



## **CODE OF DISCIPLINE**

### **1. The Need for Discipline**

- 1.1** Discipline requires personal self-control and self-direction, knowing what must collectively be achieved.
- 1.2** The company is able to effectively direct and control the operation of the enterprise so that objectives are attained to the benefit of all.
- 1.3** Employees, in turn, are able to give their best jobs, and gain the tangible reward of excellent performance.
- 1.4** If, on the other hand, there is no discipline, violence occurs and everybody suffers.

### **2. Management's Right & Duty to Make & Enforce Reasonable Rule of Behavior**

- 2.1** Management is mandate to run the business enterprise. In discharging this serious obligation, it must seek efficiency in all aspects of operation of the company; it must prevent all forms of losses, whether this is form of low productivity, wastage of materials, or loss of man-hours or machine-hours; it must safeguard all assets and interest of the business. More than this, it must ensure the growth and continued existence of the company.
- 2.2** To carry out this obligation, it must foster and maintain discipline, efficiency and harmony among employees.

### **3. Responsibility of First-Line Supervisor**

- 3.1** The first-line supervisor heads an organizational unit which is assigned certain tasks to perform. He is responsible for the efficient and effective performance of these tasks.
- 3.2** In line with his basic responsibility, the first line supervisor sees to it that the policies and guidelines are followed.

- 3.3 In case there is a violation by any subordinates of disciplinary rule, the supervisor must investigate it.
- 3.4 If a grievance is presented to him by one of his subordinates the Supervisor handles it in accordance with the guidelines.

#### **4. Responsibility of the Department/Division Head**

- 4.1 The Department/Division Head sees to it that all Supervisors under him are fully aware of their responsibilities in maintaining discipline within their respective units. He ensures that his Supervisors know and understand all relevant policies, rules and regulations.
- 4.2 The Department/Division Head also sees to it that his Supervisors actually do their job of maintaining discipline. He assists and guides them in discharging this responsibility.
- 4.3 The Department/Division Head reviews and approves (or disapproves) disciplinary actions recommended by his supervisors. In doing this, he sees to it that objectivity, fairness and constructiveness are observed.
- 4.4 In case a grievance is elevated or presented directly to him, he handles it in accordance with the procedures.

#### **5. Role of the Human Resources Department**

- 5.1 Although the Human Resources Department is not directly responsible for the proper implementation in other departments of the policies and guidelines contained in this manual, it oversees and monitors each implementation. It maintains a “feel” of the disciplinary situation prevailing in the various department of the company. And it brings to the attention of the Department Head concerned cases or situations which he latter may not be aware of. It also reminds other Department Heads disciplinary cases not yet finally acted upon them, if any.
- 5.2 Moreover, the HRD advises other departments as to how the policies and guidelines ought to be implemented.
- 5.3 In case an employee seeks the help of, or is referred to HRD, the latter provides appropriate counsel and/or explanation.

- 5.4 Periodically or as the need arises, HRD reviews the policies and guidelines contained in this manual and close consultation with another manager. It also receives and studies suggestions from employees as to what changes are advisable. On the basis of this, it formulates recommendations to be submitted to Management for approval.
- 5.5 HRD advises other departments as to how to handle disciplinary cases where the penalty dismissal or preventive suspension leading to dismissal. Consultation between HRD and the department concerned normally occurred before such decision is implemented.

## **6. Offenses Subject to Disciplinary Action**

- 6.1 Included in this manual are definitions of offenses subject to disciplinary action, together with the corresponding penalties.
- 6.2 Supervisors and Department/Division Head must see to it that all employees under them are aware of the offenses defined here and the penalty prescribed for each. In case an employee needs enlightenment on a particular provision, the Supervisor or Department/ Division Head is duty-bound to explain it clearly and completely.
- 6.3 Each employee, on the other hand, is duty-bound to read and understand the definitions and/or the penalties do not excuse the employees from being penalized. If a particular provision is unclear to the employee, he must ask explanation from his immediate superior.
- 6.4 Whenever necessary advisable, management may define additional offenses and prescribed corresponding penalties. It may also delete or amend existing definitions and/or penalties. Such additions, deletions or amendments will be issued in memorandum form to be posted on the bulletin.

## **7. Disciplinary Actions: What they are meant to be**

- 7.1 A disciplinary action, like a reprimand or suspension, may be viewed in two ways:
- 7.2 As a punishment for a wrong done.
- 7.3 As a reminder to the offender to adjust back to acceptable norms of behavior, which is actually form of help to him.
- 7.4 The second (corrective) aspect should be the principal objective to be borne in mind in imposing disciplinary actions, only when corrective operation is no longer likely to result in desired behavior, should the punitive aspect become paramount.

