                | Assessor |
|-----|------------------------------|----------|
| 1   | Visual Graphic Design NC III | 149      |
| 2   | 2D Animation NC III          | 50       |
| 3   | Animation NC II              | 30       |
| 4   | 3D Animation NC III          | 17       |
| 5   | Medical Transcription NC II  | 16       |

Source: Certification Office

#### Scholarship Utilization

### FY 2019 Training for Work Scholarship Program (TWSP) Scholarship Allocation Given to the IT-BPM Sector January - August 2019

| Qualification Title   | No. of Slots  | Total Amount       | Enrolled     | Graduates    |
|---|---------------|--------------------|--------------|--------------|
| 2D Animation NC III   | 128           | 3,264,000          | 105          | -            |
| 3D Animation NC III   | 115           | 4,082,500          | 50           | -            |
| Animation NC II   | 676           | 10,478,000         | 259          | 93           |
| Broadband Installation (Fixed Wireless System) NC II              | 25            | 137,500            | 25           | 24           |
| Cable TV Installation NC II                                       | 40            | 300,000            | 20           | 20           |
| Career Entry Course for Software Developer NC IV - JAVA           | 50            | 1,500,000          | 25           | 25           |
| Career Entry Course for Software Developer NC IV - Microsoft. Net | 70            | 2,100,000          | 45           | -            |
| Contact Center Services NC II                                     | 12,907        | 77,442,000         | 3,985        | 2,670        |
| Creative Web Design   | 1,328         | 39,840,000         | 494          | 344          |
| Finishing Course for Legal Transcriptionist NC II                 | 150           | 750,000            | 25           | 25           |
| Medical Transcription NC II                                       | 200           | 2,050,000          | 75           | 30           |
| Visual Graphic Design NC III                                      | 2,092         | 21,966,000         | 1,191        | 333          |
| Web Development   | 1,743         | 52,290,000         | 958          | 600          |
| <b>Grand Total</b>  | <b>19,524</b> | <b>216,200,000</b> | <b>7,257</b> | <b>4,164</b> |

For 2019, TESDA has allocated a total of **362 million** pesos for the IT-BPM sector. As of August 11, 2019, IT-BPM scholarships worth 216,200,000 pesos were given so far. Based on this data, **59.67%** of the scholarship allocation for IT-BPM industry has been utilized.



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## IT-BPM SECTOR

### ☐ TESDA Initiatives

- To expand the number of trained individuals in the IT-BPM related programs, TESDA has undertaken the following initiatives:

- 1) National TVET Enrollment Day for IT-BPM Sector; and
- 2) Free assessment for workers which includes the IT-BPM sector.

### **Workplace Skills Survey (WSS)**

Also, TESDA is currently in the process of conducting the Workplace Skills Survey (WSS) with the goal of *identifying the future skills needs of industries in the country*. The survey intends to determine the employers' desired skills and competencies from its workers as well as to determine their satisfaction on the competencies and performance of TVET graduates in the workplace. The analysis of the results of the survey will provide information to bring TVET programs in line with the needs of the labor market/industry. *One of the pilot sectors for the survey is the IT-BPM sector.*

### **Scholarship**

In terms of Scholarship, TESDA also has the IT-BPM industry as one of its priority sectors and key employment generators. In June 2018, TESDA and International Labor Organization (ILO) offered Science, Technology, Engineering and Mathematics-related (STEM) scholarships for women in the IT-BPM sector. The different TESDA regional offices also have scholarship programs in their areas which are funded both by TESDA and their respective Local Government Units (LGUs).

### **Partnership between TESDA and IBPAP**

TESDA has also recently finalized a Memorandum of Understanding (MOU) with IBPAP. The operationalization of this partnership will focus on the reskilling/upskilling of the IT-BPM industry workforce in response to the Fourth Industrial Revolution and the directive of the President.

### **National Technical Education and Skills Development Plan (NTESDP) 2018-2022**

The National Technical Education and Skills Development Plan (NTESDP) 2018-2022 has also identified IT-BPM as one of the country's Key Employment Generators (KEGs) as the sector has a large employment base and is steadily growing. The sector is also part of the Action Programming being done for the NTESDP. The Action Programming highlighted the issues of the industry as well as the different steps that could be taken to achieve these.

