Title: Woodridge School (Now Known as Woodridge College, Inc.) vs. Joanne C. Pe Benito and Randy T. Balaguer

Facts:

Woodridge School, an educational institution in Cavite, engaged Joanne C. Pe Benito and Randy T. Balaguer as high school teachers on a probationary basis starting June 1998 and June 1999, respectively. Both were hired for a three-year probationary period. Issues began when the teachers raised concerns about school practices, including an NSAT/NEAT anomaly. The situation escalated to public media exposure of the said anomaly, after which the school issued memoranda accusing them of various infractions and suspended them for 30 days. Subsequently, their employment was terminated for failure to meet performance standards and misconduct. An illegal suspension complaint was filed by the respondents (teachers) with the NLRC, later amended to include illegal dismissal after their termination. The Labor Arbiter dismissed the complaint, a decision upheld by the NLRC. However, the Court of Appeals (CA) reversed the NLRC ruling, finding the suspension and dismissal illegal. The school appealed to the Supreme Court, questioning the CA's ruling.

Issues:

- 1. Whether the Court of Appeals erred in its reversal of the NLRC's findings.
- 2. The legality of the preventive suspension and eventual dismissal of the respondents based on the presented grounds.
- 3. The propriety of awarding moral and exemplary damages to the respondents.

Court's Decision:

The Supreme Court denied the petitioner's appeal, affirming the CA's decision. It ruled that:

- The procedural flaw regarding the certification against forum shopping was not fatal to the respondents' cause. Substantial compliance under the circumstances sufficed.
- The respondents' acts did not constitute serious misconduct to warrant dismissal. The Court noted that the school's allegations were unsubstantiated and found the dismissal to be done in bad faith, retaliatory for the respondents' expose of the NSAT/NEAT anomaly.
- The probable cause for preventive suspension was improperly established; the alleged misconduct did not pose a severe threat justifying such action.
- The award of moral and exemplary damages was upheld, given the bad faith and damaging acts of the petitioner against the respondents.

Doctrine:

The case reiterates the principles governing probationary employment under Philippine

labor law, underscoring the employer's duty to provide substantial evidence for dismissal and uphold procedural due process. It emphasizes that allegations of misconduct must show a clear connection to work performance or behavior, with a demonstration of wrongful intent for justification of termination.

Class Notes:

- 1. **Probationary Employment:** Security of tenure for probationary employees is limited to the period of their probation. They cannot be dismissed except for cause or failure to qualify as regular employees based on known standards.
- 2. **Misconduct as Ground for Dismissal:** Misconduct justifying dismissal must be serious, relate to the employee's work, and be shown to have been committed with wrongful intent.
- 3. **Procedural Due Process in Termination**: Employers must follow the twin requirements of substantive (valid cause) and procedural (notice and hearing) due process in terminating employment.
- 4. **Preventive Suspension:** Can only be valid if the employee's continued employment poses a serious and imminent threat to the life or property of the employer or co-workers.
- 5. **Moral and Exemplary Damages**: Awarded in cases of dismissal where there's evidence of bad faith, fraud, acts oppressive to labor, or acts contrary to morals, good customs, or public policy.

Historical Background:

This case is illustrative of disputes arising within the educational sector in the Philippines, showcasing the balance between upholding the rights of probationary employees and the authority of educational institutions to enforce standards. It reflects the legal protections afforded to employees under Philippine law, emphasizing the need for fairness, due process, and substantial evidence in employment termination decisions.