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# A multifaceted perspective on contractualization in the Municipality of Libmanan, Camarines Sur

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### **Abstract:**

Contractualization is one of the unsolved problems of the Philippines. Most employers are hiring employees on a fixed-term or short-term contractual basis, rather than as permanent employees. Since the Philippine labor law implements that a worker is entitled to regular employment status which is usually after continuous service, some employers hire workers for only five months to avoid granting them regular employment status. It is locally often referred as "Endo" or 5-5-5 employment. This study examined the impact of contractualization to employees in term of job security, employee rights and socio-economic equity. A descriptive- correlational research approach was utilized to carry out the study. Through surveys and face-to-face interviews with the 100 respondents, this study found that contractual employees profiles specifically age and field of employment has a significant impact to the job security of contractual employees. This study also reveals that work environment and social exclusion is impactful to the job security of employees. Additionally, benefits such as SSS, PhilHealth and Pag-IBIG are impactful to the employee rights of contractual employees. Lastly, gender and social equity is also impact to socio-economic equity among contractual employees. Thus, the TIYAK Program was developed, which aims to address the different factors impacting contractual employees regarding their job security, employee rights and socio-economic equity, providing tailored support in order to help them achieve secured and equitable employment.

### **Keywords:**

Contractualization, Job Security, Employee Rights, and Socio-economic Equity

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### INTRODUCTION

Over the years, efficiency in resource allocation has always been a desirable objective, but one that is not easy to achieve. The truth is that there is much waste in allocating resources. The impact of contractualization on employees' rights is a complex issue, with the contract of employment playing a significant role in shaping the employment relationship (Castanho, 2023). Over the years, efficiency in resource allocation has always been a desirable objective, but one that is not easy to achieve. The truth is that there is much waste in allocating resources. The impact of contractualization on employees' rights is a complex issue, with the contract of employment playing a significant role in shaping the employment relationship (Castanho, 2023).

Contractualization in the manufacturing industry in India has intensified, leading to a decline in the quality of employment growth (Singh, 2022). ). In China, in terms of job satisfaction, workers who gained a labor contract reported being less satisfied with their workplace environment and income than they had anticipated. This finding suggests that workers had higher expectations from the benefits gained through contractualization, than what they actually derived (Gao et al., 2024). In the Philippines, contractualization can be described as precarious work wherein employment is pegged for a definitive short time, and this type of employment is popularly known as "Endo" or "5-5-5" (Pamis et al., 2020). It is an employment practice that consists in hiring workers on fixed-term contracts, usually short-term, that end before six months have elapsed, hence the term "endo" or end of contract (Denayer, 2024).

According to the Department of Labor and Employment, over 6,000 contractual workers have been regularized in Bicol. Bicol director Alvin Villamor said 3,780 workers were voluntarily regularized while 2,249 were regularized after inspection by DOLE personnel (Jaymalin, 2019). They want to address this to erase the Job Order mode of employment where employees have to renew their employment contract every 3 months (Bombo NewsCenter, 2023). In 1980, the government introduced the Labor Code of the Philippines, which provided employers with more flexibility in hiring workers. One of the provisions included in the Labor Code was the contractualization of workers (Wisler, 2023). Article 296 of the Labour Code sets out the requirements for probationary employment. First, employees must be informed of the standards of regularisation during the initial hiring process. Second, the probationary employment must not exceed six months. The lack of these benefits has created poor working conditions and low standards of living for contractual employees in the Philippines (Fisher, 2023).

# **Research Questions**

This study focused on the impact of contractualization on job security, employee rights and socio-economic status in the Municipality of Libmanan, Camarines Sur. Specifically, these were the questions answered:

- 1. What are the socio-economic profiles of employees in terms of age, gender, educational attainment, monthly compensation, years of service and field of employment?
- 2. What is the impact of contractualization to the employees' job security, employee rights and socio- economic equity?
- 3. Is there a significant relationship between socio-economic profiles and the impact of contractualization to employees?
- 4. What intervention program can be formulated that will promote full employment among contractualized employees in Libmanan, Camarines Sur?

