

A former female partner at EY filed a complaint with the Equal Employment Opportunity Commission on Sept. 24, accusing the firm of sexual harassment, gender discrimination, and retaliation.

This is the second such complaint filed against EY by a former female partner in less than a year.

In the [complaint](#) (h/t to Gothamist), Karen Ward, who was hired by the Big 4 firm in 2013 and was promoted to partner in the Transaction Real Estate group within EY's Transaction Advisory Services division in 2015, said "women at EY are underpaid, under-promoted, and subjected to sexual harassment and all forms of disparate treatment."

She continued:

When women at EY complain about this discriminatory treatment, and ask to be treated with dignity and respect, they are retaliated against and marginalized even further. Their opportunities to succeed are systematically eliminated, and EY actively ensures that these women are unable to meet their performance goals. Then EY turns around and fires these women for purportedly failing to perform. This is wrong, and it is unlawful.

Ward alleges that her first supervisor at EY, Principal Michael McNamara, made lewd comments about her breasts, frequently suggested that she accompany him to strip clubs, texted her at 2 a.m. while on a work trip asking her to meet him for drinks, and regularly used offensive language around her.

McNamara was fired by EY in 2015, according to the complaint, but "not in response to Ms. Ward's complaints of sexual harassment and discrimination."

Ward also alleges that EY told her in 2013 that she would be brought in as partner to lead real estate transactions within Transaction Advisory Services but was ultimately offered a non-partner position within the Transaction Real Estate group.

She also contends in the complaint that when she was promoted to partner in 2015, she made hundreds of thousands of dollars less than the average male partner at EY.

After making several written complaints in 2014 and 2015 about the alleged harassment and discriminatory practices to Gary Koster, EY's head of Transaction Real Estate at that time, Ward said she and her team were moved out of Transaction Real Estate and into the Ernst & Young Capital Advisors group in June 2015, where she was "explicitly told that she would no longer have any support at EY because of her complaints and gender," according to the EEOC complaint.

She also alleges that her revenue target was increased in 2018 “to a figure that was significantly higher than the target given to many of her male peers who had bigger staffs and who were actually being supported by EY,” the complaint states. “Of course, Ms. Ward was unable to hit this 2018 revenue target.”

On Aug. 14, 2018, Ward found out she was being fired because her business “was not profitable,” despite bringing in \$50 million in revenue during her time at the company and facilitating a deal that generated \$5 million in fees shortly before she was fired, according to the complaint.

In a statement emailed to Going Concern by spokesperson John La Place, EY said:

“The allegations in Karen Ward’s complaint are unfounded and baseless. She was separated from EY following the Firm’s decision to shut down the small real estate investment banking advisory practice that she led for three years. Despite the Firm’s full support, Ward failed to close a single transaction in the period she led the group, and it suffered multiple years of disappointing financial results.

“The decision to close this money-losing operation and separate Ward was wholly unrelated to her gender. Her allegations of harassment, retaliation and unfair pay were raised after she was informed of her separation. After an extensive independent investigation by the Latham & Watkins law firm, these allegations were found to be completely unsubstantiated. Our review also confirmed that throughout her career at EY, Ward was paid fairly and equitably for her work. EY will vigorously defend our Firm and our people in contesting these claims.

“EY is committed to a diverse, inclusive and safe workplace, free of harassment or discrimination of any kind, and to full compliance with all applicable laws and regulations. We promptly take steps to thoroughly investigate any claims brought to our attention and to respond based on the results of such investigations.”

Last April, former EY partner Jessica Casucci filed a similar complaint with the EEOC, accusing fellow partner John Martinkat of sexually assaulting her in front of two other male partners in a hotel bar in Orlando while they were on a business trip in 2015.

After the encounter, Martinkat continued the harassment with calls, texts, and emails asking Casucci to come to his hotel room to have sex.

Casucci and EY reached a settlement in May. As part of the settlement, Casucci agreed to leave the firm. Monetary terms of the settlement were not disclosed.

Martinkat was eventually fired by EY.

“Don’t push that rock up the hill, it will roll back on you and crush you”

In her complaint, Ward said that McNamara and other EY senior executives routinely met with clients at bars and strip clubs, excluding women from important client outings. McNamara allegedly talked frequently to Ward about his trips to strip clubs and, while traveling on business, suggested that she should accompany him to “nightclubs and titty bars.”

Ward alleges that McNamara, who was nicknamed “big Mac,” routinely engaged in sexually harassing and inappropriate conduct, including:

- Telling Ms. Ward that she looks “really hot”;
- Telling Ms. Ward that he loves her “great big round boobs”;
- Telling Ms. Ward that she “has a nice ass”;
- Regularly using the term “douchebag”;
- Insisting that Ms. Ward go to dinner with him;
- Asking Ms. Ward to have drinks with him; and
- While on work trips, texting Ms. Ward at 2 a.m. to meet him for drinks in the hotel bar.

Attempts by Going Concern to reach McNamara for comment were unsuccessful.

The complaint also states that it was regular practice for certain men at EY to “brag that they were able to situate their chairs in such a way that they were able to see a junior female employee’s vagina, or, as they disgustingly referred to it, her ‘snatch.’”

