

COVID-19 PREPAREDNESS AND RESPONSE

SmartMind Multi-Purpose Cooperative (SmartMind) is a cooperative duly registered with the Cooperative Development Authority (CDA) engaged in business outsourcing with office address in Makati City. It also has a valid and subsisting registration as a contractor with the Department of Labor and Employment (DOLE). In response to the growing threat of COVID-19, SmartMind initiated and implemented aggressive action plans that address the welfare of its people, improve existing processes, ensure proactive coordination with government agencies, all while maximizing potential opportunities (where the negative situation was converted to a positive situation).

PEOPLE MANAGEMENT

- 1. At the start of the pandemic in February 2020, SmartMind distributed personal care kits containing face masks and rubbing alcohol to its Head Office (HO) and stay-in employees. Before the first Enhanced Community Quarantine (ECQ) was announced on March 16, 2020, the Board of Directors (BOD) approved a full Work-From-Home (WFH) arrangement for its staff. Meanwhile, the General Manager issued a set of guidelines consistent with the IATF's to the team leaders and client representatives. A memo was sent to each client office to announce and inform them of the new process for adoption during the lockdown for immediate feedback. The Cooperative's management and staff kept open communication lines with the BOD to resolve matters immediately.
- 2. The Cooperative immediately implemented the WFH arrangement as well as the temporary suspension of timekeeping requirements for HO employees. It also implemented a skeletal work force in the HO with strict observance of social distancing.
- 3. Officers and supervisors who were required to report to the office were provided transportation to ensure safety of personnel affected by the unavailability of public transport.
- 4. The HO also implemented compressed work week from Monday to Thursday. To comply with the community curfew schedule, daily work hours were shortened as personnel were instructed to go home at 4:00 pm.

- 5. The Cooperative, as approved by the BOD, immediately released Emergency Loans amounting to Php2,500 in April and another Php2,500 in May to each employee regardless of status and tenure. A total of Php1.425M was released to 303 employees, without any interest and service fees charged. The loan was deducted from the employees' 13th month pay released on or before December 2020.
- 6. The Cooperative is grateful to our clients who approved the release of ½ 13th month pay as of end of March 2020. Further, our very generous clients gave cash assistance of Php 2,000 to Php5,000 (depending on length of service) and another client gave Php 10,000 per employee. Thank you so much for the generosity.

POWERING THROUGH THE INEVITABLE

- As COVID decimated industry after industry due to long periods of strict lockdown, our clients in the Food and Beverage sector significantly reduced operations to keep costs at a minimum and save their business. Consequently, this meant that manpower, which the Cooperative previously supplied, is no longer needed.
- 2. 259 or 2/3 of our employees had to be retrenched since there are no alternative job placements immediately available at the time as most businesses kept shut or are running with skeletal workforce. The Cooperative made sure that retrenchment is done responsibly and sensitively, in full compliance with the mandates of the Labor Code of the Philippines.
- 3. Notice of retrenchment was sent to affected employees and to the Department of Labor and Employment (DOLE) 30 days prior to effective retrenchment date. Immediately after this announcement, final pay was calculated, entitling each affected employee 1 month pay or ½ month pay for every year of service, whichever is higher.
- 4. While the Labor Code only provides that "a fraction of at least 6 months shall be considered as one whole year", the Cooperative provided the same benefit to employees who have only been on-boarded for less than 6 months as of that time. This is to give them bandwidth to financially adjust to and cope with the effects of the pandemic.

- 5. To address queries and concerns of retrenched employees, open communication channels were maintained and a dedicated account officer was made available onsite.
- 6. As of this writing, retrenchment pay released totaled Php 497,838. A remaining Php 1.1M has yet to be claimed as the affected employees are unavailable due to lockdowns/relocation.
- 7. On October 20, 2020, SmartMind was able to renew its Certificate of Registration from the Department of Labor and Employment valid until October 20, 2022.

PROCESS ADAPTATION TO THE NEW NORMAL

- The safety and welfare of the employees during the pandemic are the top priorities of the Cooperative. Timely, accessible and reliable communication channels are key to ensuring that these are being addressed, hence, the Management Team set up dedicated group chats for HO employees and for each group of deployed employees per client.
- HR, Payroll, and Operations were tasked to monitor concerns and issues, and status of work schedules of deployed employees for immediate and appropriate actions.
- In order not to disrupt the payroll process, the Cooperative provided laptops, personal computers, and internet allowances to the Operations Team to ensure continuity of operations.
- 4. A Working Committee composed of HO management and staff was created, with a group chat set up via Viber, to directly communicate coordination meetings and facilitate better communication between operating units, and team leaders for both cooperative and clients.

PROACTIVE ASSISTANCE

- 1. With the government's announcement of a stimulus package for workers, the Cooperative submitted each employee's name and other required information to concerned government agencies such as DOLE, BIR, SSS and Department of Finance so that they can avail of the financial assistance. Subsequent appeal letters were sent to the same agencies to request for reconsideration of employees who have yet to receive the cash assistance.
- 2. To bridge the gap between our clients' need for a steady supply of personnel and our employees' safety and well-being amidst the pandemic, we came up with a stay-in arrangement for several employees. Certain protocols were agreed with our clients such as mandatory regular quarantine, complimentary meals, and monthly provision of face masks.

PROGRESSION AMIDST THE PANDEMIC

- From the start of the ECQ, the Cooperative utilized the idle time and decrease in payroll activities by doing renovation works and housekeeping in the HO; business process re-engineering to eliminate inefficiencies and improve productivity and outputs; and records clean-up such as the removal of resigned and separated employees from SSS, PHIC, HDMF and bank payroll systems to ensure an updated database resulting in a more accurate and timely reports.
- 2. The initiatives strengthen internal control, ensure real-time review and submission of reports, improve accuracy of information, and reduce cost due to the paperless set-up. The Cooperative can continue to work on Business As Usual (BAU) set-up at home even when strict community quarantine guidelines are in place. The Management intends to permanently implement the WFH arrangement as a new normal in the HO.
- 3. Further, the implementation of the new normal WFH arrangement will generate savings to the employees, and reduce stress due to travel to and from the work place. It will create a more work-life balance for all.

POTENTIAL OPPORTUNITIES AND REALIZATIONS

- 1. The series of lockdowns provided a lot of opportunity to rethink how the Cooperative works. There are now much defined lines between what work is considered essential, what could be done remotely, and what could be done away with at once.
- 2. The Management is keeping itself abreast of industry and economic developments through participating in business seminars in YouTube to tap new areas of business and see flourishing industries where the Cooperative can offer its services to.
- 3. As the Cooperative's mission continues to be the provision of jobs, the Management is considering ways to build-up relevant skills through the provision of upskilling, reskilling and other training support schemes to existing and potential employees in partnership with talent development organizations such as TESDA. In return, this will enable the Cooperative to offer a steady stream of qualified personnel to its existing and potential new clients.

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