# **Theoretical Framework Human Capital Theory Psychological Contract Theory** Becker et al. (1950) in Ross (2023) Schein (1980) in Peters (2024) What Is the Human Capital Theory and **Factsheet: The psychological contract.** How Is It Used. Describes the relationship between employers It is a loose term that refers to the educational and workers and influences how people attainment, knowledge, experience, and skills behave from day to day. of an employee. A Multifaceted Perspective on Contractualization in the Municipality of Libmanan, Camarines Sur **Contract Theory Constructivism Theory** Hobbes (1588) in Liberto (2022) Piaget (1973) in Winstead & Winstead What is Contract Theory? Definition, How It (2022)Works, and Types. Learning theories to follow when training employees. The study of how people and organizations Allow employees to draw on their own expertise construct and develop legal agreements. to construct new understanding.

Figure 1. Theoretical Paradigm

Figure 1 illustrated the theoretical framework that presented the significant theories which served as a conceptual foundation, emphasizing its role in formulating hypotheses and interpreting the findings. Figure 1 outlined the theoretical paradigm of the study.

Katrina P., A., Erica Jane V., A., Lyka Marie C., H., Carland Jane P., M., Nico A., O., John Mark V., P., & Jhenena G., S. J. (2024). A multifaceted perspective on contractualization in the Municipality of Libmanan, Camarines Sur. GPH-International Journal of Business Management, 7(11), 48-68. https://doi.org/10.5281/zenodo.14492527

Human Capital Theory, introduced by Ross (2023), defined "human capital" as the education, skills, and experience of employees. This newer concept in finance and economics highlights that companies aim to attract and develop skilled workers, recognizing that employee abilities vary. The human capital theory includes skills, experience, knowledge and educational attainment of employees; disparities in income are affected by these factors. It suggests that employers must not only invest in equipment but also to employees since they are both factors of production. It states that not all workers are the same, investing in their human capital, pays off for businesses. This theory guided the study proved that socioeconomic status impacts contractualization.

Contract Theory is described by Liberto (2022), as the study of how individuals and organizations create legal agreements. It examines how parties with differing interests form contracts, incorporating principles of financial and economic behavior. The theory is relevant to understanding forward contracts and various legal documents, including letters of intent and memorandums of understanding. Contract theory in this study suggests that contractual employees entering legal contracts should realize benefits, fair treatment, to have worker autonomy and are entitled to workplace protection. By integrating contact theory, it addresses the imbalances in power and also enhances the rights within the contractual arrangements and agreements.

Psychological Contract Theory by Peters (2024), stated that the legal employment contract offers a limited view of the relationship between employers and employees. In contrast, the psychological contract, which is intangible, reflects daily interactions and mutual understanding, influencing behavior in the workplace. The theory proved that when employees who have a high socio-economic status, and when a psychological contract is violated, employees tend to experience emotional exhaustion and a higher possibility to quit the job

Winstead & Winstead (2022) described a constructivist approach to employee training where trainers act as coaches and trainees actively participate. This method emphasizes collaboration and allows employees to use their prior knowledge, making it effective for developing complex skills like problem-solving and decision-making. Constructivism theory, as a learning, allows employees to construct their own knowledge and skills by emphasizing active learning, emphasizing hands-on experiences and also social interaction and seeing teachers and mentors as a guide rather than an authority figure can help employees improve their learning outcomes.

# **Conceptual Framework**

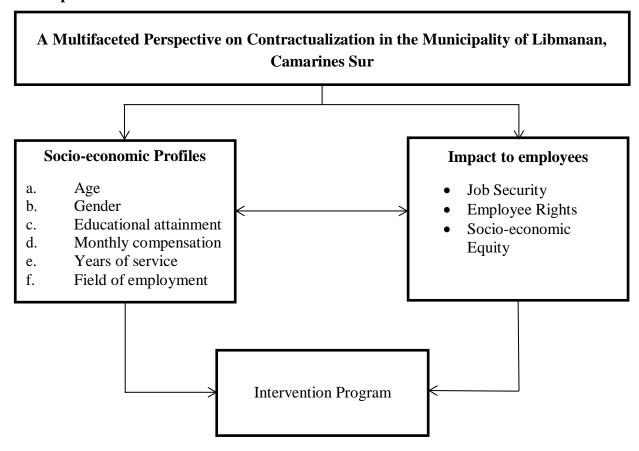


Figure 2. Conceptual Paradigm

Figure 2 illustrated the conceptual paradigm that outlined various factors about the participants, including their age, gender, education, salary, years of service, and job field. It also assessed how contractualization affected job security, employee rights, and socioeconomic equity based on the research tools used. Ultimately, an intervention program was developed to address contractualization, aiming to promote full employment for contractual workers in Libmanan, Camarines Sur.

