

**IN THE EMPLOYMENT RELATIONS AUTHORITY
AUCKLAND**

**I TE RATONGA AHUMANA TAIMAHI
TĀMAKI MAKAURAU ROHE**

[2026] NZERA 305
3348860

BETWEEN ANNA MURGATROYD
Applicant

AND XERO (NZ) LIMITED
Respondent

Member of Authority: Peter Fuiava

Representatives: Michelle Clark, counsel for the Applicant
Emma Butcher, counsel for the Respondent

Investigation Meeting: 3 and 17 December 2025 in Auckland and by audio-
visual link

Submissions and other information received: 28 January 2026 from the Applicant
16 February 2026 from the Respondent

Determination: 18 May 2026

DETERMINATION OF THE AUTHORITY

What is the employment relationship problem?

[1] In broad terms, this employment relationship problem involves claims of unjustified disadvantage and unjustified dismissal raised by Anna Murgatroyd against her former employer, Xero (NZ) Limited (Xero or the company). Ms Murgatroyd had worked for Xero as an education specialist from 15 November 2021 until her employment ended by way of redundancy on 6 December 2024.

How has the Authority investigated?

[2] For its investigation, Ms Murgatroyd and her partner gave evidence as part of her case. For Xero, I heard from its general manager of education and content delivery, Vikki Bean, who attended the investigation meeting by AVL from the United Kingdom, and PX (People Experience) advisor, Andrew McKay. The Authority also summonsed two (then) employees of Xero, Xiaomei (Shimmie) Totty and head of education for

Asia Pacific (APAC), Jessica Ruffino, to whom Ms Murgatroyd reported. Both Ms Shimmie and Ms Ruffino attended the investigation meeting by AVL.

[3] All witnesses answered questions under oath or affirmation from me and the parties' representatives. As permitted by s 174E of the Employment Relations Act 2000 (the Act) this determination has stated findings of fact and law, expressed conclusions on issues necessary to dispose of the matter and specified orders made. It has not recorded all evidence and submissions received.

What were the issues?

[4] At a case management conference with counsel on 15 August 2025, it was agreed that the issues requiring investigation and determination included:

- (i) Was Ms Murgatroyd unjustifiably dismissed from her employment as an education specialist for Xero?
- (ii) Was she unjustifiably disadvantaged during her employment?
- (iii) Was the suggestion to Ms Murgatroyd in October 2024 that she apply for a secondment role made at that time because she had already been chosen to be made redundant?
- (iv) What was said at a meeting on 31 October 2024 to give her the impression that the new proposed structure would not lead to any redundancies?
- (v) Was Ms Murgatroyd given access to information relevant to the continuation of her employment and an opportunity to comment before the decision was made?
- (vi) Does the Miro board establish that Ms Murgatroyd's redundancy was predetermined?¹

What were the relevant facts?

[5] Ms Murgatroyd was employed as an education specialist for Xero, a software business that provides accounting, bookkeeping and payroll services primarily for small and medium-sized businesses.

¹ A Miro Board is an online digital white board for people to collaboratively plan or brainstorm ideas in a visual manner.

[6] From June to August 2024, the education team that Ms Murgatroyd was a part of, was involved with Xero's national roadshow that comprised a series of events across New Zealand showing the company's offerings to audiences of largely accountants and bookkeepers (the roadshow). Ms Murgatroyd would later claim that her manager, Jessica Ruffino, had micromanaged her to an unusual degree during the content writing stage of the roadshow, assigned her the most difficult tasks, failed to communicate with her in a timely manner, and excluded her from presenting at a subsequent roadshow in Australia that involved all of her team but her.

[7] Sometime in June/July 2024, Ms Ruffino had a conversation with Xero's general manager, Ms Bean, and raised concerns about Ms Murgatroyd's performance during the roadshow.

[8] During July 2024, the company began to consider the structure of its education team to which Ms Murgatroyd belonged. On 23 July 2024, Ms Bean drafted a Miro board of the Current structure of the education team in order to visualise possible changes which included adding new roles and removing others.