Ward allegedly made numerous complaints to Koster, head of Transaction Real Estate, about the “sexually hostile work and gender discrimination that she experienced at EY.”

The complaint goes on to state:

While many of Ms. Ward’s complaints to Mr. Koster were verbal, many were in writing, including:

A July 17, 2014 email in which Ms. Ward complained about being undermined by Mr. McNamara at a conference, at which Ms. Ward was supposed to take a leadership role, and being “relegated to ‘one of the gals at the back who put this together.’” (quoting Mr. McNamara)

A July 2014 letter in which Ms. Ward states, *inter alia*, “Mike [McNamara] needs to modify his behavior towards me[.] [I]t is very unsettling.” Ms. Ward goes on to list two dozen inappropriate behaviors exhibited by Mr. McNamara.

Attempts by Going Concern to reach Koster, who is retired according to his LinkedIn profile, for comment were unsuccessful.

Ward’s complaints continued throughout 2015, but she alleges that “no action was taken to actually remedy this discrimination and harassment.”

After she and her team were moved out of Transaction Real Estate and into Ernst & Young Capital Advisors in June 2015, Ward was allegedly told by Principal Troy Jones, “There is an issue here because you are a woman,” and “women do not succeed here [at EY],” according to the complaint. Jones also allegedly told Ward that “she would not get any referrals for business or assistance when she moved to EYCA.”

In an email to Going Concern, Jones declined to comment and referred GC to EY Americas’ chief communications officer, Suzanne Bouhia, who had no further comment.

After McNamara was fired by EY in October 2015, Michael Straneva, an EY partner and current head of Transaction Real Estate, allegedly told Ward angrily, “You got my guy fired!” Straneva is one of the EY senior executives, along with McNamara, who Ward said in her complaint regularly entertained clients at bars or strip clubs.

Straneva did not respond to a request for comment by Going Concern.

Another partner, Thomas Brown, allegedly warned Ward to “be careful” with her complaints because “you don’t want to be perceived as bitchy,” the EEOC complaint states.

Attempts by Going Concern to reach Brown for comment were unsuccessful.

And in response to further complaints by Ward about discrimination, James Carter, head of Ernst & Young Capital Advisors, allegedly warned, “Don’t push that rock up the hill, it will roll back on you and crush you.” He also told Ward to “lighten up,” “avoid crying wolf,” and not to make “ticky-tacky complaints,” according to the EEOC complaint.

Carter did not respond to a request for comment by Going Concern.

The complaint states:

EY moved Ms. Ward to EYCA, ostensibly to run her RECM [Real Estate Capital Markets] business, but provided her zero support, and instead provided support to men in TRE to run Ms. Ward’s RECM business without her and in competition with her.

Michael Willemin, an attorney with Wigdor LLP who is representing Ward, said in a statement to Going Concern:

“EY is led almost entirely by men who foster and promote a ‘boys’ club’ culture where women are unpaid and subjected to constant discrimination and sexual harassment. To protect the men that engage in this conduct, EY openly retaliates against women who are courageous enough to stand up for their rights and complain. It is particularly offensive in this day and age for a company to attempt to bully and intimidate women into staying silent. Ms. Ward will not stay silent.”

Lack of inclusiveness

It got to the point where Ward said she was “dropped off of email chains, disinvited to meetings, and experienced a startling lack of inclusiveness from men that lead departments in EY.” According to the complaint, “given the ... discrimination and retaliation to which Ms. Ward was subjected,” she was unable to meet her 2017 revenue targets.

In 2018, she was given a revenue target of \$3.25 million, which was more than her male counterparts’ targets, many of whom had bigger staffs and were being supported by EY, the complaint states.

Simply put, Ms. Ward – the only woman partner in EYCA – was being set up to fail

But in July 2018, Ward facilitated a transaction between ProMedica and HCR ManorCare that resulted in a \$5 million fee paid to EY. According to the complaint, Ward was lauded by Jeff McMahon, a vice president in the firm’s U.S. Health Care Investment Banking group, who allegedly told Carter:

“Karen Ward was instrumental in providing [] advice to the client – without her guidance and intellectual horsepower, we would have been ill equipped to provide the quality advice the client needed.”

However, on Aug. 14, 2018, Ward was informed that she was being let go and her RECM business was being eliminated due to a lack of profitability. But the complaint disputes that claim:

First ... in the last year of her employment she helped book \$6,000,000 in fees for EYCA. Overall, she brought in over \$12,000,000 in fees for EYCA. In addition, she referred business to other groups in EY that resulted in approximately \$37,000,000 in fees being paid to EY. Thus, in only five years, Ms. Ward was responsible for approximately \$50,000,000 in fees for EY.

Second, the RECM business is not being exited. It will continue to be run by male leadership in TRE as it has been since Ms. Ward was removed from TRE in retaliation for her complaints and essentially cut out of any meaningful role in its operation.

Willemin, who also represented Casucci in her EEOC complaint against EY, told Going Concern that “EY’s decision to try to trash Ms. Ward for exposing rampant discrimination and sexual harassment is appalling and just another example of a big company trying to bully a woman who reports misconduct.”