### **METHODS**

### **Research Methods**

In the context of the evolving labor landscape in the Philippines, our research employed a mixed-methods approach that examined the effects of contractualization on employee rights and socioeconomic inequalities among 100 contractual workers in Libmanan, Camarines Sur. The researchers produced survey questionnaires and created a schedule for data gathering within the Municipality of Libmanan, Camarines Sur. The survey was conducted face-to-face in the different area of employment of the Municipality. The data gathered was analyzed through different data analysis techniques to produce meaningful information regarding the impact of contractualization.

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The google form-based questionnaire was used in the survey that consists of three parts. The first part of the survey covers the socio-economic information of the respondents, including their age, gender, educational attainment, monthly compensation, years of service, and field of employment. The second part was the gathering respondents' contractualization on various aspects encompassing their job security, rights and socio-economic equity a structured questionnaire is utilized, featuring a 5-point Likert scale. The Likert scale enables the authors to quantitatively gauge the extent of agreement or disagreement with each statement, providing a valuable means of measuring the diverse viewpoints and perceptions concerning their job security, rights and socio-economic equity. Expressing their opinions on a range of statements related to these domains, with options ranging from 'Strongly Disagree' (1) to 'Strongly Agree' (5). Lastly, an open-ended question which was an essential tool in gathering information from respondents, the researchers encouraged thoughtful, detailed, and unrestricted responses. This structured approach allows the authors to comprehensively assess the multifaceted dimensions of respondents' opinions across these domains.

# **Sampling Procedures**

The respondents of this study were the 100 contractualized employees actively employed in the different field and area of their employment in the Municipality of Libmanan, Camarines Sur. The respondents are contractual employees who have at least 3 months of contract. Convenience-purposive sampling, a non-probability sampling, is employed in this study to target based on their accessibility. While purposive sampling involves the deliberate selection of participants based on predetermined characteristics deemed relevant to the study.

Any data gathered is dealt with utmost confidentiality and only used for the purpose of the study. Any possible danger to the individuals involved either both psychological and physical, will be reduced. Additionally, the Researchers guaranteed that the privacy of the participants was rigorously upheld. Anything that was discovered from the participants that they might be able to identify were made anonymous in order to safeguard private data in compliance with the Data Privacy Act of 2012.

### RESULT ANS DISCUSSIONS

# **Profile of the Respondents**

The respondent profile from table 1.1 shows key demographic trends. Young adults often work as contractual employees to gain experience and financial independence, with about 60% being male, especially in

**Table 1.1** Respondent's Profile

Age	Frequency	%	R
Below 20-30	65	65%	1
31-40	12	12%	3
41-50	10	10%	4
51-60 and above	13	12%	2
Total	100	100%	
Gender			
Male	54	54%	1
Female	46	46%	2
Total	100	100%	
Years of Service			
1 year and below	51	51%	1
2-3 years	31	31%	2
4-5 years	6	6%	4
6 years and above	12	12%	3
Total	100	100%	
Educational Attainment			
Elementary	1	1%	3
High School	30	30%	2
Bachelor's Degree	69	69%	1
<b>Total</b>	100	100%	
Monthly Compensation			
5,000 and below	6	6%	4
5,000 – 10,000	64	64%	1
11,000 - 15,000	13	13%	3
16,000 and above	17	17%	2
<b>Fotal</b>	100	100%	
Field of Employment			
Promodiser	3	3%	6
Retail	3	3%	6
Cashier	1	1%	8
Government	45	45%	1
Plumber	2	2%	7
Engineering	10	10%	3
Finance	3	3%	6
Sales	1	1%	8
Manufacturing	1	1%	8
Information Technology	2	2%	7
Гourism	1	1%	8
Human services	1	1%	8
Social services	5	5%	5
	-		-

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Total	100	100%	
Healthcare	9	9%	4
Logistics	12	12%	2

physically demanding industries. Around 70% have less than a year of service, as employers prefer short-term contracts to evaluate skills and cut costs. Approximately 55% hold a bachelor's degree and express concerns about limited growth opportunities. The government sector employs roughly 40% of these workers to manage budgets and maintain staffing flexibility.

