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**STATE OF MINNESOTA
IN COURT OF APPEALS
A10-442**

Debra Johnsen,
Relator,

vs.

Waymouth Farms, Inc.,
Respondent,

Department of Employment and
Economic Development,
Respondent.

**Filed December 28, 2010
Affirmed
Hudson, Judge**

Department of Employment and
Economic Development
File No. 23439512-3

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Considered and decided by Hudson, Presiding Judge; Ross, Judge; and Schellhas,
Judge.

UNPUBLISHED OPINION

HUDSON, Judge

Relator challenges the decision of an unemployment-law judge (ULJ) denying her unemployment-compensation benefits on the grounds that she was not discharged from employment and that she did not quit her job because of a good reason caused by her employer. We affirm.

FACTS

Relator Debra Johnsen worked as a supervisor for respondent Waymouth Farms, Inc., from February 5, 2008, until September 11, 2009. In July 2009, Johnsen complained to her supervisor about one of her subordinates, who acted in an unprofessional manner toward her. The subordinate was given a warning letter and demoted.

On September 10, 2009, the general manager and Johnsen's supervisor held a meeting with employees to discuss crowding of materials in the aisles of Johnsen's department. Johnsen was told she could speak freely at the meeting, which she took to mean that she could use profanity. The general manager and the supervisor recalled that employees were asked to be open and honest, but were not told that profanity was acceptable. The general manager testified that, during the meeting, Johnsen made accusations against two subordinates, interrupted others when they were speaking, and stood up to make her points, leading other employees to ask her to calm down and let them finish.

That evening, the general manager asked Johnsen's supervisor to counsel Johnsen about her unprofessional conduct at the meeting, but the general manager did not suggest that Johnsen be disciplined or discharged.

The next day, September 11, Johnsen had an altercation with the subordinate who had received a warning in July, and Johnsen's supervisor met with Johnsen and the subordinate to address their problems. After the subordinate left, the supervisor asked Johnsen to stay and discuss her previous day's behavior. He testified that he stated that the way Johnsen acted at the meeting had led management to lose respect for her. He testified that Johnsen then stated that she would "just leave" and started to put her keys and security card on his desk. He asked her to reconsider and told her that she was not being disciplined or demoted. He testified that he asked her to sign a letter of resignation and wait for human-resources personnel, but she told him just to mail the letter to her and she would sign it. As she was packing her belongings, he offered to write her a personal letter of recommendation.

Johnsen testified that the supervisor told her that "management had lost all respect for [her]," that she would not be able to win it back, and that she was not offered counseling. She testified that she did not state that she was quitting, that she never intended to leave, and that she felt that she was being discharged.

Johnsen filed an application for unemployment-compensation benefits with the Department of Employment and Economic Development (DEED), and a department adjudicator determined that she was ineligible for benefits. Johnsen appealed that determination to an unemployment-law judge (ULJ). After a hearing, the ULJ

determined that she was ineligible for benefits because she quit her employment and did not quit because of a good reason caused by her employer. The ULJ affirmed that determination on reconsideration. This certiorari appeal follows.

D E C I S I O N

This court reviews a ULJ's decision to determine whether a party's substantial rights were prejudiced because the findings, inferences, conclusion, or decision are unsupported by substantial evidence in view of the record as a whole or affected by an error of law. Minn. Stat. § 268.105, subd. 7(d) (2010). This court views factual findings in the light most favorable to the decision and defers to the ULJ's credibility determinations. *Skarhus v. Davanni's Inc.*, 721 N.W.2d 340, 344 (Minn. App. 2006). Whether an employee is ineligible to receive unemployment benefits is a question of law, which this court reviews de novo. *Schmidgall v. FilmTec Corp.*, 644 N.W.2d 801, 804 (Minn. 2002).

Generally, a person who quits employment is ineligible for unemployment benefits unless a statutory exception applies. Minn. Stat. § 268.095, subd. 1 (2010). A "quit" occurs "when the decision to end the employment was, at the time the employment ended, the employee's," while a "discharge" occurs "when any words or actions by an employer would lead a reasonable employee to believe that the employer will no longer allow the employee to work for the employer in any capacity." Minn. Stat. § 268.095, subds. 2(a) (2010), 5(a) (2010). The issue of whether an employee has been discharged or voluntarily quit presents a question of fact. *Nichols v. Reliant Eng'g & Mfg.*, 720 N.W.2d 590, 594 (Minn. App. 2006).

We first address Johnsen's argument that she did not quit but was discharged. The ULJ determined that Johnsen chose to leave employment, based on her frustration with her subordinate and the reprimand that she received from her supervisor. Johnsen argues that she did not quit her employment, but rather was discharged during the meeting with her supervisor. But the ULJ found the supervisor's account of the meeting during which Johnsen left employment to be more credible, based on its detail and specificity, and that the supervisor's version of events was more logical and plausible. We defer to the ULJ's credibility determinations. *See Skarhus*, 721 N.W.2d at 344.

