

JEFFREY O. TORREDA, PETITIONER, VS. TOSHIBA INFORMATION EQUIPMENT (PHILS.), INC., AND GERARDO C CRISTOBAL, JR., RESPONDENTS.

G.R. NO. 165960. February 08, 2007

Ponente: CALLEJO, SR., J.

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CALLEJO, SR., J.:

Before the Court is a petition for review on certiorari under Rule 45 of the Rules of Court questioning the Decision[1] of the Court of Appeals (CA) in CA-G.R. SP No. 76289 and the Resolution[2] denying the motion for reconsideration thereof. The appellate court affirmed the November 15, 2002 Resolution[3] of the National Labor Relations Commission (NLRC) in NLRC RAB IV Case No. 3-10931-99-L (CA No. 023462-2000).

The Antecedents

Jeffrey O. Torreda was employed by Toshiba Information Equipment (Phils.), Inc. as a finance assistant[4] (on a probationary basis) on July 1, 1997. He was mainly responsible for payroll processing and management, and for the bookkeeping of T&P Properties, Inc.[5] Effective January 1, 1998, he was employed on a regular basis as finance accountant[6] under the Finance and Accounting Department headed by Kazuo Kobayashi, Vice-President, and Teresita Sepulveda, Finance Manager.[7] He was tasked to do the following:

- (i) processing of the payrolls of the employees of the Company, (ii) maintenance of reports on year-to-date earnings and taxes withheld, monetary benefits, and government contributions, (iii) preparation of vouchers related to payroll accounts of the employees, (iv) preparation and reconciliation of payment of taxes withheld and file tax returns, and (v) preparation of reportorial requirements of government agencies and regulatory bodies.[8]

On May 22, 1998, Torreda and his four co-employees in the Finance and Accounting Department reported to Senior Vice-President Hisao Tanaka that, before and after the reorganization, Finance Manager Teresita Sepulveda had ordered them to prepare petty cash vouchers in their names and that the sums covered by the vouchers were received by Sepulveda for her own personal use.[9] Tanaka told them that he would bring the matter to Gerardo Cristobal, Jr., the Manager of the Human Resources Department.[10] Consequently, Sepulveda was barred from approving petty cash vouchers with an amount beyond P1,000.00. She was also required to make monthly reports of petty cash vouchers to the Senior Vice-President. Thus, restrictions were imposed on Sepulveda's authority to approve petty cash vouchers.[11]

On July 22, 1998, Sepulveda opened Torreda's personal computer and read his Lotus Notes mail and other personal files, specifically the report he had sent to Tanaka about her. She reprimanded Torreda and told him that he should not send mails to Tanaka without her approval.[12] Upset over Sepulveda's actuations, Torreda reported the incident via electronic mail (e-mail) to Tanaka[13] on the same day. He complained that Sepulveda had no right to open the computer because it was his, and it contained his personal files. He told Tanaka that Sepulveda used to open the employees' computers; hence, she could no longer be trusted.[14]

Sepulveda filed a complaint against Torreda with the Human Resources Department (HRD) for repeated tardiness during the period of April to July 1998.

On August 27, 1998, Sepulveda ordered Torreda to make a summary of payroll overpayments from October 1996 to June 1998.[15] Torreda refused and informed Sepulveda that all countermeasures for immediate and long-term solutions had been identified, and that what was needed was a strict implementation of countermeasures.[16] He further questioned the propriety of his being ordered to prepare financial summaries starting October 1996, when he was employed only on July 1, 1997.[17]

From September 1 to 3, 1998, Sepulveda received complaints from separated employees regarding full salary claims, and from incumbent employees on maternity and other benefits. Torreda failed to process the claims before taking a leave of absence on September 3, 1998. In order to retrieve the claimants' payrolls and Social Security Services (SSS) files, which Torreda kept in his drawer, Sepulveda, with prior approval from Kobayashi, had the drawer forcibly opened by Ruben delos Santos, a staff member of the General Administration Section. The drawer was opened in the presence of Oscar Eusebio, Noralyn Florencio and Flor Berdin of the Finance Department. The claims of the employees were later processed and released.[18] As shown by official records, Torreda went to his office on September 5, 1998, a Saturday, and stayed thereat for several hours.

