

Republic of the Philippines OFFICE OF THE PRESIDENT COMMISSION ON HIGHER EDUCATION

CHED MEMORANDUM ORDER (CMO)

No. <u>06</u> Series 2012



SUBJECT:

Commission.

ADDENDUM TO CMO NO. 39, S. 2006 ENTITLED, POLICIES STANDARDS AND GUIDELINES FOR BACHELOR OF SCIENCE IN BUSINESS ADMINISTRATION (BSBA) PRESCRIBING ADDITIONAL ELECTIVES ON SERVICE MANAGEMENT FOR BUSINESS

PROCESS OUTSOURCING

In accordance with the pertinent provisions of Republic Act (RA) No. 7722, otherwise known as the "Higher Education Act of 1994," and for the purpose of rationalizing the undergraduate education in the country pursuant to new policy initiatives on outcome based education and harmonization of competencies with global standards in specialized courses, with the end view of keeping pace with the demands of local and international business environments to become even more globally competitive, particularly in the Business Process Outsourcing (BPO) industry, the following policies, standards and guidelines are hereby adopted and promulgated by the

ARTICLE I

Section 1. The Philippine BPO industry has been evolving as the "sunshine industry" for significant reasons. Steadily growing since the early 2000's, the industry added over 100,000 jobs in 2010 growing faster than the previous year, accumulating more than 500,000 full-time employees and more than a million indirect employees by end of 2010. The industry also generated \$8.9B in revenues, about 4.8% of GDP in 2010.

Supply and availability of qualified personnel, however, remains the biggest challenge in order to keep the global competitiveness and leadership position of the industry today. Thus, the urgency for concerted policies and programs focusing on building competency in human resource development by way of cooperative partnerships among stakeholders in government, academe and industry for planning, sourcing and developing sustainable talent pool for the industry.

Pursuant to the national development plan for 2011-2016, the roadmap for the BPO industry as prepared by the Business Processing Association of the Philippines (BPAP), the respective Memorandum of Agreement (MOA) between the Commission on Higher Education and BPAP and similarly with the Management Association of the Philippines (MAP), their members and other partner associations, collectively collaborated to develop a specialized track in service management focusing on the BPO industry.

The specialized track in service management following the CHED policy for outcome based education aims to prepare students, from all types of traditional courses, for a career in the BPO industry by equipping them with the required competencies needed for entry-level positions and for further career development.

The Service Management Specialization Track uses an integrated approach and takes into consideration the interrelationships among the functional areas of business, **notably in information and communication** technology as well as sensitivity to the economic, social, technological, legal, and international environment in which business must operate. The objective of the program is not simply to impart basic business knowledge, but to instill and nurture important qualities and skills in our students that are essential for future business leadership and organizational success in the industry in a global market.

ARTICLE II AUTHORITY TO OPERATE

Section 2. All higher education institutions with existing permit and recognition to offer the Bachelor of Science in Business Administration/Management need not apply for a separate authority to offer the Specialization Track in Service Management for Business Process Outsourcing. However, the HEI shall inform CHED on its compliance with the minimum requirements for courses in General Education, Basic Business Core, Business Education Core, Professional courses and Electives as prescribed in CMO No. 39, s. 2006.

The Service Management Specialization Track when embedded in existing programs with valid authority to operate may incorporate the program specifications as electives for compliance.

ARTICLE III PROGRAM SPECIFICATIONS

Section 3. Program Name

The specialization track herein shall be called Service Management for Business Process Outsourcing. Higher Education Institutions (HEIs) which



will offer the Service Management shall adopt the "Service Management Specialization Track for Business Process Outsourcing" (SM for BPO).

Section 4. Program Description

The Service Management for BPO includes five areas, namely: Business Communications, Service Culture, Principles of Systems Thinking, Fundamentals of Business Process Outsourcing 101 and 102, and the full-time Internship Program. The Service Management Specialization Track Program Description, General Objectives, Curriculum and Course Description may be referred to in **Annex A**.

