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# Inside Story: The multiple complaints against law firm Morrison Kent



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Morrison Kent says it acknowledges "isolated instances" where behaviour has fell short of expected standards. Photo / Supplied

It was December 2019, almost two years after Russell McVeagh made headlines following revelations of sexual misconduct, abuses of power, and endemic problems within the legal industry.

Two women lawyers took the stage at the Morrison Kent office Christmas party in Wellington to present a toast to the partners.

The next award goes to Jess\* [not her real name] they said, "for being the most diverse partner of the firm".

"[Jess], our token woman of colour, helping the Morrison Kent Wellington office, which comprises 98 per cent white folk, satisfies [sic] diversity requirements."

That same night one of the women giving the presentation is understood to have secured a promotion. Jess was later made redundant along with six other staff amid the first Covid-19 lockdown. Morrison Kent would receive more than half a million dollars in Government wage subsidies.

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The December 19 speech and the events following have since formed the basis of three complaints to the Law Society.

That night in question the women went on to jokingly describe their direct boss, board member and de facto managing partner Jamie Nunns.

"Please raise your hand if you've ever felt personally victimised by Jamie Nunns?" one said in a recording obtained by the Herald.

"One time he handed me a spoon, I was confused until he clarified it was because he was sick of spoon-feeding me the answer and it was time for me to think for myself," one of the women said.

"If I don't answer his questions quick enough or to his liking, he threatened to draw a dick on my face and will hit me with a ruler until I can give him a sensible answer," the other woman said.

At the end of the speech the women said they considered whether or not they had crossed some lines in the speech, but then "we realised that Jamie would never let anyone get rid of us 'cos it takes too much time to beat the stupid out of someone".

Following complaints by staff, a firm-wide email was distributed the following week saying the speech was inappropriate.

"We expect all people within the firm to treat each other with respect. We appreciate that parts of the speech were not only hurtful and offensive to the people they were directed at, they were also hurtful and offensive to others and some members of the firm felt humiliated," the email read.

"Morrison Kent is a firm that values and celebrates the individuals who work within the firm. We are proud to be a diverse and inclusive firm that supports our people and our clients."

The board said it was committed to introducing cultural awareness training across the firm in 2020. Sources say cultural competency training took the form of voluntary and sporadic te reo lessons.

The email included a personalised letter from the women lawyers who said they were aware they caused offence and upset to their colleagues, particularly as a result of the comments directed at Jess.

In written questions to Morrison Kent, the firm declined to comment on whether the women were disciplined. The firm declined to go into detail as to the cultural competence training, or whether the women, Jamie Nunns, or the board were in attendance.

In a statement to the Herald, Morrison Kent director Richard Caughley said: "While we have acknowledged that from time to time the conduct of individuals at Morrison Kent has failed to meet the standards expected, we cannot comment on individual employment matters or on any disciplinary actions that may have been taken in respect to those employees.

"We care deeply about our people and about creating a positive, safe and enjoyable workplace that develops and supports the careers of all people equally.

"We do not condone or want to enable any form of harassing or offensive behaviour, but acknowledge that over the firm's history, there have been isolated instances where the behaviour did not meet the standards we expect and where our processes for handling complaints about such conduct could be improved.

"Our last internal survey highlighted a positive culture and morale, but we are sorry if this has not been true for every employee during their time with us.

"The firm has grown considerably in recent years; growth at pace has tested some of our systems and practices that previously served the firm well.

"We have recently hired a HR manager to support us and expedited the first steps in some wider reviews. We are committed to continual improvement in the way we operate to ensure we have a culture where staff have the confidence to raise concerns and that they are appropriately dealt with."





Morrison Kent director Richard Caughley. Photo / Supplied

But sources are not convinced the firm has addressed the issues.

Janet\* says she believed the 2019 Christmas party speech was unequivocally racist. "The response was not good enough," she claimed. "The board said it didn't accept [the speech], but it did, because they thought it was funny at the time, and you have to ask: had there been no complaints, would they have done anything?

"There were no repercussions. The board's half-baked attempt to make it right didn't land and there wasn't a follow-up. I believe those at the top genuinely thought the speech was okay and it speaks to a wider culture problem," she claimed.

#### **Host of redundancies**

As New Zealand entered the first lockdown in March 2020, sources say a firm-wide email was distributed saying Morrison Kent was in a strong position to weather the storm.

Throughout the 2020 period the firm went through two restructures - one involving support work prior to Covid-19, and one involving Jess. There were seven redundancies throughout 2020.

According to Work and Income information last updated November 17, 2021, Morrison Kent took up the wage subsidy for 82 people to the value of \$567,938.40. Other high-profile law firms would later repay their subsidies but Morrison Kent decided not to.

Documents obtained by the Herald show for the year ending December 2019, the firm billed clients 58,291 hours worth of work to the value of \$12,768,297 - 100 per cent of the projected target. In the year ending December 2020, the firm billed clients 61,331 hours worth of work to the value of \$15,257,682 - 98 per cent of the projected target.

Grace\* says in her opinion those at the top - namely Nunns - used the pandemic to get rid of people he didn't like.

Caughley told the Herald the firm, like many other businesses, applied for the wage subsidy to help retain their people at full pay.