On September 7, 1998, Sepulveda requested Torreda to submit his key for duplication to prevent similar incidents.[19] Torreda refused. Sepulveda sent a formal request via e-mail directing him to turn over his drawer key to the General Administrator of the company for duplication and to explain in writing why he refused to surrender his key.[20] Torreda replied via e-mail to Sepulveda, to wit:

I WILL ONLY GIVE YOU THE DUPLICATE COPY (sic) IF YOU CAN PROVIDE ME WITH OR (SIC) AN EXPLANATION OF THE FOLLOWING:

- 1.) TIP policy on Key duplication to be submitted to your possession (sic).
- 2.) Why is it (sic) that my Php 200.00 pesos (sic) in my drawer is missing (or STOLEN, by WHO ELSE___)?? Because you are the only one who FORCIBLY open (sic) my drawer without my knowledge. This is a plain and simple robbery on your part...[21]

Torreda furnished copies of this e-mail to Cristobal, Kobayashi, Tanaka and N. Florencio, the Senior Manager of the HRD, Manager of General Administration, Vice-President for Finance, Senior Vice-President and Financial Analyst of the company, respectively.

Torreda then accomplished the company complaint form against Sepulveda declaring that at 8:00 a.m. on September 7, 1998, he discovered that two P100.00 bills he kept in his drawer were missing. He noted that his drawer had been forcibly opened before by Ruben delos Santos on Sepulveda's orders.[22]

On the same day, Sepulveda sent to the HRD a complaint/request for investigation (via e-mail) regarding Torreda's accusation and his abusive and rude behavior.[23] The complaint reads:

This is to formally file a complaint against one of my staff, Mr. Jeffrey Torreda. In this statement below, he blatantly accused me of robbery for the P200.00 missing in his drawer. This is a fabrication of a story and I felt very much humiliated by his words.

Would like to request for an investigation to be conducted to clear my name of this incident. I cannot be silent and accept this as simple error when my name and career are at stake. This is a clear case of misrepresentation. In my position as the Finance Manager of TIP, integrity is the most important virtue that I have to project and protect. Mr. Torreda, thru his misrepresentation particularly to top management, caused damage to my image.

I pray for justice. Lest this act of Mr. Jeffrey Torreda will happen again.[24]

On September 7, 1998, a conference was held in the office of Kobayashi between Torreda, Cristobal and Sepulveda. Torreda claimed that Sepulveda never informed him that his drawer needed to be opened. He pointed out that some employees of the Finance and Accounting Section knew his contact numbers. Sepulveda, for her part, claimed that she did not have the contact numbers of Torreda, hence, was unable to contact him before his drawer was opened. Kobayashi told Sepulveda that she should have the contact numbers of those in the Finance and Accounting Section.

Maximo Dones of the General Administration Section conducted an investigation of the complaint against Sepulveda. On September 8, 1998, he submitted a Report where he declared that there was no factual basis for Torreda's "robbery" charge against Sepulveda.

In a separate development, the HRD issued a "written warning" on September 10, 1998 to Torreda, in reference to his tardiness from April to July 1998 (the matter Sepulveda had earlier complained of).[25]

The next day, September 11, 1998, Sepulveda and Kobayashi directed Torreda to explain, in writing, within 48 hours why no disciplinary action should be taken against him for the following violation against the company:[26]

Offenses against the Company: Insubordination - Refusal or neglecting to obey the order of the supervisor or superior x x x. in reference to the Sept. 10 incident.[27]

He was warned that failure to submit the Employee's Written Explanation Form within the given period would be considered as an admission of the offense.[28]

Torreda, for his part, sent an e-mail message to Hisao Tanaka on September 11, 1998, where he complained against Sepulveda for the following offenses/violations:

A.) ABUSE OF POSITION IN THE COMPANY TO GAIN PROFIT OR ADVANTAGE FROM THE EMPLOYEE

UNDER HER SUPERVISION. -- 1[st] Offense DISMISSAL

B.) UNAUTHORIZED OPENING OF ANOTHER'S LOCKER, DRAWER OR OFFICE -- 1[st] Offense DISMISSAL

C.) FALSIFYING COMPANY RECORDS AND OR DOCUMENTS -- 1[ST] Offense DISMISSAL

D.) FALSE REPORTING -- 1[ST] Offense DISMISSAL

E.) OTHER CASE OF DISHONESTY AND MISREPRESENTATION -- 1[st] OFFENSE DISMISSAL

F.) COERCING, INTIMIDATING AND THREATENING -- 1[st] Offense SUSPENSION

G.) CARELESSNESS OR NEGLIGENT SUBMISSION OF ANY ITEM OF EXPENSE. 1[st] Offense DISMISSAL [29]

