

## THIRD DIVISION

[ G.R. No. 229881, September 05, 2018 ]

**JONALD O. TORREDA, PETITIONER, VS. INVESTMENT AND CAPITAL CORPORATION OF THE PHILIPPINES, RESPONDENT.**

### DECISION

**GESMUNDO, J.:**

This is an appeal by *certiorari* seeking to reverse and set aside the June 13, 2016 Decision<sup>[1]</sup> and the February 9, 2017 Resolution<sup>[2]</sup> of the Court of Appeals (CA) in CA-G.R. SP No. 133505. The CA reversed and set aside the June 28, 2013 Decision<sup>[3]</sup> and the October 31, 2013 Resolution<sup>[4]</sup> of the National Labor Relations Commission (NLRC) in NLRC NCR-01-00610-12. The NLRC affirmed the September 27, 2012 Decision<sup>[5]</sup> of the Labor Arbiter (LA), a case for constructive dismissal.

#### *The Antecedents*

Jonald O. Torreda (*petitioner*) was hired by Investment and Capital Corporation of the Philippines (*respondent*) on May 17, 2010 as an IT Senior Manager and had a monthly salary of P93,200.00. He was tasked to supervise his team in the Information Technology (IT) Department and manage the IT-related projects. He reported to William M. Valtos, Jr. (*Valtos*), the Officer in-Charge of the IT Department and the Group President of the Financial Service of respondent.

Petitioner claimed that he instituted reforms in the IT management because the system was outdated and the staff members were unproductive. He had a falling out with the senior management as the Senior Vice President for the Pueblo De Oro Development Corporation wanted to interfere with the functions of the IT department. Further, in November 2011, respondent decided to create an IT-SAP project without the approval of petitioner.

On January 5, 2012, petitioner went to the office of Valtos for a closed-door conference meeting supposedly regarding his IT projects. In said meeting, Valtos discussed another matter with petitioner and told him that if his performance were to be appraised at that time, Valtos would give him a failing grade because of the negative feedback from the senior management and the IT staff. The performance appraisal of petitioner, however, was not due until May 2012.

Valtos then gave petitioner a prepared resignation letter and asked him to sign; otherwise, the company would terminate him. The said letter indicated that the resignation of petitioner would be effective on February 4, 2012. Petitioner refused to sign the resignation letter but Valtos did not accept his refusal. Thus, Valtos edited the resignation letter. Petitioner thought of leaving the room by making an excuse to go to the restroom, but Valtos and respondent's legal counsel followed him. Because of Valtos' insistence, petitioner placed his initials in the resignation

letter to show that the letter was not official. Valtos then accompanied petitioner to his room to gather his belongings and escorted him out of the building. Petitioner was not allowed to report for work anymore and his company e-mail address was deactivated.

Six (6) days after the incident, petitioner filed the instant complaint for illegal dismissal (constructive), moral and exemplary damages and attorney's fees against respondent before the LA.

For its part, respondent countered that petitioner was not illegally dismissed because he voluntarily resigned. It claimed that petitioner was ineffective as an IT manager and that his staff complained about his inefficiencies. Respondent asserted that petitioner failed to integrate himself into the company due to his lack of enthusiasm and cooperation at work, and he did not respond to queries and requests. It even claimed that a female employee resigned because she felt uncomfortable with petitioner.

Respondent stated that while Valtos admitted that he gave a resignation letter to petitioner on January 5, 2012, petitioner himself edited the letter to include courteous words and voluntarily signed the same. Valtos also admitted that the performance appraisal of petitioner was not due until May 2012.