[9] On 6 September 2024, Ms Murgatroyd sent Ms Bean a digital message via Slack wanting to catchup with her at some stage because she had some things regarding her manager, Ms Ruffino, that she was not sure how to deal with. It appears that Ms Murgatroyd's coming forward was prompted by being asked by Ms Ruffino for feedback of her own performance as part of a 360 review. It is understood that later that same day, Ms Murgatroyd shared with Ms Bean her concerns about Ms Ruffino and how she had treated her during the roadshow.

[10] At the time Ms Murgatroyd approached Ms Bean, she was not aware that Ms Ruffino had raised concerns about her performance during the roadshow and neither did Ms Bean inform Ms Murgatroyd of Ms Ruffino's concerns.

[11] On 12 September 2024, Ms Murgatroyd set out her thoughts in a timeline via a Miro Board that recorded, among other things, that she was the only member of her team not going to the Australian roadshow which she was "floored" by leaving her feeling excluded and ostracised from the team. In her Slack message to Ms Bean, Ms Murgatroyd stated that she did not know what needed to happen but that the information

would provide Ms Bean with “more of an idea where she was at”. In a reply Slack message, Ms Bean thanked Ms Murgatroyd for the additional information and acknowledged that it “must have been tough getting those things down on paper.” Ms Bean stated that she would check in with Ms Murgatroyd the following week.

[12] On 17 September 2024, Ms Bean and two other senior members of Xero’s management team met to progress the restructure of the Education team that had been ongoing over previous months.

[13] On 19 September 2024, Ms Murgatroyd and Ms Bean met once more but neither agree as to what was to happen next. Ms Murgatroyd believes that she gave Ms Bean her consent to arrange an informal meeting between her and Ms Ruffino in order to get her comments on the matter. Ms Bean believes that she was still waiting on Ms Murgatroyd’s permission for her to arrange a meeting between her and Ms Ruffino.

[14] On 21 September 2024, Ms Murgatroyd underwent emergency surgery for appendicitis and was off work until 10 October 2024.

[15] After returning to work, Ms Murgatroyd sent Ms Bean a Slack message to which Ms Bean replied later that same evening (from the United Kingdom) inquiring with Ms Murgatroyd how she wished her to proceed with Ms Ruffino. Ms Murgatroyd replied that she had given the matter considerable thought and wished to discuss the matter with Ms Bean further.

[16] On 24 October 2024, Ms Ruffino flagged with Ms Murgatroyd a secondment opportunity as a business analyst that she thought would be a good fit for her. Ms Murgatroyd subsequently applied for the role for which she was scheduled to be interviewed for on 1 November 2024.

[17] At a further online meeting on 24 October 2024 between Ms Murgatroyd and Ms Bean, Ms Murgatroyd stated that she could no longer be managed by Ms Ruffino and asked for someone to be placed between them. Ms Bean subsequently offered to facilitate a meeting between the pair so as to ensure a seamless transition for Ms Murgatroyd into Ms Ruffino’s team upon her return from secondment assuming that

her application for it was successful. However, the proposed facilitated meeting did not occur because of subsequent events.

[18] On 29 October 2024, Ms Murgatroyd and the three other education specialists were notified that the education team would be restructured.

[19] On 30 October 2024, the education specialists were shown a slide deck of the proposal which set out: the need for change; compared the current structure of the team to a proposed new structure; suggested roles that could potentially be disestablished including Ms Ruffino's position of head of education – APAC and two education specialists so that the team reduced in size from four to two; indicated new roles and reporting lines; gave a feedback date for further comment of 7 November 2024 (AU/NZ) time; provided a link to lodge expressions of interest; described redundancy payments that varied depending on years of service; advised staff of next steps in the process; and informed where staff could turn to for support if required.

[20] On 31 October 2024, Ms Murgatroyd had a further meeting with Ms Bean in which Ms Murgatroyd understood that under the new structure, there would be room for all existing staff because of natural attrition with one staff member going on leave and another whose secondment was coming to an end.

[21] On 31 October 2024, Ms Murgatroyd messaged PX advisor, Andrew Mackay, on Slack if she could speak to him briefly before her interview for the secondment position of business analyst. She wanted to know how the proposed restructure of the education team might possibly “play out” for her given the secondment opportunity that she was exploring with Xero. However, owing to his child being sick, Mr Mackay was not able to respond until the following morning (1 November 2024) but invited Ms Murgatroyd to throw him some questions on Slack which he would then “run them up the flagpole” for answers. Ms Murgatroyd replied that she would do so after lunch but, in the end, did not get back to Mr Mackay.