Many workers with bachelor's degrees earn less than 10,000 pesos, revealing issues with temporary employment, especially in local government units (LGUs). To address this, employers should maximize the potential of contractual employees by aligning opportunities with their skills, focusing on skill development, and promoting diverse hiring practices. Creating an inclusive workplace culture that values all employees is essential. Additionally, allowing contractual workers to advance to permanent positions based on performance would recognize their contributions and provide a clear career advancement path.

In terms of education, Wo (2022) found that higher education generally leads to better job opportunities and higher employment rates. However, many workers with bachelor's degrees are still in temporary jobs, which aligns with this study's findings. Additionally, Wooden et al. (2019) noted that temporary jobs often come with lower pay, negatively affecting household income, which is also reflected in this study. Overall, these studies highlight the socio economic challenges faced by employees.

# **Impact of Contractualization**

This part discusses the various parameters regarding the impact of contractualization to employees that the researchers are trying to assess.

### **Job Security**

Table 1.2 shows that contractual employees in Libmanan, Camarines Sur feel the impact of contractualization on their job security, with an average rating of 3.66, which is considered "Impactful." The highest concern was "Work environment and social exclusion," with a mean of 3.81, also deemed "Impactful." On the other hand, "Income inequality or fair salary" received the lowest rating at 3.48, classified as "Moderately Impactful."

**Table 1.2** Impact of Contractualization to employees with regards to their Job Security

Parameter	Mean	Rank	Interpretation
Opportunity for permanent employment.	3.64	3	Ι
Income inequality or fair salary.	3.48	5	MI
Contract duration and renewing of contracts.	3.79	2	I

Overall Mean	3.66		I	
Work environment and social exclusion.	3.81	1	I	
Support from the government.	3.59	4	I	

Note: 4.50-5.00 - Highly Impactful (HI); 3.50-4.49 - Impactful (I); 2.50-3.49 - Moderately Impactful (MI); 1.50-2.49 - Slightly Impactful (SI); 1.00-1.49 - Not at all Impactful (NI)

Contractual employees' job security is heavily influenced by their work environment and feelings of exclusion. Their security depends not only on the possibility of becoming permanent but also on a supportive workplace. A positive environment fosters engagement and stability. Limited access to benefits and career growth further heightens their insecurity. While fair pay is a concern, the primary issue stems from the instability of their contractual roles. They often prioritize job security and steady income over advocating for higher wages, focusing more on immediate financial stability than on wage inequality.

The studies by Palma (2024) and Gumasing et al. (2023) suggest that non-tenured workers can maintain strong organizational commitment in positive work environments. Hidayat (2023) and Amelia et al. (2021) also found that engagement and a supportive work atmosphere significantly enhance job satisfaction and performance. In contrast, Wooden et al. (2019) linked temporary jobs to low pay and negative household impacts, while Asai et al. (2022) noted that low wages and limited growth opportunities increase turnover rates. Despite facing income inequality, employees often prioritize job security over seeking higher wages.

# **Employee Rights**

According to the data in Table 1.3, employees' rights are seen as "Impactful" regarding the effects of contractualization, with an overall average of 3.68. Among the five criteria assessed, the provision of benefits like PhilHealth, SSS, and Pag-IBIG scored the highest, with an average of 3.90, also classified as "Impactful." Conversely, the compensation for paid 13th-month pay, leave, and holidays received the lowest score at 3.50, but it is still considered "Impactful."

**Table 1.3** Impact of Contractualization to employees with regards to their Employee Rights

Parameter	Mean	Rank	Interpretation
Benefits such as PhilHealth, SSS, and Pag-IBIG.	3.90	1	I
Paid 13th month pay, during leaves and holidays.	3.50	5	I
Opportunity for promotion.	3.67	3	I
Legal regulations, procedure and due process of employee reduction.	3.58	4	I
Entitled to safety net programs.	3.75	2	I
Overall Mean	3.68		I

Note: 4.50-5.00 - Highly Impactful (HI); 3.50-4.49 - Impactful (I); 2.50-3.49 - Moderately Impactful (MI); 1.50-

# 2.49 - Slightly Impactful (SI); 1.00-1.49 - Not at all Impactful (NI)

The data shows that benefits like PhilHealth, SSS, and Pag-IBIG are crucial for contractual employees as they provide a safety net for financial risks, health issues, retirement, and emergencies. These benefits are vital for long-term security and well-being. When they are insufficient or missing, employees feel less stable about their future. Contractual employees have access to social welfare benefits through contributions from both employers and employees. However, incentives like 13th-month pay, leaves, and holiday pay ranked lower in importance, offering more short-term financial help than long-term security. As a result, contractual employees may feel that the lack of essential benefits outweighs the temporary cash bonuses.