#### *The LA Ruling*

In its Decision dated September 27, 2012, the LA held that petitioner was constructively dismissed by respondent. It held that Valtos admitted that he gave a prepared resignation letter. The LA observed that Valtos told petitioner to resign; otherwise, respondent would terminate him. Also, it found that respondent failed to present substantial evidence that petitioner voluntarily resigned from the company due to the following reasons: petitioner did not have a prior contemplation of resigning from the company; Valtos gave a performance appraisal even though it was not yet due; the resignation letter was effective February 4, 2012 but petitioner was barred from the company as early as January 5, 2012; and petitioner immediately filed the constructive dismissal case after signing the resignation letter. The LA also imposed moral and exemplary damages against respondent to serve as a deterrent to other employers. The dispositive portion of the LA decision reads:

**WHEREFORE**, premises considered, judgment is hereby rendered finding the complainant to have been constructively dismissed. Accordingly, respondent ICCP is hereby directed to REINSTATE complainant to his former or equivalent position without loss of seniority rights and to pay him backwages which as of the date of the decision already amounts to P766,104.00; and directing respondent ICCP to pay complainant the amount of P50,000.00 as moral damages; and P50,000.00 as exemplary damages.

All other claims are dismissed.

**SO ORDERED.**<sup>[6]</sup>

Aggrieved, respondent appealed to the NLRC.

### *The NLRC Ruling*

In its Decision dated June 28, 2013, the NLRC affirmed the LA ruling. It ruled that the test of constructive dismissal is whether a reasonable person in the employee's position would have felt compelled to give up his position under the circumstances. The NLRC found that petitioner did not voluntarily resign from the company; rather, he was constructively dismissed. It reaffirmed that it was Valtos who presented a prepared resignation letter for petitioner to sign. The NLRC did not give credence to the defense of respondent that petitioner voluntarily resigned solely because he edited the resignation letter. Further, it observed that respondent could not terminate the employment of petitioner in a despotic manner.

The NLRC likewise affirmed the award of moral and exemplary damages because petitioner suffered from anxiety due to his unlawful termination. It, however, granted separation pay in lieu of reinstatement because the latter was no longer feasible due to the parties' strained relationship. The *fallo* of the NLRC Decision states:

**WHEREFORE**, in view of the foregoing, the assailed decision of the Labor Arbiter is **AFFIRMED** with **MODIFICATION**, in that, in lieu of reinstatement Investment and Capital Corp. of the Philippines is ordered to pay complainant-appellee separation pay of one (1) month per year of service computed from the time of this employment up to the finality of this decision.

SEPARATION PAY

5/27/10 6/28/13 3 yrs.

P93,200.00 x 3 P279,600.00

**SO ORDERED.**<sup>[7]</sup>

Respondent filed a motion for reconsideration but it was denied by the NLRC in a Resolution dated October 31, 2013.

Undaunted, respondent filed a petition for *certiorari* before the CA.

### *The CA Ruling*

In its Decision dated June 13, 2016, the CA reversed and set aside the NLRC ruling. It ruled that petitioner voluntarily resigned from the company because he willingly signed the resignation letter. The CA opined that even though Valtos presented a prepared resignation letter, it was petitioner who edited the same and voluntarily added words of courtesy. It also held that it was improbable for petitioner to be intimidated by Valtos due to his managerial position and high educational attainment. The CA underscored that petitioner was not an ordinary employee with limited understanding and he could not be duped or compelled to resign. It further opined that petitioner failed to prove that his consent to the resignation was vitiated, hence, there was no constructive dismissal. The CA disposed the case in this wise:

**WHEREFORE**, by reason of the foregoing premises, the Petition is **GRANTED**. Hence, the Decision dated June 28, 2013 and Resolution

dated October 31, 2013 of the NLRC in NLRC NCR-01-00610-12 are **REVERSED** and the Complaint of private respondent for illegal dismissal is **DISMISSED** for lack of merit.

**SO ORDERED.**<sup>[8]</sup>

Petitioner moved for reconsideration but it was denied by the CA in its Resolution dated February 9, 2017.