# LABOR MARKET INFORMATION

## IT-BPM SECTOR

### IV. Conclusion and Recommendations

#### SKILLS NEEDS

- As the skills requirements in the IT-BPM industry move from low to mid and mid to high, TESDA has to review the existing related Training Regulations to determine whether it contains the specific competencies that address skills requirements for the IT-BPM sector.
- While existing TRs covered competencies in Science, Technology, Engineering and Mathematics (STEM) and some of the core and essential skills, which were identified as deemed critical in the IT-BPM industry, the challenge for TESDA is to ensure that these competencies will be given emphasis and evaluated during assessment.
- The requirement of the IT-BPM sector particularly for the Voice subsector—Call Center agents, to increase English proficiency of trainees (spoken, written, verbal, emotive and other facets) to the Common European Framework to the Common European Framework of Reference for Languages (CEFR) B2 Level is another critical area that should be considered. The CEFR was chosen because aside from it being a global standard, it is preferred and acknowledged by the entire industry. TESDA may study to adopt/adapt the CEFR B2 Level standards. Likewise, existing assessment tool used in evaluating CEFR B2 Level can also be used.
- Development of individuals who will become super-agents who are capable of doing multiple tasks must be ensured through the training programs. This will require ensuring both the core and essential skills identified by the industry will be covered in the standards. The identified essential skills common to all subsectors are as follows:
  - Analytical
  - Critical
  - Logical
  - Ethical
  - Patient
  - Creative
  - Passion for excellence and quality
  - Problem solving
- Urgent development of standards/curriculum for competencies identified as emerging must be given attention, to make sure that there will be available workers jobs that will require these skills.

#### TESDA INFRASTRUCTURE

- With the change in the requirements of the IT-BPM sector, TESDA has to consider the enhancement of its existing standards, updating the facilities, and as well as the development of trainers and assessors to cope with the requirements.

#### STRONGER INDUSTRY AND INTER-DEPARTMENTAL LINKAGES

- There is a need to start discussion with industries and conduct of studies to determine the skills requirements on the identified emerging skills.
- The trend will require stronger industry linkages between industry and education providers. The industry players can be encouraged to register programs on the identified skills requirements as they already have the expertise and up-to-date

# LABOR MARKET INFORMATION

## IT-BPM SECTOR

facilities needed for the workers to keep up with industry needs. These linkages could also help in the improvement of trainers' training, curriculum development, and apprenticeship programs.

- The provision of scholarship on Enterprise-based training for the industry could also be considered. For 2019, IT-BPM comprises 16% of the national sectoral allocation target. This means that TESDA has allocated 362 million pesos for the sector.
- Studies on the concentrations of IT-BPM industry demand in some areas could also be undertaken by TESDA Regional Offices. This could help in better focusing their program offerings as well as scholarship allocations to the actual demand in their areas. For areas with higher concentrations, IBPAP has identified Centers of Excellence for the IT-BPM industry. These are Metro Manila, Metro Cebu, Metro Clark, Bacolod City, Davao City, and Iloilo City.
- Partnerships in addressing the need for the industry identified core and essential skills should be made as these skills are usually honed during the formative years. Inter-departmental coordination is needed as this should be taught not only in TVET but most importantly in primary education.
- To address the lack of integrated interventions, government's efforts should be consolidated into one mother project where any future intervention or initiative by the individual agencies should be based on. This is also helpful in avoiding replication of programs and/or initiatives.

### **BENCHMARKING**

- As part of TESDA's adapt and adopt strategies, TESDA shall endeavor to achieve not only the adaptation of existing competency standards, but also the adaptation of certain tools which are being used by its counterparts in other countries in the delivery of resilient and competitive TVET programs, e.g. the Test of Practical Competency in Information and Communications Technologies (TOPCIT), an assessment tool from the South Korean government is another workable option that can be localized.
- The importance of the development of centralized tools that are recognized by all stakeholders in the industry is now of utmost importance. Individual interventions can be designed around it and the overall direction can be modified more easily to respond to the demand in such a high-paced industry such as IT-BPM.



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