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Confidentiality of Username and Password

Mohd Rosli bin Mohd Noor v Perodua Sales Sdn Bhd
(Industrial Court Award No 2329 of 2019)

The claimant began employment as a Parts Supervisor in Perodua Sales Sdn Bhd. His last held position in the company was as a Service Operation Executive stationed at its Klang Service Centre. It came to the management's attention that the claimant at the branch in question had allowed his subordinate access to the Vehicle Servicing System, leading to the misappropriation of the company's spare parts amounting to RM2,643,023.85.

The purpose of the Vehicle Servicing System adopted in the company is to monitor and record every transaction in relation to service operations and spare parts. It is the company's IT policy that the username and password of an employee must be kept confidential, and not be disclosed to anybody.

In responding to the show cause letter, the claimant sought to justify his action by saying that it had become a norm for him to delegate tasks to his subordinate and, by virtue of this, had provided him with his username and password for this purpose.

Not satisfied with the justifications given, the company convened a domestic inquiry where the panel found the claimant guilty of the charges levelled against him. The management, in view of the huge loss suffered, had lost the necessary trust and confidence in the claimant to have him continue his service.

In dismissing the claimant's complaint of wrongful dismissal under section 20(3) of the Industrial Relations Act 1967, the Industrial Court held that, among other things:

- (a) the Vehicle Servicing System is crucial in the company's service operations and the claimant cannot justify his act of violating the IT policy by using the excuse that he wanted to ease his workload by delegating his duties; and
- (b) as an employee of the company for 23 years, the claimant is responsible for following the standard operating procedures that had been set by the company. Therefore, the failure of the claimant to protect his username and password had put the company at risk.

The company was represented by partner Shariffullah Majeed and associate Nurul Aisyah Hassan of [Lee Hishammuddin Allen & Gledhill](#).

The Industrial Court award may be viewed [here](#).

Shariffullah Majeed and **Keshava Rajasekaran** (Pupil-in-Chambers)

If you have any queries, please contact associate Nurul Aisyah Hassan (nah@lh-ag.com) or team partner, **Shariffullah Majeed** (sha@lh-ag.com).

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