

## **RISKS FACING THE ECC**

The Employees' Compensation Commission with its mandate to initiate, rationalize and coordinate the policies of the employees' compensation program is continuously attentive to the possible risks that may affect the organization.

The risks that ECC face relates to its programs and activities - policy formulation, secretariat operations, case disposition, rehabilitation and information dissemination.

### ***POLICY RISKS***

This is the risk that EC members may not be able to secure EC benefits that are adequate and responsive.

The ECC has a strong commitment to make the EC benefits adequate and responsive to the needs of persons with work-related disability (PWRDs) through comprehensive policy research in close coordination with the two implementing agencies of the ECP, GSIS and SSS, and other concerned agencies.

Actuarial studies are also coordinated with the Systems to ensure that the SIF is stable to be able to pay the adequate amount of EC benefits.

In overseeing the management of the SIF to ensure its stability for EC claims payment, there are likewise risks involved. Close coordination with the Systems through regular reporting of the status of the SIF investments and claims administration helps mitigate these risks. Policies are issued to ensure that the investment and administration of claims are in accordance with laws and maximizes opportunities.

### ***OPERATIONAL RISK***

This is the risk in delivering services to ECC's clients that may be caused by several factors such as ineffective processes and people.

This risks may result to low awareness of the ECP and inaccessibility of the benefits and services as a social protection program that will prevent PWRDs from becoming vulnerable or marginalized.

The present employees' compensation system is implemented by three independent agencies namely: the Employees' Compensation Commission (ECC) and the administering agencies, the Social Security System (SSS) and the Government Service Insurance System (GSIS).

The fragmented implementation of the ECP by three independent agencies has resulted into the following: (a) inequity to beneficiaries resulting from the different interpretation of policies of the SSS and the GSIS; (b) contrasting performance of the GSIS and the SSS-managed State Insurance Fund; (c) bureaucratic problems; (d) high administrative costs in the maintenance of 3 agencies mandated to implement the same program; and (e) low priority being given by the Systems to the ECP because of their respective primary mandates.

Regular and constant consultation meetings with the implementing agencies, including the signing of a Service Level Agreement to establish collaboration/cooperation, as well as proper data sharing with the Systems helps in mitigating these risks.

The adoption of a quality management system through certification under ISO 9001:2008 also helps in ensuring that ECC processes are constantly monitored for compliance to quality and for continuous process improvement.

With the changes in internal and external work environment, employees need to be dynamic and capacitated to be able to respond to the challenges in providing EC benefits.

The recruitment system and capacity building program for ECC personnel involves determination of detailed qualification requirements and competency gaps to ensure that personnel helps in achieving the operational goals of the organization. The establishment of ECC Regional Extension Units in the different regions also ensure that the organization is able to reach more clients.

### ***EFFECTIVITY OF PROGRAMS RISKS***

This involves the risks that the outcome of ECC programs such as the Kagabay Program may not be attained. For instance, to sustain the livelihood programs of PWRDs, ECC has to constantly monitor and mentor them.

To mitigate the sustainability risk, ECC converges with other government agencies for start-up capital and incorporate social preparation in the livelihood program.

ECC likewise assisted the PWRDs in organizing themselves into an association and a cooperative to ensure that they also help each other in developing their businesses. Continuous assistance is provided to the association by ECC. And the establishment of similar associations in the regions is being looked into.

## ***MEDIA RISKS***

This refers to negative impressions / feedback of the public to the EC program as well as ECC personnel.

An ECC client satisfaction measurement is being implemented to manage this. A third party client satisfaction survey is also being prepared.

Customer satisfaction trainings and mentoring are also conducted to mitigate negative impressions on the ECC.

## **MANAGING THE RISKS**

The Executive Committee of the ECC composed of the Executive Director, the Deputy Executive Director, the Chiefs of the different Divisions namely: Administrative Division, Finance Division, Policy, Programs and Systems Management Division (PPSMD), Work Contingency Prevention and Rehabilitation Division (WCPRD) and Information and Public Assistance Division (IPAD) and the Head of the Internal Audit Unit (IAU) convenes regularly to assess the risks.

Through the Quality Management Systems (QMS) of the organization these risks are likewise mitigated and managed.