Research by Parma et al. (2020), Ong (2023), Bruce (2023), and Purugganan (2022) reveals a common practice of renewing contracts to avoid providing regular employee benefits, which undermines the financial stability of contractual employees. According to Hobbes's Contract Theory, such agreements should include benefits. Furthermore, Santiago (2019) notes that contractual workers often lack paid leaves and holidays, working on a "nowork, no-pay" basis. While permanent employees enjoy benefits like long weekends and 13th month pay, contractual workers face financial instability and a lack of essential support, raising concerns about fairness in labor practices.

# **Socio-economic Equity**

Table 1.4 shows that contractual employees in Libmanan, Camarines Sur are significantly affected by contractualization, with an overall score of 3.71, considered "Impactful." "Gender and social equity" scored highest at 3.81, highlighting issues of unequal job opportunities and exploitation, especially for women with family responsibilities. In contrast, "health, well-being, and career development" scored 3.49, marked as "Moderately Impactful." This lower score may be due to employees prioritizing financial stability over well-being and the temporary nature of their jobs, which limits access to insurance and career development opportunities.

The findings indicate that male contractual employees often have an advantage over females. The Labor Code of the Philippines (2024) prohibits discrimination against women based on sex in employment terms. This bias can lead to unfair hiring practices and unfavorable contracts for women and marginalized groups.

Additionally, those with lower socio-economic status face limited opportunities. One respondent emphasized the need for the government to recognize individuals deserving of permanent employment, instead of favoring those

**Table 1.4**Impact of Contractualization to employees with regards to their Socio-economic Equity

Parameter	Mean	Rank	Interpretation
Health, well-being and career development.	3.49	5	MI
Nature of work.	3.69	4	I
Continuing professional development.	3.76	3	I
Workload fairness.	3.79	2	I
Gender and social equity.	3.81	1	I
Overall Mean	3.71		I

*Note:* 4.50-5.00 - Highly Impactful (HI); 3.50-4.49 - Impactful (I); 2.50-3.49 - Moderately Impactful (MI); 1.50-- Slightly Impactful (SI); 1.00-1.49 - Not at all Impactful (NI)

with connections. Thus, social equity is crucial. Meanwhile, many workers overlook health and career development while prioritizing job security, underscoring the need for better access to healthcare.

The study highlights that women face significant challenges due to structural inequalities and historical gender discrimination, leading to a gender pay gap and fewer promotion opportunities compared to men (Purunggan, 2022; Fernando and Vargas, 2021; Dargenyte-Kacileviciene et al., 2022; Meyer-Ohle, 2022). These issues relate to psychological contract theory (Peters, 2024; Hammouri et al., 2022; Sachdeva, 2019; Khaliq et al., 2019), which emphasizes the unwritten expectations in employer-employee relationships. A positive psychological contract can enhance emotional well-being, job satisfaction, and work-life balance, ultimately supporting career development.

# Significant relationship between socio-economic profiles and impact of Contractualization to employees

Table 2.1 reveals significant relationships between "job security" and both "age" (p=0.033) and "field of employment" (p=0.029), while "employee rights" and "socioeconomic equity" show no significant correlations. Older contractual employees may face lower job security due to difficulties in adapting to new technologies, perceptions of vulnerability, and potential declines in productivity linked to health issues. In contrast, younger workers generally adapt more easily and view their roles as career opportunities, aligning better with trends in fast- evolving industries like technology

Job security can vary by field due to demand changes, work nature, and required skills. Industries like construction, retail, and hospitality often face seasonal fluctuations, making employees more prone to job loss. Even higher-paying fields may offer limited job security due to the temporary nature of work. Low-skilled jobs are especially insecure as they can be filled quickly with minimal training. The lack of significant links between employee rights and socioeconomic equity suggests these factors may not be seen as important in understanding contractualization's impact. This could stem from differing definitions among respondents or indicate that other unmeasured factors are more influential.

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Seasonal employment, as described by (Admin, 2022; Denayer, 2024; Palabrica, 2023), involves jobs available only during specific times of the year, commonly found in retail, food, and hospitality, which can increase job insecurity and hinder career growth. According to (International Young Christian Workers, 2024; Dargenyte-Kacileviciene et al., 2022; Zhang and Farndale, 2021), recent graduates and young workers in Manila often receive job offers that are usually for contractual positions. Many accept these short-term roles to begin their careers or gain experience, resulting in a prevalence of temporary jobs among young adults.

