

Title: St. Luke's Medical Center, Inc. vs. Maria Theresa V. Sanchez, G.R. No. 211074

Facts:

Maria Theresa V. Sanchez was employed by St. Luke's Medical Center, Inc. (SLMC) as a Staff Nurse in the Pediatric Unit starting June 29, 2009. On May 29, 2011, Sanchez was apprehended by a security guard while leaving SLMC premises with a pouch containing medical supplies, including various syringes, micropore, cotton balls, and gloves.

She was directed to write an Incident Report and submitted a handwritten letter apologizing for her actions, admitting she brought the items home for personal use despite knowing it was against SLMC's policy. Sanchez explained subsequently that these items were excess stocks from discharged patients, kept temporarily by nurses for immediate use if needed.

Sanchez was then placed under preventive suspension starting June 3, 2011, and eventually terminated on July 6, 2011, for acts of dishonesty, allegedly violating Section 1, Rule I of the SLMC Code of Discipline.

Sanchez filed a complaint for illegal dismissal with the National Labor Relations Commission (NLRC), stating she had no intent to steal and that her notation was done under duress and without legal counsel.

The Labor Arbiter ruled in favor of SLMC, finding Sanchez validly dismissed. However, the NLRC reversed the decision, emphasizing that hoarding excess supplies was a tolerated practice in the Pediatric Unit and that Sanchez did not attempt to fraudulently or maliciously misappropriate the supplies. SLMC's appeal to the Court of Appeals (CA) reaffirmed the NLRC decision, which led to SLMC's petition to the Supreme Court.

Issues:

1. Whether Sanchez's dismissal was valid due to a just cause.
2. Whether Sanchez's handwritten admittance without presence of counsel affected the judgment of her wrongful elements.

Court's Decision:

The Supreme Court ruled in favor of St. Luke's Medical Center, Inc., concluding the dismissal valid and for just cause.

1. Valid Dismissal: The Court underscored the management prerogative of an employer to enforce a Code of Discipline, asserting that employees must adhere to established company

rules and policies. Sanchez admitted to knowingly taking medical items against hospital policy, constituting a willful breach of rules justifiable under Article 296 of the Labor Code concerning serious misconduct or willful disobedience.

2. Admittance without Legal Counsel: The Court held that Sanchez's handwritten confession was admissible since the inspection and subsequent investigation were conducted by private security and hospital officials and did not fall under custodial investigation necessitating presence of counsel.

#### Doctrine:

The case reaffirmed the employer's management prerogative to discipline employees for disobedience to lawful and reasonable rules established for the operation of its business. Intent to gain can be presumed from the act of taking items considered company/patient property, regardless of whether criminal charges are filed.

#### Class Notes:

##### Key elements:

- **Management Prerogative** (Labor Law): The employer's right to regulate all aspects of employment including discipline and dismissal is crucial as long as done within reasonable boundaries and good faith.
- **Article 296 of Labor Code**: Provides just causes for termination, including serious misconduct and willful disobedience.
- **Intent to Gain**: Presumed in theft and pilferage when an employee knowingly takes items contrary to company policy.

#### Statutory Provisions:

- **Article 296 (formerly Article 282) of the Labor Code**: Justifies termination for serious misconduct or willful disobedience of lawful orders.
- **SLMC Code of Discipline (Section 1, Rule I)**: Provisions regarding acts of dishonesty, including theft, pilferage, and unauthorized taking of hospital property.

#### Historical Background:

The case is a significant reinforcement of the scope and power of managerial prerogative in the Philippines, particularly with regards to regulating workplace behavior, discipline, and addressing potential misconduct by employees within lawful parameters. It also illustrates the duty of employees to follow reasonable and known company policies faithfully.