Meanwhile, Sepulveda approved Torreda's paternity leave from September 12 to September 21, 1998.[30] Torreda received the directive of Sepulveda and Kobayashi on September 13, 1998, but failed to submit his written explanation on the charges against him.

Torreda then applied for leave for the period beginning September 22, 1998 up to October 2, 1998, but Sepulveda disapproved the same.[31]

On October 2, 1998, the General Administration (GA) Department recommended that Torreda be dismissed

conformably with its findings that he committed grave slander under the company's Employee Handbook.

Torreda submitted his written explanation[32] to Sepulveda's complaint for grave slander only on October 6, 1998. He alleged that he had the right to accuse Sepulveda of stealing because she was the one who ordered his drawer forcibly opened. His charge of robbery against her was the normal reaction of one who finds out that something he owns is missing due to an unlawful act. He pointed out that he had been a victim of Sepulveda's unauthorized acts on prior occasions. She repeatedly opened his computer and his drawer on September 10 and 11, 1998 while he was on leave. Had Sepulveda acted rightly, he (Torreda) would not have committed grave slander against her.[33] He also pointed out that since his contact numbers were known to his officemates, Sepulveda should have called him up before ordering the opening of his drawer on September 3, 1998.[34]

In a letter [35] addressed to Hisao Tanaka dated October 7, 1998, Torreda, Finance Supervisor Visitacion Agustin, and Finance Assistant Rowena Alinas demanded that appropriate action be taken against Sepulveda for various offenses or violations. They alleged that Sepulveda had degraded and humiliated them (specifically Torreda); that she looked into their personal computer files without authority; that she mishandled and appropriated for herself the company's petty cash; that she forcibly opened the drawer of Torreda resulting in the loss of documents and money; that there were cases of negligent payment of SSS contribution and under-declaration of withholding tax due to Sepulveda's fault; that Torreda was warned for tardiness without due process; that Sepulveda unjustifiably disapproved Torreda's leave application; that Torreda was stripped of his duties and responsibilities and given new ones alien to him; that she intimidated Torreda by ordering the removal of his Lotus Notes Software from his computer without any explanation; that she deliberately caused the payments of allowances to employees who were not entitled thereto and the deduction of performance bonuses from employees so entitled; and that overpayments of salaries to several employees occurred due to Sepulveda's negligence in checking the payroll.

On October 14, 1998, Torreda received a letter [36] from Gerardo Cristobal, Jr. informing him that his employment had been terminated effective at the end of official working hours on that day, for grave slander, which under the Employee Handbook is punishable by dismissal. [37] The letter of termination reads:

After a thorough review and evaluation of the Grave Slander charge by your superior and your reply/explanation, the following points become relevant; (sic)

- While we have a policy prohibiting unauthorized opening of Employee lockers/drawers, your superior, Ms. Teresita Sepulveda sought the approval of your Department Head/Vice President. This approval made the action of opening your drawer authorized and official.
- Your Department Head/Vice President authorized the opening of your drawer to locate and retrieve vital documents needed last September which was (sic) under your custody.
- Several employees witnessed the opening and the retrieval of the said vital documents from your drawer by your superior and testified they did not see any money inside the drawer nor any taken by your superior.
- Your claim that there was (sic) Pesos 200 in your drawer is not substantiated.
- You reported the alleged loss to GA on Monday, September 7, 1998 yet you spent several hours at the office the previous Saturday, September 5, 1998 per our official records. Mr. Maximino Dones of General Affairs did not receive any report of loss then. It would seem natural for an Employee to report immediately the loss of his money upon discovering that his drawer was opened.
- Prudence and common sense dictate that personal properties including money should not be left behind (sic) in drawers and lockers which are Company properties.