## **7.5 The basic reason for this is as follows:**

- 7.5.1** There were good and valid reasons for hiring and/or assigning the person to his present job. And if he/she passed the probationary period, he/she must have performed and behaved at least satisfactorily.
- 7.5.2** Therefore, something must have occurred to the person, either on the job or outside, that caused him (or allowed him) to behave in an undesirable manner. If this something can be identified, assessed and understood clearly, then you would be able to determine whether or not a corrective operation is worthwhile.

## **8. Disciplinary Procedure**

- 8.1** In case an "Offense Subject to Disciplinary Action" is committed or supposed to have been committed by an employee, his or her immediate superior must promptly investigate the matter.
  - 8.1.1** The immediate superior shall require the employee to explain in writing within 48 hours from receipt thereof why he should not be given any disciplinary action for having the offense. The immediate superior will establish/and or check facts. He will further ask "erring" employee to tell his side of the story and he will listen with an open mind., without any pre-conceived opinion. Similarly, he will listen to other "sides" which are relevant to the case.
  - 8.1.2** The immediate superior will analyze and evaluate his findings. In doing so, he will see to it that facts are distinguished from guesses, opinions or conclusions, and are relied upon accordingly. This analysis and evaluation must provide some answers to questions like: **(1)** What damage offense was actually committed and how serious was it? **(2)** How much damage or trouble was caused? **(3)** Who were affected and to what extent? **(4)** Has the offense been committed within the department or section, and if so, who were involved? **(5)** What are the future consequences of this offense and the action to be taken on it? On the basis of all these, the immediate superior arrives at appropriate conclusions and decision as to what disciplinary action, if any, must be taken.
  - 8.1.3** If necessary or advisable, the immediate supervisor will take steps to preserve the integrity and reliability of evidences. This is particularly true in cases where vital evidences are in danger of being lost or tampered with. Thus, he may take custody of physical evidences or get the written testimonies of witnesses.
  - 8.1.4** The immediate superior will discuss with the Department/Division Head his findings and recommendations. The Department/ Division Head will decide whether to approve it as recommended, or increase/ decrease it if the extent of damage and the aggravating/mitigating circumstances so warrant. In making this decision, the Department/ Division Head, the immediate superior of the employee will implement it. This means that the immediate superior will talk to the employee and explain the penalty to be imposed and the reason for it. He will take careful note of

the employee's reactions since this may prove helpful in correcting, if possible, the employee.

## **9. Grievance Procedures**

- 9.1** A grievance may arise from the number of causes. It may be because of a disciplinary penalty, which the employee's views as being unjustified or excessively harsh.
- 9.2** Whether the cause is real or imagine, the grievance must be heard, evaluated and acted upon one way or another.
- 9.3** There are three levels at which grievances are handled: First - Immediate supervisor Second - Department/Division Head Third - Chief Executive Officer
  - 9.3.1** As a general rule, a grievance must first be presented to & discuss with the employee's immediate superior. This requirement is intended to give the immediate superior, who is closed to the situation, the first opportunity to hear and settle the grievance. If it is not settled satisfactorily at this level, then the employee concerned may elevate it to the Department/Division Head level and finally Chief Executive Officer.
- 9.4** Certain guidelines must be observed in processing grievances in any of the levels. These include the following:
  - 9.4.1** With an open mind, hear the version of the employee who is presenting the grievance. Even if the grievance is in writing, it is often helpful to talk to the "aggrieved" employee and ask him/her for elaboration and/or clarification.

## **GENERAL PROVISIONS**

The penalty of dismissal should not be imposed without due process. The report will be reviewed by the Department/Division Head for perusal and/or approval. The notice of dismissal shall be signed by the Human Resources. When a violation results in injury to person or damaged to a property or both, the offender may be required to pay in full or in part the amount of damage caused by his act, omission or negligence as determined by the Department/ Division Head. When a single act constitutes two or more offenses or is a necessary means for committing the other, the penalty for more serious offense shall be imposed. The company can place the employee concerned under Preventive Suspension as provided for under the law, if his/her continued stay poses a serious and imminent threat or danger to the life or property of the company or his/her co-employees, pending the result of the investigation No Preventive Suspension shall last longer than thirty (30) days. However, the company may extend the period provided the company pays for the wages and benefits due to the employee concerned. Imposition of any of the penalties shall be without prejudice to any civil or criminal actions by the company or parties concerned. Anyone who is convicted of crime against persons or property or a crime involving moral aptitude, regardless when or where committed shall be subjected to immediate outright dismissal.