Hence, this petition anchored on the following arguments:

## **I**

**THE COURT OF APPEALS GRAVELY ERRED WHEN IT GRANTED RESPONDENT'S PETITION FOR *CERTIORARI* AND DENIED [PETITIONER'S] MOTION FOR RECONSIDERATION WITHOUT ANY CATEGORICAL FINDINGS OF GRAVE ABUSE OF DISCRETION.**<sup>[9]</sup>

## **II**

**THE COURT OF APPEALS COMMITTED REVERSIBLE ERROR IN REVERSING THE FACTUAL FINDINGS OF THE LABOR ARBITER AND THE NLRC CONSIDERING THAT THEIR DECISIONS AND RESOLUTION ARE SUPPORTED BY CLEAR AND SUBSTANTIAL EVIDENCE.**<sup>[10]</sup>

## **III**

**THE COURT OF APPEALS ERRED IN FINDING THAT PETITIONER'S RESIGNATION WAS VOLUNTARY BECAUSE THE [UNDISPUTED] FACTS AND [CIRCUMSTANCES] OF HIS ALLEGED RESIGNATION CLEARLY SHOWED THAT HE DID NOT [RESIGN] NOR DID HE INTEND TO RESIGN FROM HIS JOB.**<sup>[11]</sup>

## **IV**

**THE COURT A QUO ERRED IN RULING THAT PETITIONER'S MONEY CLAIMS [HAVE] NO LEGAL FOUNDATION.**<sup>[12]</sup> (*italics supplied*)

Petitioner insists that he did not voluntarily resign, instead, he was forced to resign from the company; that respondent has no legal or factual basis to terminate his employment; that Valtos gave him a performance appraisal even though it was not yet due; that Valtos forced him to sign the resignation letter; that he attempted to escape but he was accompanied to the comfort room by Valtos and respondent's legal counsel; that he wanted to leave the premises, so he placed his initials on the resignation letter so that Valtos would let him go; that, on the same night of January 5, 2012, he was instructed to get his belongings and was barred from the premises of respondent even though the resignation was effective only on February 4, 2012; and that he immediately filed the complaint before the LA to show that he did not resign from work.

In its Comment,<sup>[13]</sup> respondent countered that the issues raised by petitioner are factual in nature, hence, cannot be tackled in a petition for review on *certiorari* under Rule 45 of the Rules of Court; that petitioner voluntarily signed the resignation letter because he substantially edited it and even placed words of courtesy in favor of respondent; that petitioner's exhaustion when he signed the resignation letter is not tantamount to coercion; and that petitioner himself admitted that he signed the resignation letter.

In his Reply,<sup>[14]</sup> petitioner argued that there are exceptional circumstances when the Court may entertain questions of fact, such as when there are conflicting findings of fact; and that there was no benefit to petitioner to resign from work as he was not even offered separation benefits by respondent, hence, it is illogical for him to voluntarily sign the resignation letter.

### **The Court's Ruling**

The Court finds the petition meritorious.

*Generally, a question of fact cannot be entertained by the Court; exceptions*

Petitioner essentially raises the issue of whether he was forced to resign from his work by respondent, which constitutes constructive dismissal. The question posited is evidently factual because it requires an examination of the evidence on record. The Court is not a trier of facts and the function of the Court in petitions for review on *certiorari* is limited to reviewing errors of law that may have been committed by the lower courts.<sup>[15]</sup>

Nonetheless, the Court has enumerated several exceptions to this rule: (1) the conclusion is grounded on speculations, surmises or conjectures; (2) the inference is manifestly mistaken, absurd or impossible; (3) there is grave abuse of discretion; (4) the judgment is based on misapprehension of facts; (5) the findings of fact are conflicting; (6) there is no citation of specific evidence on which the factual findings are based; (7) the findings of absence of facts are contradicted by the presence of evidence on record; (8) the findings of the CA are contrary to those of the trial court; (9) the CA manifestly overlooked certain relevant and undisputed facts that, if properly considered, would justify a different conclusion; (10) the findings of the CA are beyond the issues of the case; and (11) such findings are contrary to the admissions of both parties.<sup>[16]</sup>

Here, two of the exceptions exist - the findings of absence of facts are contradicted by the presence of evidence on record and the findings of the CA are contrary to those of the NLRC and the LA. They have different appreciations of the evidence in determining the propriety of petitioner's complaint for constructive dismissal. To finally resolve the factual dispute, the Court deems it proper to tackle the factual question presented.

*Constructive dismissal;  
forced resignation*