[22] On 1 November 2024, while interviewing well for the secondment role of business analyst, Ms Murgatroyd was advised that she was unsuccessful.

[23] The last day for feedback on the restructure of the education team was 7 November 2024. Ms Murgatroyd did not provide any feedback relying instead on the advice she stated that she received from Ms Bean that there would be room for all existing staff under the new structure and that her job was safe. After considering the feedback that was provided from the other potentially impacted employees, Ms Bean made her decision to proceed with the proposal on 14 November 2024.

[24] On 14 November 2024, a selection panel comprising Ms Bean, Ms Ruffino, Mr Mackay and the head of education – global digital delivery, met to assess the existing education specialists and decide who among them would be made redundant.

[25] On 21 November, Ms Bean advised Ms Murgatroyd that she was not selected for one of the two remaining education specialist positions and that there would be a further week of consideration for redeployment opportunities. A second slide deck setting out the confirmed change to the education team was subsequently issued that confirmed the roles that had been disestablished including Ms Ruffino and Ms Murgatroyd's.

[26] While at a Miro workshop on 21 November 2024, Ms Murgatroyd discovered a Miro board that Ms Bean had created on 23 July 2024 and which had not been changed since 22 August 2024. The board had Ms Murgatroyd personally named in a box colour coded as 'propose to disestablish'. Ms Murgatroyd shared her discovery with Ms Totty, who was witness summonsed by the Authority to give evidence as part of its investigation.

[27] Ms Totty had also been named in Ms Bean's Miro board as a person whose role was being 'proposed to disestablish'. It is unclear how Ms Bean's Miro board became open to the public but she recollects setting the board to private. Because Ms Murgatroyd could see that her role as well as Ms Totty's were slated to be disestablished as early as July 2024, some three months before the restructure was announced on 29 October 2024, she considers the restructure as being a sham from the beginning.

[28] On 28 November 2024, Ms Murgatroyd was advised that she had been selected for redundancy. As there were no deployment opportunities available for her, she was

paid eight weeks' salary as compensation even though her employment agreement did not provide her with an entitlement to be paid redundancy compensation.

[29] During the same restructuring in which Ms Murgatroyd was made redundant, Ms Ruffino's role as head of education - APAC was also disestablished and she is understood to have left Xero's employ in December 2024.

Was Ms Murgatroyd unjustifiably dismissed?

[30] When the Authority considers whether an employer's dismissal of an employee is justified, it does so by applying the test of justification in s 103A of the Act. This requires the Authority to consider on an objective basis whether the employer's actions, and how the employer acted, were what a fair and reasonable employer could have done in all the circumstances at the time the dismissal or action occurred.

[31] A main plank of Ms Murgatroyd's unjustified dismissal claim was her assertion that her redundancy was predetermined and that she had been preselected by Ms Bean as early as 24 July 2024 because in a diagram marked "Option",² Ms Murgatroyd's name was in a colour-coded yellow box marked 'propose to disestablish'. Ms Murgatroyd had happened to come across the Miro board by chance while attending a Miro workshop on 21 November 2024. Ms Bean took screenshots of her discovery which she immediately shared with Ms Totty.

[32] It was Ms Totty's evidence to the Authority that she was "shocked" by what she saw because her own name was similarly highlighted with the words: proposed to disestablish. When asked whether she had edited Ms Bean's Miro board herself, Ms Totty flatly rejected the suggestion calling it "ludicrous".

[33] A not insignificant period of investigation meeting time was spent on reviewing Ms Bean's Miro board which I am satisfied that she created in part on 23-24 July 2024. It should be noted that the Miro board comprised three boxes or diagrams the first two of which were respectively labelled 'Current Structure' and 'Restructure 1'. The third box was labelled 'Option' and it is here that Ms Murgatroyd's name appears.

² Common bundle, pg 79.