Section 5. Specific Professions, Careers, Occupations, or Trades

5.1 Entry-level jobs for voice sector

- a. Sales support
- b. Chat support
- c. Travel support
- d. Banking support
- e. Technical support representative (TSR)
- f. Customer service representative (CSR)

5.2 Entry-level jobs for non-voice sector

- a. Back office data entry
- b. Accounts payable practitioners
- c. Finance practitioners
- d. Financial accounting practitioner
- e. General accounting practitioner
- f. Travel and expense
- g. Payroll practitioners

- h. Mobility practitioners
- i. Customer assistance center agent
- j. Benefits service practitioners
- k. Learning practitioners
- I. Recruitment practitioners
- m. Employee Data Management Practitioner
- n. Medical transcriptionist

5.3 Entry-level jobs for information technology (IT)

- a. Entry-level programmers
- b. Help desk assistants
- c. Desktop support engineers
- d. Network administrators
- e. Business analysis (trainees)
- f. Healthcare associates

5.4 Entry-level jobs for support functions

- a. Human resource associate
- b. Recruitment associate
- c. Training associate
- d. Employee relations associate
- e. Employee engagement associate

- f. Administrative associate
- g. Quality assurance associate
- h. Accounting associate
- i. Facilities associate
- i. Technical support associate

Article IV COMPETENCY STANDARDS

Section 6. Graduates of the Service Management SM Specialization Track should be able to:

- 6.1 Convey ideas clearly in English, both orally and written.
- Prepare, analyze, and evaluate reports, proposals, and concept papers. 6.2
- 6.3 Demonstrate the values of fairness, transparency, accountability, hard work, honesty, patience, diligence, innovativeness, risk-taking, and strong work ethics.
- 6.4 Apply the principles of the different forms of communication.
- 6.5 Perform high-quality work.
- Understand the concepts and principles of good interpersonal relations. 6.6
- 6.7 Participate actively in business associations and comply with their policies and obligations.
- 6.8 Demonstrate leadership qualities, civic-mindedness, and responsible citizenship.
- Conduct environmental scanning.
- 6.10 Conduct feasibility studies and other business research and plans.
- 6.11 Explain the concepts, approaches, and techniques of environmental conservation.
- 6.12 Know and understand the country's national development thrusts, concerns, and socio-economic indicators.

Article V CURRICULUM

Section 7. Curriculum Description and Requirements

The curriculum for the Service Management (SM) Specialization Track is in addition to the existing courses offered by the colleges and universities. The Specialization track covers a balance of functional areas, which increases competencies in critical thinking, communication, service culture, and computer literacy. It broadens the knowledge and skills needed in both local and international business environment.

The curriculum for the Service Management Specialization Track should be consistent with the school's philosophy, and mission and vision statement.



All undergraduate courses should have prescribed textbooks, which should be selected in the basis of acceptable criteria, preferably by an independent textbook board or committee. The intelligent use of other instructional aids and resources should be encouraged.

Access to computers and CD materials as well as the Internet should be provided to faculty members and students.

Preferably, the maximum class size for each subject under the Service Management (SM) Specialization Track should be forty (40); except in the Business Communication subject, which must have a maximum class size of twenty-five (25).

7.1 Curriculum Outline

· · · · · · · · · · · · · · · · · · ·	COURSE	NO. OF UNITS
SMFBPO1	Fundamentals of Business Process Outsourcing 101	3
SMFBPO2	Fundamentals of Business Process Outsourcing 102	3
SMBUSCO	Business Communication II	3
SMSVCCU	Service Culture	3
SMSYSTH	Principles of Systems Thinking	3
SMINTRN	Internship Program	6
TOTAL UNITS		21

Section 8. Courses

General education and legislated courses shall follow existing requirements of the program where the Service Management Track would be integrated. The CHED Memorandum No. 04 series 1997 (GEC-B; 51 units) is the recommended track for the Service Management track.

