

Title:

****Teletech Customer Care Management Philippines, Inc. vs. Mario Gerona, Jr.: A Case of Illegal Dismissal****

Facts:

Teletech, engaged in business process outsourcing, hired Mario Gerona, Jr. as a technical support representative on July 21, 2008, who became a regular employee by January 17, 2009. On October 30, 2009, Teletech informed Gerona of his transfer to the Telstra account, contingent upon passing specific examinations, which Gerona refused, believing it infringed on his tenure security. He was informed about the redundancy of his position and was dismissed on December 16, 2009, leading him to file a complaint for illegal dismissal, backwages, and reinstatement or separation pay, along with moral, exemplary damages, and attorney's fees against Teletech and its management before the NLRC in Bacolod City.

The labor arbiter dismissed Gerona's complaint, ruling the dismissal due to redundancy. Gerona appealed to the NLRC, arguing the labor arbiter ignored his position paper and claimed the dismissal lacked legal merit, but the NLRC affirmed the labor arbiter's decision. Gerona then moved to the CA, which reversed the prior decisions, finding the dismissal illegal as it was not proven that Gerona's position was redundant and that the transfer offer was prejudicial.

Issues:

1. Whether Gerona's dismissal on the ground of redundancy was valid.
2. Whether the offer of transfer to the Telstra account constituted an infringement on Gerona's right to security of tenure.

Court's Decision:

The Supreme Court denied Teletech's Petition for Review on Certiorari, affirming the CA's decision that Gerona was illegally dismissed. It held that Teletech failed to substantiate the claim of redundancy with adequate evidence, principally relying on self-serving affidavits without showing tangible decline in business necessitating dismissal for redundancy. Furthermore, the Court noted that conditioning Gerona's continued employment on passing the transfer examinations was prejudicial, impinging upon his right to security of tenure.

Doctrine:

For a valid dismissal due to redundancy, the employer must: (1) serve written notice to the employees and DOLE at least one month prior to the intended termination; (2) pay separation pay; (3) act in good faith in abolishing the redundant positions; and (4) use fair and reasonable criteria in determining redundancy.

Class Notes:

1. **Security of Tenure**: Employees are protected against dismissal unless for just or authorized causes and after due process.
2. **Redundancy**: Having more employees than necessary, which can be a ground for dismissal provided specific conditions are met, including proper notification and payment of separation pay.
3. **Procedural Due Process in Dismissal**: Requires serving at least a month's notice before termination and a valid reason for dismissal.
4. **Burden of Proof**: In dismissal cases, the employer must prove the legality of the termination.
5. **Separation Pay in lieu of Reinstatement**: Awarded when the employment relationship is deemed too strained, based on one month's salary for every year of service.

Historical Background:

This case illustrates the legal challenges surrounding employee dismissals on the grounds of redundancy in the Philippine setting, particularly in the BPO industry. It underscores the importance of employers substantiating their claims with clear evidence and respecting employee rights, including security of tenure, amidst business operational adjustments.