[34] It may be further noted that the ‘Activity History’ for the Option box reveals that the user had ‘edited the shape’ of “Anna M Ed Spec” (Anna Murgatroyd, Education Specialist) at 11.03 and at 11.39 on 23 July 2024.³ On 24 July 2024 at 10.26, the box was further modified by an ‘added shape’ that had the words ‘proposed to disestablish’.

[35] It was Ms Bean’s consistent evidence in the Authority that she did not create the ‘Option’ box and that she believed it was a product of ‘cut and paste’. Ms Murgatroyd asserts that only Ms Bean had access to the Miro board which remained unedited until she discovered the board as noted above. The evidential gap cannot be sufficiently bridged for reasonable inferences to be made because the relevant audit logs are no longer available. It appears that Miro holds data for only 180 days from creation unless it receives a request from a subscriber. As Xero’s request was made in May 2025, the earliest audit logs that could be retrieved are from 8 November 2024 onwards. It is wholly unsatisfactory but without the relevant audit logs from 23-24 July 2024, it cannot be conclusively established that Ms Bean was the creator of the ‘Option’ box.

[36] In any event, I asked Ms Bean if her Miro board was evidence of a pre-determined outcome for Ms Murgatroyd, and what was different with that board and the final structure that she confirmed in November 2024. Speaking of the ‘Restructure 1’ diagram on her Miro board, Ms Bean stated the number of disestablished roles were quite minimal however more roles were disestablished as her thinking developed. I find Ms Bean’s evidence plausible. Miro boards are typically used for brainstorming, and for planning and mind mapping ideas visually.

[37] If Ms Murgatroyd’s thesis that she had been unfairly preselected for redundancy were true, the final restructure of the education team would substantially match Ms Bean’s Miro board from July 2024. It does not and the marked difference between where Ms Bean’s thinking began and where she landed in the end supports her evidence that she had long disengaged from her initial Miro board several months prior.

[38] A related supplementary issue to Ms Murgatroyd’s claim that she had been preselected for redundancy was the assertion that Ms Ruffino had suggested to her in

³ Common bundle, pgs. 93 and 97.

October 2024 that she apply for the secondment role of business analyst. However, when summonsed by the Authority, it was Ms Ruffino's evidence that when she raised the opportunity with Ms Murgatroyd, she did not know about the restructure proposal and neither did she have any recollection of Ms Bean being involved with the secondment discussion. Cumulatively considered, it has not been demonstrated that Ms Murgatroyd's selection and eventual dismissal on the grounds of redundancy was a sham because it was predetermined.

[39] It was further submitted that Xero failed to properly assist Ms Murgatroyd find another role leaving her to essentially fend for herself. Where possible, an employer should offer alternative employment to an employee whose position might be redundant.⁴ Further, the good faith obligations of s 4 of the Act must be complied with by an employer who is considering redeployment.⁵

[40] The difficulty for Xero is that while its restructure proposal included a hyperlink that led staff to submit expressions of interest, there was a paucity of evidence showing that it met its s 4 obligations under the Act. I accept that PX did not wish to "shoehorn" affected staff into roles they did not want, but it can be reasonably expected of an employer of Xero's size to have done more to assist Ms Murgatroyd find alternative employment and it did not. This gives rise to an award of compensation which, as will be seen, has been set globally.

Whether Ms Murgatroyd was unjustifiably disadvantaged?

[41] The claim here is that Ms Bean failed to investigate Ms Murgatroyd's complaint about her immediate manager, Ms Ruffino. The parties disagree whether a complaint was in fact made. Ms Murgatroyd says that she had put Ms Bean on notice because she sent her a detailed Miro board timeline on 12 September 2024. This preceded Ms Murgatroyd's appendicitis which she and her partner attribute to believing that a direct meeting with Ms Ruffino was imminent. As to what caused Ms Murgatroyd to undergo surgery to have her appendix removed cannot in all fairness be conclusively known having regard to the information and evidence before me. It cannot be taken any further.

⁴ *Jinkinson v Oceania Gold (NZ) Ltd* [2010] NZEmpC 102.

⁵ *New Zealand Steel Ltd v Haddad* (2023) 19 NZELR 620.