Based on the Investigation Report submitted by Mr. Maximino Dones on September 8, 1998 of General Affairs

on your alleged theft complaint and the above considerations, we find your complaint against Ms. Sepulveda without basis and merit. Consequently, there is basis in the charge of Grave Slander against you by Ms. T. Sepulveda when you called her a 'robber' in your e-mail dated September 7, 1998 addressed to her.

Your false accusation has caused her undue embarrassment and has cast aspersion on her character as Manager of TIP. This is strengthened by the fact that you furnished a copy of the said e-mail to other parties, e.g., K. Kobayashi, R. Suarez, N. Florencio and H. Tanaka.

As a subordinate, you (sic) action shows an utter disrespect and disregard to her as a person of authority and the Company considers this a grave and serious violation of our existing policies on Offenses Related to Conduct and Behavior. And as stated in our Employee Handbook, the penalty for Grave Slander is Dismissal for the first offense.

In view hereof, you are hereby formally informed that your employment with Toshiba Information Equipment (Phils.), is terminated effective at the end of official working hours today October 14, 1998.

Please comply with the relevant post-employment requirement of the Company by surrendering your accountabilities to HRA through Ms. Candice Cipriano to enable us to process your last salary.

(Sgd.) GERARDO C. CRISTOBAL, JR.
Senior Manager, HRA[38]

On March 23, 1999, Torreda filed a complaint[39]for illegal dismissal against Cristobal and Toshiba. The case was docketed as NLRC RAB IV Case No. 3-10931-99-L.

On February 15, 2000, the Labor Arbiter rendered a Decision,[40]declaring that Torreda's dismissal from employment was unjustified. The series of events indicated that Torreda was harassed by Sepulveda because of his exposè of irregularities she had committed. The opening of his drawer formed part of her harassment tactics.[41] Thus, Torreda had all the right to demand an explanation for the forcible opening of his computer files and drawer which resulted in the loss of some amount of money.[42]

The Labor Arbiter also ruled that respondent Toshiba did not observe the rudiments of due process in terminating Torreda's employment. The result of the investigation on the charges against him came out on October 2, 1998, or four days before Torreda submitted his written explanation to the charges. [43]The fallo of the decision reads:

WHEREFORE, foregoing premises considered, respondent company is found guilty of illegal dismissal and is hereby ordered to reinstate the complainant to his former position without loss of seniority rights and to pay him backwages in the amount of P238,745.00 [(P14,692.00 x 15 months = P220,380.00) + (13th month pay P220,380.00/12 = P18,365.00)] computed from the time of dismissal up to the date of this decision. In the event that reinstatement is no longer possible, respondent company is hereby ordered to pay complainant separation pay in the amount of P44,076.00 (P14,692.00 x 3 years) plus backwages.

SO ORDERED.[44]

Aggrieved by the decision, respondents appealed the case to the NLRC.[45] They maintained that the sending of an e-mail message containing insulting and offensive words, and false and malicious statements against his immediate superior (Sepulveda), clearly intended to cause dishonor, is not only destructive of the morale of his co-employees and violative of company rules and regulations; it also constitutes serious misconduct that would justify dismissal from employment.[46] The requirement of due process was further met, since the termination of the complainant was made on October 14, 1998, or eight (8) days after the company received his explanation to the charges against him.[47]

On November 15, 2002, the NLRC reversed the decision of the Labor Arbiter. [48] The NLRC ratiocinated that

the complainant committed the infraction of accusing his immediate superior of stealing P200.00 and calling her a robber (through an e-mail message), without any evidence at all, and forwarding copies to the other officers of the company. The NLRC declared that this infraction constitutes serious misconduct, a just cause for dismissal under Article 282(a) of the Labor Code, as amended.