# Intervention program that will promote full employment among contractualized employees

Indicated in this section is the discussion of input, process, and output that will provide the general structure and guide for the direction of the study.

# Input

a. Primary Resources. This survey collected valuable socio-economic data, including age, gender, educational

Table 2.1

Significant relationship between socio-economic profiles and impact of Contractualization to employee

Impact of	Profile Variables	X2	P-value	Decision on Ho	Remarks
Contractua- lization		Value			
Job Security	Age Range	22.418	0.033	Reject Ho	Significant
	Gender	4.369	0.224	Accept Ho	Not Significant
	Educational Attainment	12.423	0.053	Accept Ho	Not Significant
	Monthly Compensation	8.846	0.452	Accept Ho	Not Significant
	Years of Service	14.108	0.119	Accept Ho	Not Significant
	Field of Employment	64.631	0.029	Reject Ho	Significant
Employee	Age Range	22.385	0.131	Accept Ho	Not Significant
Rights	Gender	6.949,	0.139	Accept Ho	Not Significant
	Educational Attainment	3.746,	0.879	Accept Ho	Not Significant
	Monthly Compensation	5.974	0.917	Accept Ho	Not Significant
	Years of Service	16.876	0.154	Accept Ho	Not Significant
	Field of Employment	68.898	0.202	Accept Ho	Not Significant

Socio-economic	Age Range	14.984	0.242	Accept Ho	Not Significant
Equity	Gender	7.462	0.059	Accept Ho	Not Significant
	Educational Attainment	5.273	0.509	Accept Ho	Not Significant
	Monthly Compensation	5.396	0.799	Accept Ho	Not Significant
	Years of Service	6.862	0.652	Accept Ho	Not Significant
	Field of Employment	41.561	0.618	Accept Ho	Not Significant

*Note:* p-value  $\leq 0.05$  - significant, p-value > 0.05 - not significant. Reject Ho: There is no significant relationship, Accept Ho: There is a significant relationship

educational attainment, and employment details, while also assessing issues related to job security, employee rights, and socio-economic equity. Statistical analyses revealed significant relationships between job security and both age and field of employment. The combination of quantitative data and qualitative insights from open-ended questions informed the creation of an evidence-based program to improve job stability and rights for local employees.

b. Secondary Resources. Scholarly articles, related studies and theories were used to anchor ideas and laid the foundation in making the questionnaires for the data gathering tool used. Furthermore, a thematic review of related literature was employed to discuss deeply the supporting ideas concerning the variables and objectives that are substantial in developing the intervention program. The literature was reviewed and obtained from academic websites such as Google Scholar, sciencedirect.com, doi.org, researchgate.com, and ijstr.org.

### **Process**

The formulation of an intervention program to promote full employment to contractualized employees are as follows:

- Step 1: Performed comprehensive analysis and understanding on the effects and impacts of contractualization to 101 contractualized employees to formulate survey questionnaires.
- Step 2: Performed a physical survey using Google Forms questionnaire for each respondent. In measuring the impact of contractualization to employees, the survey instruments contained a Likert scale.
- Step 3: The responses from the survey were gathered, consolidated, and statistically analyzed, formulating the development of semi-structured interview questions.
- Step 4: Conducted a follow-up interview with contractual employees through the use of an open-ended question to explore primary factors that impact their employment in terms of job security, employee rights and socio-economic equity, thereby guiding the formulation of the intervention program.

- Katrina P., A., Erica Jane V., A., Lyka Marie C., H., Carland Jane P., M., Nico A., O., John Mark V., P., & Jhenena G., S. J. (2024). A multifaceted perspective on contractualization in the Municipality of Libmanan, Camarines Sur. GPH-International Journal of Business Management, 7(11), 48-68. https://doi.org/10.5281/zenodo.14492527
- Step 5: The data gathered from surveys and interviews were combined and summarized to analyze them properly.
- Step 6: Based on the evaluated findings and feedback, the plan for the intervention program was introduced and developed through the use of brochures.
  - 6.1: Outlined the objective of the study by determining the specific aspects of intervention to explore
  - 6.2: Performed a comprehensive literature review to gain knowledge and understanding based on the existing research on intervention programs
  - 6.3: Identifying people who will be involved in the intervention program while considering their roles on the said output.
  - 6.4: Program resources, including guidelines, instructional materials, and communication templates, were developed to successfully facilitate the program making process.
  - 6.5: Finalized the program and made any necessary adjustments based on the insights gained from the assessments, which included interviews and surveys.