[42] What is clear is that after Ms Murgatroyd returned to work from sick leave on 10 October 2024, she messaged Ms Bean on the afternoon of 17 October that she was finally feeling more herself and that her healing was on track. In a reply from Ms Bean later that same evening in which she expressed that she was glad that Ms Murgatroyd was feeling better, she asked her whether she had thought any more about how she wished to proceed with Ms Ruffino.

[43] I find Ms Bean's response consistent with her evidence that she was waiting to hear from Ms Murgatroyd first before arranging a meeting with Ms Ruffino. Ms Bean's approach is also internally consistent with Xero's graduated complaint process which starts at resolving matters informally and at a low level if appropriate.

[44] Ms Murgatroyd did not immediately reply to Ms Bean but messaged her on 21 October 2024 that there was much for her to consider. She indicated that she would set some time aside in Ms Bean's calendar later that week to discuss matters further with her. Ms Bean's response was "Great!" demonstrating a willingness on her part to be of assistance. It was only after their subsequent meeting on 24 October 2024 that Ms Murgatroyd made clear to Ms Bean that she could no longer work with Ms Ruffino and requested someone to be placed between them.

[45] This is the context behind the "facilitated chat" that Ms Bean and Ms Murgatroyd had agreed to with Ms Ruffino but the subsequent restructure of the Education team that was announced a few days later on 29 October 2024 meant that any meeting between the parties could not take place until that process was complete.

[46] I accept that when Ms Bean received Ms Murgatroyd's Miro board timeline on 12 September 2024, she was aware that Ms Murgatroyd had concerns with Ms Ruffino's style of management. However, I do not consider plausible the notion that Ms Bean did not consider Ms Murgatroyd's concerns seriously otherwise she would not have followed up with her on 17 October 2024 as to how she wished to proceed.

[47] Related to Ms Murgatroyd's disadvantage claim is an assertion that, during an online conversation on 31 October 2024 with Ms Bean, both she and her partner who was sitting nearby at the time, heard Ms Bean say that Ms Murgatroyd's job was safe and that "the little problem with Jess" would be dealt with. Ms Bean denied making

such a comment which I note does not align with any of the written language Ms Bean has used to communicate with Ms Murgatroyd.

[48] As to the alleged representation by Ms Bean that Ms Murgatroyd's job would be safe under the new structure, this is incompatible with the clear and explicit wording of the restructure proposal which stated that two of the four education specialist roles would be disestablished. Ms Murgatroyd's name was mentioned in that group which would not have been so if her position was indeed safe. I prefer Ms Bean's evidence that she made no such representation.

Whether the restructure process was fair and reasonable

[49] Section 4(1A) of the Act requires an employer who is proposing to make a decision that will, or is likely to, have an adverse effect on the continuation of employment of an affected employee, to provide that employee with access to information relevant to the continuation of their employment. At the time the proposed restructure was announced on 29 October 2024, Ms Bean had known for five days that Ms Murgatroyd regarded her working relationship with Ms Ruffino as having deteriorated to the point that she could no longer work under her as a direct report. On 24 October 2024, Ms Murgatroyd had sought from Ms Bean someone else to be inserted between her and manager.

[50] Although Xero considered it egalitarian that the four employment specialists be treated the same way is on its face laudable, this presupposes that all four employment specialists were on an equal footing from the beginning. They were not. Ms Murgatroyd was the only employment specialist who had raised a complaint about Ms Ruffino, which I am satisfied was formally made on 24 October 2024.

[51] The evidence before the Authority was that Ms Ruffino had previously raised performance-related concerns about Ms Murgatroyd which arose during the June/July national roadshow. There is no corroborative evidence that Ms Bean shared with Ms Ruffino the Miro board timeline that Ms Murgatroyd created on 12 September 2024. That board set out her thoughts about her manager and described her feelings of exclusion and isolation when Ms Ruffino did not include her in the Australian roadshow when everyone else in the team was.

[52] Even so, it remains unclear how much Ms Ruffino knew of the depth of hurt feelings Ms Murgatroyd had towards her at the time Ms Ruffino was chosen to be part of the selection panel. However, it made sense that she be on the panel as the line manager of the four education specialists.