Section 9. Sample Program of Study (Minimum Units)

Option 1:

			FL.	ÓWĆH ÁRT			
FRES	HMAN	SOPHO	OMORE	JUN	IIOR	SEN	IOR
1st Sem	2nd Sem	1st Sem	2nd Sem	1st Sem	2nd Sem	1st Sem	2nd Sem
Regular Re	Regular	Regular	Regular	Regular	Regular	Regular	Regular
				SMFBPO1 (3 units)	SMFBPO2 (3 units)	SMSYSTH (3 units)	SMINTRN (6 units)
				SMBUSCO (3 units)	SMSVCCU (3 units)		-



Section 12. The BPO industry (BPAP and other industries) shall provide opportunities for faculty development to enable faculty members to keep up with developments and techniques in their field, improve their teaching skills and course materials, continue their professional growth, and contribute to research and other scholarly pursuits.

ARTICLE VII ADMISSION, RETENTION, RESIDENCE AND GRADUATION REQUIREMENTS

Section 13. Admission, Retention, Residence and Graduation Requirements

- 13.1 Admission, retention, and graduation requirements will be governed by the institution's policy on the program.
- 13.2 As a general rule, transfers of students shall be governed by the institutional policy on residence and transfer.
- 13.3 For students who go on leave, re-admission to the program will be subject to the school's re-admission policies.

ARTICLE VIII REPEALING CLAUSE

Section 14. All pertinent rules and regulations or parts thereof that are inconsistent with the provisions of this policy are hereby repealed or modified accordingly.

ARTICLE IX EFFECTIVITY CLAUSE

Section 15. These policies and standards for the Service Management for BPO shall take effect beginning first semester of school year 2012-2013.

Quezon City, Philippines February 10, 2012.

For the COMMISSION:

PATRICIA LICUANAN, Ph.D. \(\hat{L} \) Chairperson

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Chairperson



Annex A The Service Management Specialization Program

in Se gement some Spo cations

Course Name	: Fundamentals of Business Processes Outsourcing 101 (SMFBPO1)
Course Objectives	 The objectives of the course are: 1. Explain the rationale behind outsourcing and identify the critical factors that affect the outsourcing industry 2. Describe the critical processes involved in the engagement, development, and maintenance of outsourcing service 3. Be aware of the types of processes that get outsourced and understand how processes are transitioned from the internal organizations to external suppliers 4. Know and understand some of the key reasons for certain countries (e.g., Philippines and India) being successful of shoring destinations 5. Be aware of the risks associated with outsourcing 6. Apply different tools and methodologies in the engagement, development, and maintenance or
	outsourcing services 7. Assess the impact of changes in technology, regulation and the business environment on outsourcing operations 8. Know how to plan and manage the off shoring of business processes for competitive advantage
Course Description	The course provides students with an overview of the outsourcing industry, including the rationale for outsourcing critical factors which affect different outsourcing industries and the processes involved in engaging in, operating, and maintaining an outsourced service. The course also introduces different tools and methodologies used in outsourcing operations and provide the students with opportunities to apply these tools in simulations at a computer laboratory or "Game Lab." The course enables students to recognize areas or opportunities in outsourcing, as well as to analyze and assess how changes in technology, regulation, and business environments may affect current industries. It also increases the students' awareness of the different processes critical to maintaining outsourcing engagements, such as maintaining client relationships in the context of a service culture, and the effective management of costs and resources.
Course Credits	: 3 units
Contact Hours/Week	: 54 hours (3 hours per week)
Prerequisite	: Business Communication, Service Culture