Johnsen next contends that her supervisor's statement that Johnsen had lost the respect of management was tantamount to a discharge, especially when the supervisor did not support her in her interactions with a subordinate. We disagree. As the ULJ found, Johnsen's supervisor did not discharge her with this statement; instead, the supervisor expressed legitimate concerns with her behavior at the previous day's meeting. Further, "[a] discharge . . . occurs when any words or actions by an employer would lead a reasonable employee to believe that the employer will no longer allow the employee to work for the employer in any capacity." Minn. Stat. § 268.095, subd. 5(a). Here, Johnsen's supervisor credibly testified that he asked her to reconsider her decision to quit, and the manager testified that he would rehire Johnsen if work were available. Therefore, substantial evidence supports the ULJ's determination that Johnsen was not discharged but quit her employment.

Johnsen argues that, even if she quit her employment, she did so because of a good reason caused by the employer. *See* Minn. Stat. § 268.095, subd. 1(1) (stating that a

person who quits employment is ineligible for unemployment-compensation benefits unless that person quit “because of a good reason caused by the employer”). A good reason to quit caused by the employer must be a reason adverse to the employee that directly relates to the employment and for which the employer has responsibility. *Id.*, subd. 3(a)(1), (2) (2010). It must also be a reason “that would compel an average, reasonable, worker to quit and become unemployed rather than remaining in the employment.” *Id.*, subd. 3(a)(3) (2010). Whether an employee quit because of a good reason caused by an employer requires a fact-specific analysis. *Id.*, subd. 3(b) (2010). An employee who experiences adverse conditions must complain to his or her employer and give the employer an opportunity to correct those conditions before they may constitute a good reason to quit. Minn. Stat. § 268.095, subd. 3(c) (2010).

The ULJ found that Johnsen chose to quit employment because of her frustration with a subordinate and the reprimand she received. Johnsen challenges this determination and argues that she quit for two reasons, both of which were good reasons caused by her employer: (1) she was unable to complete her assigned duties because management had withdrawn its support; and (2) she was subject to discrimination and disrespect because of her gender.¹ Johnsen testified that she had chronic problems with one subordinate because he would not follow her direction. But her supervisor testified that he had received many complaints from other employees that Johnsen was “[t]reating

¹ Johnsen does not argue that she was subject to sexual harassment, but rather that her subordinates refused to take direction from her based on her gender. *Cf.* Minn. Stat. § 268.095, subd. 3(f) (2010) (stating that sexual harassment constitutes a good reason to quit caused by the employer if the employer was aware, or should have been aware, of the harassment, and if the employer did not take appropriate and timely action).

them as children, rather than adults.” Substantial evidence supports the ULJ’s determination of Johnsen’s reasons for quitting.

Further, personal differences with an employer do not amount to good reasons to quit attributable to the employer. *Bongiovanni v. Vanlor Invs.*, 370 N.W.2d 697, 699 (Minn. App. 1985). And generally, a poor relationship with another employee does not constitute a good reason to quit. *Portz v. Pipestone Skelgas*, 397 N.W.2d 12, 14 (Minn. App. 1986). Johnsen’s poor relationship with other employees did not provide her with a good reason to quit caused by her employer.

Finally, the ULJ found that the employer held a meeting to address Johnsen’s concerns and, although the subordinate needed to be reprimanded for previous actions, there was no indication that the situation would not be addressed. Therefore, the record does not show that, before quitting, Johnsen gave the employer a full opportunity to correct the conditions leading to her complaints. *See* Minn. Stat. § 268.095, subd. 3(c) (stating that an employee must complain to the employer regarding adverse working conditions and give the employer an opportunity to correct those conditions before they constitute a good reason to quit).

Johnsen may have been disappointed based on what she perceived to be unwarranted criticism and a lack of support in the company’s handling of the issue with her subordinate. But neither condition provided her with good cause to quit for the purpose of obtaining unemployment benefits. *See Edward v. Sentinel Mgmt. Co.*, 611 N.W.2d 366, 368 (Minn. App. 2000) (referring to unemployment decisions holding that good personal reasons for quit do not equate to good cause), *review denied* (Minn.

Aug. 15, 2000). The record does not show that Johnsen's situation was so adverse that it would compel a reasonable person to quit rather than remain employed, and the ULJ did not err by determining that Johnsen did not quit because of a good reason caused by her employer.

Johnsen also argues that the matter should be remanded for an additional hearing because she was not allowed to fully develop the issue of gender discrimination. *See* Minn. Stat. § 268.105, subd. 1(b) (2010) (stating that the ULJ must “ensure that all relevant facts are clearly and fully developed”). During questioning, the ULJ instructed Johnsen's counsel to address those facts that directly related to her leaving employment, but the ULJ did not preclude additional relevant questions. Counsel questioned Johnsen, the supervisor, and the general manager, but did not raise any questions regarding gender discrimination. At closing, he merely stated that “there aren't a lot of women that work [at Waymouth Farms] in management.” Under these circumstances, we cannot conclude that the ULJ prevented counsel from developing this issue, and we decline to remand for an additional hearing.

Affirmed.