The NLRC declared that considering the urgency of the situation, it was necessary to open the drawer of Torreda: there had been numerous follow-ups from separated employees regarding their pending final salary payments, and from incumbent employees claiming maternity and sickness benefits under the SSS, and processing these applications was part of complainant's responsibilities. Moreover, the opening of the drawer was conducted in the presence of Oscar Eusebio, Noralyn Florencio and Flor Berdin, who were employees of the Finance Section, with prior notice to Kobayashi, Vice-President for Finance.[49]

The NLRC further held that disrespect to company officials and staff members constitutes serious misconduct which means a transgression of some established rule of action, a forbidden act, a dereliction. Consequently, pursuant to Article 279 of the Labor Code of the Philippines, as amended, the complainant is not entitled to reinstatement to his former position without loss of seniority rights and privileges, or to payment of any separation pay, in lieu of reinstatement, or payment of any backwages and other benefits.[50] The NLRC cited the ruling of this Court in *Gutierrez v. Baron*. [51] The dispositive portion of the decision reads:

WHEREFORE, premises considered, the Appeal is hereby GRANTED. Accordingly, the Decision appealed from is VACATED and a new one ENTERED dismissing the instant case for lack of merit.

SO ORDERED.[52]

When his motion for reconsideration[53] was denied by the NLRC in its January 27, 2003 Resolution,[54] Torreda filed a petition for certiorari[55] before the CA on April 1, 2003. He alleged that the NLRC committed grave and patent abuse of discretion amounting to lack or excess of jurisdiction in setting aside the Labor Arbiter's decision and in finding that his dismissal was justified.[56]

Unpersuaded, the CA rendered judgment dismissing the petition on February 27, 2004.[57] It affirmed the NLRC ruling dismissing petitioner's complaint. However, the appellate court found that petitioner committed grave slander when he concocted the charge of theft against Sepulveda, the penalty for which, under the Employee's Handbook, is dismissal.[58]

Petitioner timely filed his motion for reconsideration[59] which the appellate court denied in its May 13, 2004 resolution.[60]

Petitioner, thus, filed the instant petition insisting that the Court of Appeals seriously erred in holding that the dismissal of the petitioner was legal.[61]

Petitioner contends that the ground for his termination does not fall among the just causes stated in Article 282 of the Labor Code, as amended.[62] The alleged grave slander was in response to Sepulveda's September 7, 1998 e-mail requesting him to submit the key of his drawer for duplication. [63] He reacted in that manner because Sepulveda had previously harassed him. [64] In fact, he wrote Tanaka, on September 11, 1998, requesting for assistance on the offenses committed by his direct superior. Instead of penalizing Sepulveda, however, respondent Toshiba dismissed him from the service for alleged grave slander. [65]

In their Comment,[66] respondents Toshiba and HR Manager Cristobal assert that the issues raised by petitioner involve questions of fact and not of law, which are improper in an appeal by certiorari under Rule 45.[67] The factual findings and conclusion of the NLRC, which were affirmed by the CA, should be accorded with respect and finality.[68]

The petition is denied for lack of merit.

It bears stressing that what petitioner filed before the CA was one for certiorari under Rule 65 of the Rules of Court. Thus, he was burdened to prove that the NLRC committed grave abuse of discretion amounting to excess or lack of jurisdiction when it dismissed his petition. The Court has invariably defined "grave abuse of discretion," thus:

x x x By grave abuse of discretion is meant such capricious and whimsical exercise of judgment as is equivalent to lack of jurisdiction, and it must be shown that the discretion was exercised arbitrarily or despotically. For certiorari to lie, there must be a capricious, arbitrary and whimsical exercise of power, the very antithesis of the judicial prerogative in accordance with centuries of both civil law and common law traditions.[69]

Mere abuse of discretion is not enough.[70] The only question involved is jurisdiction, either the lack or excess thereof, and abuse of discretion warrants the issuance of the extraordinary remedy of certiorari only when the same is grave, as when the power is exercised in an arbitrary or despotic manner by reason of passion, prejudice or personal hostility. A writ of certiorari is a remedy designed for the correction of errors of jurisdiction and not errors of judgment.[71] An error of judgment is one which the court may commit in the exercise of its jurisdiction, which error is reversible only by an appeal.[72] In *Cosep v. NLRC*, [73] this Court held that decisions of administrative agencies which are declared final by law are not exempt from judicial review for want of substantial basis in fact and in law.

A careful review of the decisions of the NLRC and the CA reveal that they differ on their bases for the dismissal of petitioner's complaint. The NLRC declared that the charge of robbery which was fabricated by petitioner against his immediate superior, Sepulveda, constitutes serious misconduct punishable by dismissal under Article 282(a) of the Labor Code; in contrast, the CA ruled that petitioner committed grave slander - an act punishable by dismissal under the Employee's Handbook.