Course Name	:	Fundamentals of Business Processes Outsourcing 102 (SMFBPO2)
Course Objectives The objectives of the course are: Conceptualize organizations as compend processes Analyze business operations as processes and their value contribution to business performance Improve process definition and efficiency by the of process documentation, modeling, and contribution and efficiency by the of process documentation, modeling, and contribution and efficiency by the of process documentation, modeling, and contribution and efficiency by the of process documentation, modeling, and contribution and efficiency by the of process improvement methodologies, and core of process quality Recognize interdependencies of business across organizational boundaries		 Conceptualize organizations as compendiums of processes Analyze business operations as processes and understand their value contribution to business performance Improve process definition and efficiency by the application of process documentation, modeling, and quantitative analysis methods Understand basic process operations management, process improvement methodologies, and core concepts of process quality Recognize interdependencies of business processes across organizational boundaries Identify the role and value-add of information technology to
Course Description		The course provides an introduction to fundamental business process outsourcing concepts via an understanding of the techniques for using business practices and methods to create and improve business processes. The foundational study of business processes provide a basis by which performance improvements are identified and implemented across business organizations. Business process outsourcing is introduced as a natural evolution of business process management. The student is exposed to a set of qualitative and quantitative topics aimed to enhance process-oriented thinking, in order to develop the knowledge and skills necessary to appreciate and implement programs of process reengineering, management, and excellence in organizations.
Course Credits	:	3 units
Contact Hours/Week	:	54 hours (3 hours per week)
Prerequisite	:	Business Communication, Service Culture, Fundamentals of Business Process Outsourcing 101 (BPO 101)

Course Name	Business Communications II (SMBUSCO)		
Course Objectives	The objectives of the course are: 1. Understand business communications and its general us 2. Know the factors which affect communications 3. Know the channels and directions of communications 4. Apply learning in the actual workplace		
Course Description	The course builds the students' understanding of, and basic competencies in, effective communication in the workplace. It introduces students to key concepts of business communication, methods, and techniques for its efficacy and its impact on organizational success. Actual business		



		applications and scenarios are used to illustrate the fundamentals of effective business communication.
Course Credits	;	3 units
Contact Hours/Week	T :	54 hours (3 hours per week)
Prerequisite	:	None

Course Name	: Service Culture (SMSVCCU)
Course Objectives	The objectives of the course are: 1. Acquire the framework of personal and social competencies that serve as the foundation of performance excellence 2. Develop analytical skills when assessing work and performance habits of a service professional 3. Acquire the basic knowledge (e.g., principles, practices) of service excellence practices in organizations and by individual service professionals 4. Integrate key learning (e.g., theoretical and practical concepts of service culture) in designing a service experience
Course Description	The course builds the students' personal and social competencies (values and attitudes) necessary to executing and delivering excellent service in any professional endeavor. It introduces students to various service companies and industries and key concepts in being a customer-centric organization. It enables students to practice practical customer service skills and to manage a project.
Course Credits	: 3 units
Contact Hours/Week	: 54 hours (3 hours per week)
Prerequisite	: Business Communication

Course Name	: Principles of Systems Thinking (SMSYSTH)
Course Objectives	The objectives of the course are: 1. Increase awareness of the importance of architecting and implementing business systems that consider the organization as a whole 2. Develop analytical skills to identify issues in organizational systems and recommend system-optimization solutions 3. Acquire practical knowledge of evaluating organizational systems, modeling optimized solutions, and championing change
	4. Gain familiarity in industry trends for systems hardening and certification (e.g. ISO, CMMi, P-CMM, Six Sigma, etc.)
Course Description	The course aims to prepare the student for the twenty-first century workplace by building their foundations in systems thinking, enabling them to examine business systems, identify the inter-dependencies of specific systems within an organization, and recommend suggestions to improve



	systems performance within organizations. It introduce students to concepts in systems architecture and system optimization, with the intent of developing the student analytical skills in identifying and resolving issues in businessystems.	
Course Credits	:	3 units
Contact Hours/Week	:	54 hours (3 hours per week)
Prerequisite	:	Business Communication, Service Culture

