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**SOCIAL AND PROFESSIONAL ISSUES**

**ACTIVITY 1**

1. The article talks about the function that ICT plays in the Philippines over time. Long time ago, ICT is only related to recording of business transactions and reports generation but at present it has developed in such a way that it can be closely connected to the entire economy in general(from obtaining raw materials to managing productions to facilitating distribution)

In the article, ICT Services that are currently available in the Philippines were mentioned and discussed namely software development, animation, call centers, medical and legal transcription and business process outsourcing. In addition, several major categories such as financial structure, people skills and availability and business environment were enumerated that are deemed necessary to evaluate a specific country’s attractiveness as an offshore business destination. .

Finally, the article raised some points of recommendation that the Philippines must be working on in response to the issues that may hinder our country’s competitiveness as far as ICT is concerned.

2.

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| **A. Financial Structure (40%)** | | | **B. People Skills and Ability (30%)** | | | **C. Business Environment (30%)** | | |
| **RANKING** | **COUNTRY** | **INDEX** | **RANKING** | **COUNTRY** | **INDEX** | **RANKING** | **COUNTRY** | **INDEX** |
| 1ST | INDIA | 3.72 | 1ST | INDIA | 2.09 | 1ST | MALAYSIA | 1.77 |
| 2ND | VIETNAM | 3.65 | 2ND | CHINA | 1.36 | 2ND | INDIA | 1.31 |
| **3RD** | **PHILIPPINES** | **3.59** | **3RD** | **PHILIPPINES** | **0.94** | 3RD | THAILAND | 1.19 |
| 4TH | THAILAND | 3.44 | 4TH | MALAYSIA | 0.73 | 4TH | CHINA | 0.93 |
| 5TH | CHINA | 3.32 | 5TH | THAILAND | 0.57 | **5TH** | **PHILIPPINES** | **0.92** |
| 6TH | MALAYSIA | 3.09 | 6TH | VIETNAM | 0.35 | 6TH | VIETNAM | 0.70 |

***RANKING IS BASED ON ASEAN COUNTRIES ONLY***

NOTE: \*The financial structure is rated on the scale of 1-4

\*The Business environment and the people skills and availability are on the scale of 1 to 3.

SOURCE: <https://www.atkearney.com/documents/20152/912800/2004_GSLI_Making-Offshore-Decisions.pdf/9c74ebdf-e2dd-2b8f-8ee7-4f71068263e0>

The table shows a comparison between the top 6 Asian countries related to their corresponding ordinal rank when it comes to the 3 categories that are used to evaluate attractiveness as an offshore business destination. It is obvious that among all the countries, India is the top performer because of 2 strengths: it offers deepest experience in business process outsourcing (with low cost) and a large labor force. China on the other hand has a vast labor pool and low cost but a little bit behind India when it comes to experience and other factors.

Malaysia offers costs competitive with the other countries that makes it an alternative option (for investors) benefiting from a well-developed, low cost infrastructure and strong government support. In the same way, the Philippines has favorable cost structure and promising human resource capabilities. Government support is evident through provision of good tax and regulatory incentives.

Lastly, Thailand and Vietnam are trying their best to compete with the leading countries but still a lot of effort should be exerted in order for them to cope up with the ongoing competition.

3. Among the top 25 competitive countries worldwide, the Philippines ranked third when it comes to financial structure, eleventh in terms of people skills and availability and twenty-second in business environment. This is the result of the quality of workforce that the Philippines produces and with the data presented, it could be projected that in the near future our country could become a major BPO player should we exert more effort to improve our performance to attract investors. One of the reasons why other countries such as India and china are ahead of us is because of the Philippine’s more expensive labor cost but nevertheless, this is compensated by the quality of skill that we are capable of offering our clients. When it comes to compensation and infrastructure cost, the Philippines play quite well when compared to other competitors thanks to good tax and regulatory measures being offered by the Philippine government as support to the ICT sector. The negative aspects of the financial structure of the Philippines are

corruption and exchange rate fluctuations. Talking about people skills and availability, the Philippines can boast of their good employee retention record, language skills, educations system and industry experience. Take for example in language skills, Filipinos are well known for their American English verbal skills as far as clarity and understandability are concerned. Another example in education system, the Philippines produces a lot of college and university graduates per annum with courses such as business administration, commerce, computer science, it and mathematics. The downside regarding this matter is that the Philippines have a smaller population than other leading countries such as India and china. Also, in the Philippines the person computer ratio is 1:46 and for computer student ratio, it is 1:250. More expensive Internet access is likewise one of the drawbacks making the Philippines low in functional literacy. Moreover, Filipinos needs to improve general population’s competence in using English because although we are acknowledged as having good verbal communications skills, these people come from the country’s best schools and from other disciplines like nurses, doctors, etc. Lastly, with regard to business environment, there is less economic and political environment or shall we say not much support is given by the government for ICT sector.

4. Though we are not on the lowest ranking on ICT in most of Asian countries, there is still need to be improved. Just like in business process outsourcing, whether for ICT or ICT-enabled services, will continue to be a major source of income for the Philippines. Nonetheless, there is an urgent need to improve coordination among the government, industry, and academe in policies and programs if the country is to sustain its advantage in these sectors.  The Philippines needs to improve its image and overall business environment. On this matter, the passage of laws  on  Optical  Media  and on E‐commerce are  welcome  developments,  but  it  is  the  proper  implementation of existing regulations that is most needed.

5. What I want to be improve in our current situation about ICT here in the Philippines is that the participation of the government in all ICT programs. That the government will monitor our TELECOM to really give the fastest available internet they have in order to experience better real time transactions with minimal delays. That the government must lead with goals, commitments, policies, and regulations to address the current and future needs for ICT‐based activities and create a society for innovation that can compete internationally. Finally, the media should be encouraged to take an active part in educating and informing the general public on issues related to ICT.