We hold that the CA correctly affirmed the NLRC Resolution ordering the Labor Arbiter to dismiss petitioner's complaint. However, the appellate court erred in ruling that petitioner committed grave slander against Sepulveda and in applying the Employee's Handbook as basis for his dismissal.

The rule in labor cases is that the burden is on the employer to prove that the dismissal of an employee is for a just or valid cause. Evidence must be clear, convincing and free from any inference that the prerogative to dismiss an employee was abused and unjustly used by the employer to further any vindictive end.[74] In this case, respondent Toshiba adequately proved that petitioner was dismissed for just cause.

The NLRC did not err much less commit grave abuse of its discretion when it based its ruling on Article 282(a) of the Labor Code on its finding that petitioner committed serious misconduct for falsely accusing his immediate superior of robbery. As the Court held in *Villanueva v. People*: [75]

Slander is libel committed by oral (spoken) means, instead of in writing. The term oral defamation or slander as now understood, has been defined as the speaking of base and defamatory words which tend to prejudice another in his reputation, office, trade, business or means of livelihood.

There is grave slander when it is of a serious and insulting nature. The gravity of the oral defamation depends not only (1) upon the expressions used, but also (2) on the personal relations of the accused and the offended party, and (3) the circumstances surrounding the case. Indeed, it is a doctrine of ancient respectability that defamatory words will fall under one or the other, depending not only upon their sense, grammatical significance, and accepted ordinary meaning judging them separately, but also upon the special circumstances of the case, antecedents or relationship between the offended party and the offender, which might tend to prove

the intention of the offender at the time. [76]

The false attribution by the petitioner of robbery (theft) against Sepulveda was made in writing; patently then, petitioner committed libel, not grave slander against Sepulveda. The malicious and public imputation in writing by one of a crime on another is libel under Article 353, in relation to Article 355, of the Revised Penal Code which reads:

Art. 353. Definition of libel. - A libel is a public and malicious imputation of a crime, or of a vice or defect, real or imaginary, or any act, omission, condition, status, or circumstance tending to cause the dishonor, discredit, or contempt of a natural or juridical person, or to blacken the memory of one who is dead.

x x x

Art. 355. Libel by means of writings or similar means. - A libel committed by means of writing, printing, lithography, engraving, radio, phonograph, painting, theatrical exhibition, cinematographic exhibition, or any similar means, shall be punished by prision correccional in its minimum and medium periods or a fine ranging from 200 to 6,000 pesos, or both, in addition to the civil action which may be brought by the offended party.

Indeed, an employee may be dismissed from employment for acts punishable by dismissal under Article 282(a) of the Labor Code, which reads:

Article 282. Termination by employer. - An employer may terminate an employment for any of the following causes:

(a) Serious misconduct or willful disobedience by the employee of the lawful orders of his employer or representative in connection with his work; x x x

In *Fujitsu Computer Products Corporation of the Philippines v. Court of Appeals*, [77] the Court explained the nature of serious misconduct as a ground for dismissal from employment:

Misconduct has been defined as improper or wrong conduct. It is the transgression of some established and definite rule of action, a forbidden act, a dereliction of duty, willful in character, and implies wrongful intent and not mere error of judgment. The misconduct to be serious must be of such grave and aggravated character and not merely trivial and unimportant. Such misconduct, however, serious, must nevertheless be in connection with the employee's work to constitute just cause for his separation. Thus, for misconduct or improper behavior to be a just cause for dismissal, (a) it must be serious; (b) must relate to the performance of the employee's duties; and (c) must show that the employee has become unfit to continue working for the employer. Indeed, an employer may not be compelled to continue to employ such person whose continuance in the service would be patently inimical to his employer's interest. [78]

There is abundant evidence on record showing that petitioner committed libel against his immediate superior, Sepulveda, an act constituting serious misconduct which warrants the dismissal from employment.

Petitioner maliciously and publicly imputed on Sepulveda the crime of robbery of P200.00. As gleaned from his Complaint dated September 7, 1999 which he filed with the General Administration, he knew that it was Delos Santos who opened his drawer and not Sepulveda. Thus, by his own admission, petitioner was well aware that the robbery charge against Sepulveda was a concoction, a mere fabrication with the sole purpose of retaliating against Sepulveda's previous acts.