Course Name	1:	Internship (SMINTRN)	
Course Objectives		 The objectives of the course are: Immerse students in real corporate environment, providing them with comprehensive hands-on training relevant to business practices in their chosen specialization, to enable readiness towards strategic job-fit and eventual employment in BPO companies Produce graduates that will address the BPO industry's needs; at least 70% of Interns hired by BPO Companies Perform assessment processes as a means to provide BPO industry information on pre-employment baseline competencies and skill sets of Interns 	
Course Description		Internship engages students in their last year of study in real industry practices that will prepare them for their eventual jobs and careers in their chosen fields of expertise. Students are required to work full-time for an industry partner, rendering a minimum of 600 hours.	
Course Credits	:	6 units	
Prerequisite	:	Business Communication, Service Culture, Principles of Systems Thinking, Fundamentals of BPO 101, Fundamentals of BPO 102	



Annex B.

Draft memorandum of Agreement between University / College and Industry Partner as Internship Host

MEMORANDUM OF AGREEMENT

(draft)

Know All Men By These Presents:	
This Agreement entered into this day of, 2010, at by and between:	
<school>, an educational institution duly organized and existing under Philippine Laws with principal offices at <address>, herein represented by its President, <complete name="">, and hereinafter referred to as "<school Initials>";"</school </complete></address></school>	
-and-	

<COMPANY >, a corporation duly organized and existing under Philippine Laws with principal offices at <complete address> herein represented by its <position>, <complete name>, and hereinafter referred to as "<Company Initials>" or the Industry Partner.

WITNESSETH: That-

WHEREAS, <SCHOOL> offers in its curriculum the Service Management Specialization Track intended to expose the its students to the challenges of the IT-BPO industry environment as well as provide business and academe the opportunity to collaborate in the education of future professionals;

WHEREAS, under the said program, senior students of <School Initials>, also referred to as "Intern or Interns", are assigned to sponsoring companies where they perform projects, activities and tasks along their lines of specializations for a period of two (2) trimesters or 1 semester, approximately 6 months;

WHEREAS, <COMPANY> desires, and agrees to become a sponsoring company (or Industry Partner) under such terms and conditions as hereinafter agreed by the parties;

NOW THEREFORE, for and in consideration of the foregoing premises, the Parties have agreed as follows:

1. Responsibilities of <School Initials>

- 1.1 <School Initials> shall request from the <Company Initials> its checklist of requirements for The Service Management Internship Program.
- 1.2 For scheduling and availability purposes, <School Initials> shall request the <Company Initials> to choose its sponsorship of students under any of the following the batch schedules:
- 1.3 After receipt of the Requirements Checklist, <School Initials> shall provide



- <Company Initials> with a list of senior students qualified to undergo Internship, which shall be accompanied by individual Student Fact Sheets.
- 1.4 Upon written advice from <Company Initials>, <School Initials> shall notify and request the students to report to <Company Initials> for the screening and selection processes.
- 1.5 During the internship, <School Initials> shall monitor the Intern's attendance and compliance to the prescribed work hours with the Company.
- 1.6 Likewise, <School Initials> shall monitor the Intern's performance through the Intern's submission of a report of performance, a copy of which shall be provided to <Company Initials> for its reference.
- **1.7** For coordination purposes, *<School Initials>* designates its Career and Placement Officer as the point person on its behalf, and who shall act as liaison between the partners.

2. Responsibilities of Industry partner

- 2.1 Upon receipt of the request from <School Initials>, <Company Initials> shall accomplish and submit the Requirements Checklist to < School Initials >.
- 2.2 Thereafter, <Company Initials> shall then choose from the list of senior students qualified for Internship submitted by <School Initials> and, thereafter notify <School Initials> of the selected students. It is understood and agreed that <Company Initials> shall have the sole discretion and prerogative to select and choose the students who will undergo the Internship Program through its screening and selection process, in accordance with its requirements and based on its standards/qualifications or criteria.