# Output

Based on the study's findings, the researchers formulated a program called "TIYAK Program". This program aims to end contractualization in both the private and government sectors, promoting full employment for contractual workers. It seeks to enhance job security, ensure employees are informed of their rights, and foster socio-economic equity in the workplace.

### **TIYAK PROGRAM**

"TIYAK" an acronym for Transparency, Inclusion and Yielding Adaptive Knowledge, is a program designed to benefit contractual employees. This program aims to address the different factors impacting contractual employees regarding their job security, employee rights and socio-economic equity, providing tailored support in order to help them achieve secured and equitable employment. The TIYAK program emphasizes fostering a work environment where contractual employees feel valued, informed, and supported in their career growth. By equipping them with the necessary tools and resources, the program aims to create a pathway toward permanent employment and long-term job stability. Additionally, this program will provide the acronym itself signifies "certainty" or "guaranteed", reflecting the program's goal of promoting full employment for contractual employees.

### **Unified Work Environment Program**

To foster a positive workplace for contractual employees, organizations should implement inclusive policies that promote respect and empowerment. It illustrates the importance of encouraging open communication through surveys and an open-door policy, which allows employees to voice their ideas and concerns, enhancing.



Figure 3. TIYAK Program Brochure

inclusion. It ensures that all employees, whether permanent or contractual, are treated equitably and provided with equal opportunities and rights. Collaboration with HR is essential for equitable practices, while leaders must model inclusive behaviors. Additionally, providing training and development resources ensures all employees have access to growth opportunities, supporting a positive work environment. To support contractual employees in having a positive workplace environment, several actions can be implemented. Establishing positive workplace policies can provide and develop a culture of respect and inclusion where employees feel valued, respected, and empowered.

# **Empowering Employee Rights Activity**

This activity aims to raise awareness among employees about essential benefits such as Pag-IBIG, SSS, and PhilHealth, ensuring that all workers, including contract employees, are informed of their rights. The goal is to enhance financial literacy, enabling employees to make informed decisions regarding retirement and health benefits while empowering them to advocate for their rights. To achieve this, methods will include educational seminars, informational booths for direct interaction with HR or legal experts, and town hall meetings for benefit discussions and feedback collection, with collaboration from the Department of

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Labor and Employment (DOLE) to ensure compliance. Key resources will encompass a suitable venue, qualified facilitators, and printed materials like guides and FAQs, while feedback forms will help assess the activity's effectiveness and inform future initiatives.

# **Social Inclusivity & Collaboration**

The goal is to raise awareness of gender and social equity issues in contractual employment among employers, employees, and policymakers by promoting fair practices, enhancing skills for marginalized groups (especially women), and advocating for policy changes to protect workers' rights. Organizations can achieve this through awareness campaigns, webinars, and diverse training sessions, while collaboration with policymakers and advocacy groups is essential for influencing labor laws. Additionally, establishing support networks will help women and marginalized groups share resources. Key resources needed for this initiative include partnerships with NGOs, training materials, expert facilitators, and funding to ensure effective workshops and sustainable impact. establishing support networks entails creating networks for women and marginalized groups in contractual employment to share experiences and resources. This involves facilitating support groups, developing an online platform for networking, and organizing events that promote collaboration and mutual support.

# **Workforce Development Initiative**

The Workforce Development Initiative Program focuses on improving employability and career growth by providing essential skills and certifications tailored to industry needs through collaborations with local employers. It helps people become more employable and advance in their careers. This is achieved by providing them with the skills and certifications they need to get jobs and progress in their chosen fields. It caters to the varied values of different generational groups through intergenerational workshops that encourage skill-sharing and mentorship. The program includes digital literacy training for older employees and seminars with industry experts to discuss job market trends. Ongoing job market analyses help identify in-demand skills, ensuring the program remains relevant. Successful delivery depends on resources like HR personnel for workshops, analysts for trend identification, and partnerships with the Department of Labor and Employment and local employers to enhance participants' job security and credibility.