The records show that Sepulveda was impelled to forcibly open petitioner's drawer. She needed to retrieve the benefits applications of retirees and incumbent employees of respondent-corporation, which petitioner had failed to process for payment before his leave. The claimants sought to have their claims approved and released with dispatch. Before opening petitioner's drawer, Sepulveda saw to it that she had Kobayashi's approval. Delos Santos

opened the drawer of petitioner in the presence of his co-employees in the Financial Section. Thereafter, the claims were processed and payments were effected. Thus, Sepulveda acted in good faith.[79]

Petitioner admitted that his charge of robbery/theft against Sepulveda was baseless, but claimed that he fabricated the charge because of his exasperation and anger at Sepulveda's repeated acts of opening his drawer without prior permission while he was on leave, not only on September 7, 1998 but also on September 10 and 11, 1998; he also pointed out that Sepulveda looked into his personal files in his computer. In fine, by falsely ascribing a crime to Sepulveda, petitioner was merely retaliating against perceived misdeeds she had committed against him. However, the manner resorted to by petitioner of redressing the wrong committed by Sepulveda is a criminal act. As the adage goes, the end cannot justify the means used by petitioner.

In *St. Michael's Institute v. Santos*,^[80] this Court held that the employer's right to conduct the affairs of his business, according to its own discretion and judgment, is well-recognized. An employer has a free reign and enjoys wide latitude of discretion to regulate all aspects of employment, including the prerogative to instill discipline in its employees and to impose penalties, including dismissal, upon erring employees. This is a management prerogative, where the free will of management to conduct its own affairs to achieve its purpose takes form.^[81] The law, in protecting the rights of workers, authorizes neither oppression nor self-destruction of the employer.^[82]

IN LIGHT OF ALL THE FOREGOING, the petition is DENIED. The Decision of the appellate court in CA-G.R. SP No. 76289 is AFFIRMED.

SO ORDERED.

Ynares-Santiago, Austria-Martinez, and Chico-Nazario, JJ., concur.

[1] Penned by Associate Justice Juan Q. Enriquez, Jr., with Associate Justices Roberto A. Barrios and Aurora Santiago-Lagman, concurring; rollo, pp. 40-46.

[2] Rollo, p. 47.

[3] *Id.* at 137-153.

[4] Records, p. 76.

[5] *Id.* at 78.

[6] *Id.*

[7] *Id.* at 78.

[8] *Id.* at 67.

[9] *Id.* at 4-5.

[10] *Id.* at 5.

[11] *Id.*

[12] *Id.*

[13] *Id.* at 16.

[14] *Id.*

[15] Id. at 80 and 82.

[16] Id. at 81.

[17] Id.

[18] Id. at 92.

[19] Id. at 93.

[20] Id. at 83.

[21] Id.

[22] Id. at 53.

[23] Id. at 84.

[24] Id. at 86.

[25] Id. at 20.

[26] Id. at 21.

[27] Id.

[28] Id. at 22.

[29] Id. at 17.

[30] Id. at 57.

[31] Id.

[32] Id. at 26.

[33] Id.

[34] In full, Torreda's letter-explanation reads:

6 October 1998

Mr. Gerardo Cristobal, Jr.

HRA Senior Manager

Toshiba Information Equipment (Phils.), Inc.

Laguna Technopark, Biñan, Laguna

Sir,

This is my explanation in response to the violation of "Grave Slander," filed against me by Ms. Teresita Sepulveda (sic) as follows; (sic)

(A) Attached please find (sic) the Complaint Affidavit filed to G.A. Section c/o Mr. Max Dones-Supervisor, last September 07, 1998 (a week after), in relation to the forcible opening of my drawer by Ms. Sepulveda and allowing it to be open for more than 29 hours resulting to the loss/missing (sic) of my Php 200.00. Ms. Sepulveda did not bother to inform me of such act, and during the meeting between Mr. Kobayashi, me, (sic) you and Ms. Sepulveda, she reason (sic) out that she has (sic) no copy of my contact numbers, even Mr. K. Kobayashi, agreed that she should have the list of contact numbers of her staff. Some of the Finance and Acctg. staff knows (sic) my

contact numbers and yet she doesn't know my number. This complain (sic) that I have filed to (sic) HRA has no concrete result up to now.