2.3 <Company Initials> shall undertake the following:

- 2.3.1 Assignment of work, tasks or projects, as well as determination of work schedules;
- 2.3.2 Screening and supervision of the Interns vis-à-vis work assignments;
- 2.3.3 Periodic monitoring and rating of the Intern's work, behavior or attitude and performance through the Internship Performance Evaluation Forms.
- 2.3.4 Recommend to <School Initials> the final rating of the Intern following the grade submission dates scheduled and advised by <School Initials>.
- 2.4 Upon the completion of the Intern's training, <Company Initials> shall issue, through its Human Resources Division, a "Certificate of Completion" showing the number of hours rendered by the Intern, the period covered, the department assigned and other pertinent details relevant to the said internship training.
- 2.5 As <School Initials> counterpart, <Company Initials> shall appoint its point person, who shall coordinate with, and act as liaison with <School Initials> for



this Internship Program.

3. Other Provisions

3.1 The Parties understand and agree that <School Initials> Interns are not employees of <Company Initials> and therefore no employer-employee relationship exists between them and <Company Initials>. However, <Company Initials> may grant subsidies, allowances or stipends to Interns, at its sole prerogative, in accordance with and subject to the company's policies, procedures and practices.

Likewise, <School Initials> interns are subject to the rules and regulations, as well as policies and procedures of <Company Initials>. Upon acceptance of their internship, <Company Initials> shall advise all Interns of these Company rules and regulations and policies and require from each of them their compliance with said rules and regulations.

In case of any breach of the <Company Initials> rules and regulations, <School Initials>, upon prior written notice from the <Company Initials> shall withdraw or cause the withdrawal of the Intern from the Internship Program under this Agreement. The withdrawal of the Intern from the Internship Program shall be without prejudice to such other legal rights and remedies that <Company Initials> may have on the Intern as a consequence of such breach of violation nor shall such withdrawal preclude nor bar <School Initials> from imposing any disciplinary action on the Intern as it may determine by reason of such breach or violation.

- 3.2 All Interns shall strictly abide by the principles of confidentiality with respect to any restricted material or confidential information of the company. For this purpose, <School Initials> and <Company Initials> shall ensure that Interns shall be properly briefed and advised on the prohibition against disclosure of confidential or restricted information acquired during his internship as well as the consequences of such violation. Any liability arising from the violation of this provision on confidentiality shall be the responsibility of the Intern to <School Initials> and <Company Initials>.
- 3.3 In addition, all Interns shall exercise due diligence and care in handling company equipment, materials, resources or any other company property which they have handled or used in connection with or in the course of their internship with the Company. For this purpose, <School Initials> and <Company Initials> shall ensure that Interns shall be properly briefed, reminded and advised on the proper handling and use of company equipment, materials or resources. Any liability arising from any violation of this provision shall be responsibility of the Intern to <School Initials> and <Company Initials>.
- 3.4 As an Industry Partner, <Company Initials> shall be entitled to the following: (i) permission to use <School Initials> name and company logo in the former's marketing efforts via advertising and promotional campaigns, subject to <School Initials> prior approval for every event; and (ii) free access



to the <School Initials> graduates list for possible hiring, upon prior written request.

4. This Agreement shall have a term of one (1) year, commencing from <month and year> and may be renewed under such terms and conditions as may be agreed upon by the Parties. Each Party, however, shall have the right to terminate this Agreement for any reason whatsoever, upon prior written notice at least fifteen (15) days from termination date.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and place first above-mentioned.

By: By: Complete Name>

Position Complete Name>

Position Complete Name>

SIGNED IN THE PRESENCE OF



ACKNOWLEDGMENT

REPUBLIC OF THE	EPHILIPPINES)) S.S	
	otary Public in 0, personally appeared the following:	, Philippines, thisday of
Name	Community Tax Cert. Nos.	Date/Place Issued
instrument who ack	to me known to be the same personowledged to me that the same is the corporations represented.	
Acknowledgement i	of Agreement, consisting of pages s written, has been duly signed by the every page thereof.	
WITNESS MY HAN	D on the date and in the place herein a	above written.
		Notary Public
Doc. No. Page No. Book No. Series of 2010		