[53] Going into the selection panel, both Ms Bean and Ms Ruffino would have known of Ms Murgatroyd's concerns which neither of the other two panellists, including PX advisor, Mr Mackay, were aware. When I questioned Mr Mackay about fairness and reasonableness, he accepted (correctly), that it would have been fair and reasonable to have provided Ms Murgatroyd with Ms Ruffino's comments regarding her performance in order for her to respond. This would have gone a long way in mitigating any unconscious bias, real or perceived, in Ms Ruffino's comments regarding Ms Murgatroyd's strengths and weaknesses. Moreover, the opportunity for further comment would not have significantly delayed the restructure process even if the other education specialists were afforded the same opportunity. I find that a period of a further two weeks to be ample.

[54] Substantively, the decision of the selection panel was correct as Ms Murgatroyd acknowledged that the two new established roles of digital delivery, and live delivery, went to the strongest candidates. However, as a matter of process, I find Ms Murgatroyd's dismissal to be procedurally unjustified which gives rise to compensation and lost wages. That said, there can be no viable claim for payment of unvested shares as this is a matter of absolute discretion for Xero.⁶

[55] In a situation where there is a flawed consultation process, but the substantive outcome is justified; the lost remuneration that an employee is entitled to should be limited to the amount of time it would take to get the process right.⁷ As noted above, I estimate no more than two weeks would have been sufficient for Xero to complete the consultation process properly and fairly with Ms Murgatroyd. Accordingly, I find that she is entitled to two weeks' lost remuneration pursuant to s 123(1)(b) of the Act for which she is not at fault as this was Xero's process and not Ms Murgatroyd's.

⁶ Ms Murgatroyd's individual employment agreement, cl 9.3.

⁷ *Waitakere City Council v Ioane* [2004] 2 ERNZ 294 (CA).

[56] In terms of compensation under s 123(1)(c)(i) of the Act, I limit any award to the humiliation, loss of dignity and injury to feelings which arose as a result of the procedural unfairness associated with Ms Murgatroyd's dismissal. In the circumstances, I consider the evidence warrants a global award of compensation, which includes Xero's shortcoming in redeployment, to be in the sum of \$20,000.

[57] As I have awarded remedies to Ms Murgatroyd, I must consider whether she has contributed to the situation that has given rise to her personal grievance.⁸ Typically redundancies are no-fault situations but, in this case, Ms Murgatroyd has contributed to the procedural deficiency with her dismissal by not engaging with the process. Ms Murgatroyd kept silent, when the reasonable person in her position would have been more responsive and communicative with her employer by letting the other members of the panel know that two of its members, Ms Bean and Ms Ruffino, were aware of her concerns with her manager.

[58] Had Ms Murgatroyd been more responsive and communicative with the selection panel, it would not have continued in the way that it did and modified its approach. Ms Murgatroyd is to understand that she cannot remain silent and allow the process to run its course and then complain about the outcome afterwards. For contributing to her own grievance, for which there must be some accountability especially in what is a good conscience and equity jurisdiction, the amount of compensation ordered above is reduced by 20 percent.

Summary and orders

[59] Within 28 days of the date of this determination Xero (NZ) Limited is ordered to pay Anna Murgatroyd the following:

- (i) two weeks' lost remuneration;
- (ii) reimbursement of the Authority filing fee of \$71.55; and
- (iii) compensation of \$16,000 under s 123(1)(c)(i) of the Act

⁸ The Act, s 124.

Costs

[60] Costs are reserved. The parties are encouraged to resolve any issue of costs between themselves. My preliminary view on costs is that 1.25 of the notional tariff for the first day of an investigation meeting may apply as a starting point for costs.

[61] If the parties are unable to resolve costs, and an Authority determination on costs is needed, Ms Murgatroyd may lodge, and then should serve, a memorandum on costs within 21 days of the date of this determination. From the date of service of that memorandum, Xero then have 14 days to lodge any reply memorandum. On request by either party, an extension of time for the parties to continue to negotiate costs between themselves may be granted.

[62] The parties can anticipate the Authority will determine costs, if asked to do so, on its usual “daily tariff” basis unless circumstances or factors, require an adjustment upwards or downwards.⁹

Peter Fuiava
Member of the Employment Relations Authority

⁹ For further information about the factors considered in assessing costs see: www.era.govt.nz/determinations/awarding-costs-remedies/#awarding-and-paying-costs-1.