(B) Attached please find (sic) the lotus notes sent to Ms. Sepulveda last Sept. 07, 1998, in connection to (sic) the violations filed against me, please notice the following; (sic)

1.) That my memorandum was only a response to the intimidating and threatening notes sent to me by Ms. Sepulveda in retaliation to the complaint I have verbally announce (sic) to her during our one-on-one meeting on (sic) the morning of September 07, 1998 and for the written complaint I have filed against her to (sic) G.A. Section.

2.) That my memorandum was a demand for an explanation for the unlawful act committed by Ms. Sepulveda against me, as stated on (sic) the heading and no. 2 of the memorandum.

(C) Attached please find also, the lotus notes I have sent to you, that I'm requesting for an investigation for the incident and for the appropriate actions to be taken. As a proof that I'm requesting only for a relief of the complaint I have filed.

(D) I believed (sic) that I have the right to accuse her of stealing because my money was lost and she was the one who ordered the forcible opening of my drawer. Whatever meaning the last sentence of no. 2 of memorandum signifies, I know that this is the common or normal reaction of a person, if he will find out that there was a (sic) missing belongings due to unlawful act. Furthermore, this is not only the first time that Ms. Sepulveda has done his bad acts. The first time was when she opened my PC without my knowledge, she waited for me to get-up from my chair, and then immediately performed such act. The opening of my drawer was constantly repeated by Ms. Sepulveda on Sept. 10, 11, 1998 and during my leave days, and again without informing me of the said act. Without the unlawful act performed by Ms. Sepulveda there would have been any violations of Grave Slander?

Done in Toshiba Information (Phils.), Laguna Technopark, Biñan, Laguna on October 06, 1998

(Sgd.) Jeffrey O. Torreda
Finance Analyst"

[35] Records, pp. 27-30.

[36] Id. at 63-64.

[37]Id. at 91.

[38]Id. at 63-64.

[39] Id. at 1.

[40] Id. at 124-132. (Penned by Labor Arbiter Nieves De Castro)

[41] Id. at 130.

[42]Id. at 131.

[43]Id.

[44] Id. at 132.

[45]Id. at 138.

[46] Id. at 148.

[47] Id. at 150.

[48] Rollo, pp. 137-153.

[49] Id. at 145.

[50] Id. at 150-152.

[51] 105 Phil. 9. (1957)

[52] Rollo, p. 152.

[53] Id. at 154-156.

[54] Id. at 157-158.

[55] Id. at 159-175.

[56] Id. at 172.

[57] Id. at 40-46.

[58] Id. at 45-46.

[59] Id. at 176-178.

[60] Id. at 47.

[61] Id. at 21.

[62] Id. at 17-39.

[63] Id. at 32.

[64] Id. at 33.

[65] Id. at 35.

[66] Id. at 191-210.

[67] Id. at 200.

[68] Id. at 201 and 204.

[69] Rodson Philippines, Inc. v. Court of Appeals, G.R. No. 141857, June 9, 2004, 431 SCRA 469, 480.

[70] People v. Court of Appeals, G.R. No. 144332, June 10, 2004, 431 SCRA 610, 617.

[71] Philippine Rabbit Bus Lines, Inc. v. Galauran & Pilaes Construction Co., G.R. No. L-35630, November 25, 1982, 118 SCRA 664, 667.

[72] People v. Court of Appeals, *supra*, at 617.

[73] G.R. No. 124966, June 16, 1998, 290 SCRA 704.

[74] St. Michael's Institute v. Santos, 422 Phil. 723, 734 (2001).

[75] G.R. No. 160351, April 10, 2006, 487 SCRA 42.

[76] Id. at 53-54.

[77] G.R. No. 158232, March 31, 2005, 454 SCRA 737.

[78] Id. at 767-768.

[79] De Guzman v. People, G.R. No. 19075, March 23, 1968, 18 SCRA 706.

[80] Supra note 71.

[81] Id. at 732-733.

[82] Lopez v. National Labor Relations Commission, G.R. No. 167385, December 13, 2005, 477 SCRA 596, 602.

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