### **Sustainability Plan**

The TIYAK program's sustainability plan focuses on long-term effectiveness and resilience through three key strategies. First, it incorporates monitoring, evaluation, and adaptation by establishing clear performance indicators (KPIs) to assess success and make necessary adjustments based on market trends and regulatory changes. Second, it emphasizes strategic partnerships with the Department of Labor and Employment (DOLE) and other organizations to secure resources, expertise, and financial support, ensuring compliance with labor standards and enhancing worker development. Finally, the plan leverages technology

by creating a web-based platform to improve accessibility and reach underserved populations, integrating digital tools to increase efficiency and adaptability. Together, these strategies aim to ensure the TIYAK program thrives in the long run.

### CONCLUSION AND RECOMMENDATION

This chapter presents the findings obtained from the data analysis, the conclusions drawn in addressing the gaps, and the proposed recommendations to enhance the Job Security, Employee Rights and Socio-Economic Equity of contractual employees in the Municipality of Libmanan, Camarines Sur.

# **Socio-Economic Profiles of Contractual Employees**

- 1. Age. Young adults are commonly employed due to seeking experience, possessing relevant skills and aiming for financial independence. Entities should implement measures and strategies aimed at fostering inclusion across age spectrums.
- Gender. Some industries requires physical attributes which is why males are slightly represented than females. Employers should also invest in skill development programs to enhance contractual employees' employability, enabling access to higher-paying roles.
- Years of Service. A lot of contractual employees only have one year or less of service since some of employers use short-term contracts as a way to test employees' skills. Furthermore, employers often hire contractual workers to avoid long-term costs.
- 4. Educational Attainment. Bachelor's degrees are prevalent among contractualized employees, reflecting the importance of foundational knowledge. It is advised to maximize the potential of contractual employees by providing opportunities that align with their education and skills, ensuring their talents are fully utilized.
- 5. Monthly Compensation. Salaries among contractual employees are fair given their employment status; however, the lack of opportunities for salary growth remains a concern. It is advised to invest in skill development programs enabling employees to access higher paying roles
- 6. Field of Employment. In terms of employment fields, the government had the highest portion, as contractualization is commonly practiced to meet budget constraints. The Tiyak Program can be a guide in providing employees with seasonal jobs depending on their field of employment

### **Impact of Contractualization**

- Job Security. Contractual employees' job security is impacted not only by the
  possibility of become permanent, but also by the quality of their work environment.
  They prioritize survival over fairness, demanding higher pay is less important than
  securing employment and achieving a short-term financial stability. A welcoming
  atmosphere where contractual employees will experience the sense of
  belongingness.
- 2. Employee Rights. Benefits such as Philhealth, SSS, Pag-IBIG are important to contractual employees. Receiving these benefits will give workers a safety net in terms of financial risk, health issues, retirement and other emergencies. Although, incentives are less impactful since they provide short-term financial assistance than long-term security. Receiving less of these necessary benefits justifies the loss of temporary cash incentives. Employers must promote and ensure that contractual employees should be treated equally.
- 3. Socio-economic Equity. Individuals with lower socio-economic status, tend to have less opportunity available to them. Health, well-being and career development are often overlooked by contractual employees, since they are more focused on keeping their jobs than focusing on these important concerns and factors. It is highly recommended that the government prioritize the creation of institutional-level policies to address inequities, especially for women in lower income brackets or single-parent households. Both government bodies and employers should work to ensure equal opportunities for contractual employees of all genders and marginalized groups in the workplace.

# Significant relationship between socio-economic profiles and impact of contractualization to employees.

There is a significant impact of employees' age on contractualization on job security. Younger employees see contractual work as an opportunity to gain experience and adapt, whereas older employees prioritize stability due to their responsibilities and preparation for retirement. The field of employment is also significant in determining job security, with some industries like hospitality, construction, and retail relying on short-term contracts that offer less protection. Meanwhile, fields such as technology and finance offer more secure long-term employment due to market conditions. To enhance job security and workforce flexibility, employers need to recognize the experience of older employees and foster a culture of continuous learning. Through a long-term learning program, employees, young and old, will have the opportunity to expand their skills and keep up with changes in the industry. Working with related sectors to create job opportunities during off-peak periods will help sustain employment, especially in industries affected by fluctuating demand. Awareness initiatives can also shed light on the impact of contractual work on security, which can help improve employment practices and build a more resilient and inclusive workforce.

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