"We met the criteria for the subsidy based on a predicted downturn in revenue which helped us to navigate that uncertainty and continue to serve our clients, while paying our staff full salary. This was the intention of the wage subsidy.

"Post-lockdown analysis showed that there was an actual drop of revenue of 31.6 per cent within the three-month period of February to April 2020," he said.

"The firm's billables are not a reflection of the firm's profitability and all billing information is commercially sensitive and confidential," he said.

"We have subsequently supplied evidence, like many businesses, to the satisfaction of MBIE. While the wage subsidy model was one of high trust we have acted with integrity and are confident in our firm's use of the wage subsidy.

"There were sound business reasons for the seven redundancies based on predicted future workloads and we received independent advice on our actions at the time. In each case the redundancy was as a result of decreasing workflow across the team as a whole over prior months, and the likelihood, in our view, that this trend would both continue, and worsen, as a result of the measures taken to combat Covid-19.

"Of the seven redundancies in 2020, six were retained and employed throughout the entire period to 9 June, 2020, but made redundant with effect from the end of that period. One of the seven employees found other employment during the lockdown period."

No other employee was made redundant in 2020 or since, he added.

## Allegations of favouritism

But insiders say they believe an apparent lack of accountability for the Christmas party speech and the redundancies came down to money and profitability.

Melissa said that in her opinion, Nunn tended to "protect those who are making money and in this case - the women being in his team - he had a vested interest".

Nunns didn't respond to the Herald's inquiries.



Board member and de facto managing partner Jamie Nunns. Photo / Supplied

Documents obtained by the Herald show that in the year ending December 2019, one of the two commercial property teams billed clients a total of \$4,199,269, for example. In a team of 18, one of the women in question billed \$366,300, the other billed \$317,460.

Nunns in comparison billed \$488,250, but partners generally source work for people in their team to complete on their behalf. He brought in work to the total value of \$3,024,744, meaning the two women's work made up almost 17 per cent of his total budget.

Sources claim the women were part of a separate and exclusive email group including Nunns. This team would be commonly described as his "harem", or the Jamie Nunnpire, sources claimed.

Nunns, the two women, and one other were known as the "Golden Triangle".

The bigger fee a lawyer would charge, the bigger their "fee dick" would be, sources claimed.

### "Getting rid of the dead weight"

According to insiders, Nunns would talk about wanting to "get rid of the dead weight" - namely those who didn't bill clients for enough hours worth of work.

Those at the tail end of the billing spectrum would be called into performance-related meetings. Nunns said in front of an audience that he was happy to force people to resign if necessary, for example, according to sources.

Melissa\* claims there has been a culture where employees feel like they could "be gotten rid of at any time".

"If you aren't making enough money, you are considered a pain, and could be actively managed out as a result of fickle issues relating to performance," Melissa alleges.

Sam\* claims people would be expected to bill at least six or seven hours worth of work a day - provided those six to seven hours don't include administration, filing, or peripheral work it would mean people would have to work what he described as "astronomical hours". Each billable hour typically requires one to two hours in the office.

"You'd be given work in the morning and told to finish it by the afternoon - meaning you'd have to work through lunch; or you'd be given work on a Friday at 4pm - to be filed by Monday morning. If you'd go to the bathroom it would be noticed and you'd be questioned on your whereabouts," he claimed.

Another source, Jim\*, says he believed partners would allocate the work, "if you weren't liked, you wouldn't be given work and then it would be impossible to reach your hourly target. And then you'd be publicly reprimanded. You'd be set up to fail. It was hell."

# Being "out of the fold"

You're either in or out of the fold, Melissa says.

"If you're in, your life and work is amazing, if you're out, you'll be the butt of all jokes and excluded from participating."

Other sources say employees' loyalty would often be called into question.

If a person wasn't liked, they'd be targeted for the amount of minor proof-reading mistakes they made in any written material including emails, sources claimed.

Kate says Nunns would ask individuals about the quality of other people's work, and people would regularly be told they were substandard.

"I found myself not being able to write, or produce anything without errors because I'd be so terrified to do so. I

started to question my abilities and it really took a blow to my sense of self and confidence."

Sources say they believe board members were well aware of the problems associated with Nunns and wider cultural issues - "but nothing was ever done about it", Kate claims.

Kate is still in counselling. She avoids going into Farmers because she feels sick and wants to vomit whenever she sees the Morrison Kent sign on Lambton Quay.

"It's as if I was in a bad relationship. There were all the hallmarks of it: confusion, self-doubt, vulnerability, and isolation."

When Jim left the firm he didn't tell friends or family. "It's been really hard for me. I was performance-managed out and people wouldn't talk to me for fear of being managed out themselves.

"The isolation - especially when you're so vulnerable - was so much worse than the first wave of trauma."

Jim said he left the firm feeling like his dignity, sense of confidence and integrity had been stripped, he says. Sources say at least 36 people have left Morrison Kent since 2018.

In 2018 the Law Society found 52 per cent of lawyers said they had been bullied throughout their working life. The legal profession pledged they were committed to making changes, and changes to the Client Care Rules came into force in July of this year.

The Herald understands there are now three complaints before the Law Society relating to Nunns and Morrison Kent.

The Law Society declined to comment, citing the Lawyers and Conveyancers Act, which prohibits the governing body from releasing information about specific complaints or concerns.

#### \* Names have been changed