

# **‘I held a knife against my wrist’**

**Ethical conflict and work  
harm in Australian financial  
services**

**A report for the Finance Sector  
Union**

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In the end I couldn't take any more and bought forward my retirement. The relief I felt when  
I left for the last time was palpable.  
And cutting up my uniform was most cathartic!

*FSU member submission to the Finance Sector Union portal.*

## **ACKNOWLEDGEMENTS**

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## EXECUTIVE SUMMARY

When the Finance Sector Union (FSU) opened a portal on the Union website in early 2018, it was to invite members to tell the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry what it was like to work in the sector. This report gives voice to 353 FSU members, who reported stories of soul-destroying sales pressure to conform their personal ethics to their employers' overriding objective of profit maximisation resulting in suicidal ideation, broken marriages, forced early retirement, betrayal, bullying and victimisation.

Ten workers revealed the tragic consequences of the dehumanising governance and culture in Australia's financial services sector with narratives documenting suicidal thinking or attempted suicide from financial services' governance failure to provide for their workforces' occupational health and safety (OHS). These failures go to the heart of significant levels of corporate failure to comply with their legal obligations under OHS laws.

Work factors in suicide were the tip of the iceberg. The most often revealed work harm for FSU members was impairment of their psychological and emotional functioning, followed by victimisation. Workers consistently linked their experiences of work harm to sales pressure and unjust treatment, including bullying, which violated their ethical belief in serving customers fairly and serving customers' needs. Workers' ethics were in conflict with the dehumanising corporate governance structures and culture of their employers that were ideologically driven by a capitalist ethic focussed solely on maximising profit. International studies support the finding that ethical conflicts strain workers' psychological resources and lead them to feel psychologically and emotionally impaired by the violation of their personal ethics.

Meeting sales targets contributed overwhelmingly to FSU members' experience of work pressure, buttressed by a range of harmful behaviours including personal abuse and/or belittling by management, workload and/or micro-management, threats of punishment, and pressure to ensure management reaped their personal bonus rewards for meeting targets. Board and senior management governance to prevent these work factors causing psychological and emotional injury appeared to FSU members to be beholden to a toxic corporate culture.

While only those behaviours directly referenced as bullying by FSU members were coded as 'bullying', the research literature suggests that all management behaviour reported by workers as unjust, such as 'sales threats', 'other threats', 'misconduct', and 'being forced to change', are to be defined as workplace bullying. This behaviour has become legitimated as part of the normal practice of meeting sales targets. Bullying is part of a toxic culture to which corporate governance turns a blind eye because it serves the purpose of coercing compliance with sales targets driven by profit maximisation. It is an institutionalised abuse of power that forces workers to act against their ethical beliefs. By attacking workers' ethical beliefs, financial services corporate governance attacks their workers' personhood. FSU members view management complicity in this toxic culture as incompetence.

A number of portal submissions also commented on where workers found support for the harm they experienced. Workers who turned to the workers compensation system reported

abuse of trust while on workers compensation, discrimination by their employer and former work colleagues, the failure of effective return-to-work programs, and bureaucratic mismanagement. Too often long-term injured workers suffered secondary injury due to the same ethic of profit maximisation being the key driver of workers' compensation systems. Workers who turned to private professional help were mostly satisfied with the support they received, although bearing the cost of their treatment.

FSU members challenge prevailing beliefs in their industry about governance, culture and capitalist ethics. The belief that financial services corporations operate in an inviolate capitalist economic system is called into question. For this worldview, like all worldviews, is a socially constructed belief about both the governance of growth and progress, and the culture of success and human worth. The judgement against this worldview is powerfully voiced through these workers' pain at the violation of their ethical beliefs and their human dignity. This pain is exacerbated by a culture that refuses to listen to its workers' experience, and governance that justifies violent means to suppress the truth these workers know. In human terms, this is organisational injustice.

To heal the harm reported and restore justice, the report proposes that FSU:

- Establish a peer support program.
- Establish an industry sector support and advocacy program for whistle-blowers.
- Advocate within the union movement for strengthened whistle-blower protection.
- Advocate for a restorative justice service for the industry.
- Partner with RASP to advance research into preventing work-related suicide.

Also proposed is the development of an accredited Professional Ethics Formation and Integrity (PEFI) Program in which professional ethics formation integrates best practice business knowledge with holistic justice and human dignity in order to form humans with integrity as ethical beings at work.

## KEY FINDINGS

The key finding of this research is the failure of Australian financial services corporations to protect the occupational health and safety of their workforces during the corporations' relentless pursuit of profit maximisation. This finding is based on a step-wise series of findings as follows:

1. FSU members reported experiencing a range of harms including attempted suicide, suicidal ideation, impaired psychological and emotional functioning and victimisation.
2. The range of symptoms associated with impaired psychological and emotional functions and victimisation include stress, being personally abused and belittled, anxiety, fear, panic and insecurity at work.
3. Portal submissions consistently linked FSU members' experience of harm to the pressure to make sales, because sales are at the core of the corporations' commitment to capitalist ethics and their goal of profit maximisation.
4. Sales pressure was also found to be linked by FSU members to a range of harmful behaviours such as personal abuse and/or belittling, workload and/or micro-management, the threat of punishment, and pressure to ensure management reaped their bonus rewards for workers meeting sales targets.
5. FSU members reported that the pressure to make sales shaped a toxic, destructive culture reaching into every aspect of governance responsibility: customer relations, incompetent management, corruption of the worker bonus system, fraud, and workers' occupational health and safety.
6. The culmination of this reported corporate governance and culture failures impacted FSU members as ethical conflict. The research found workers believe it is morally wrong to sell to people products they do not ask for, want or need, and/or which they cannot afford. It is ethically challenging to be selling products that the worker is not familiar with. Ethical conflict touches a deeply personal part of these workers, akin to their beliefs and psychological wellbeing being violated.

The ethical conflict reported in this research, and the harm it causes to workers' occupational health and safety is visible because of the truth spoken by these workers: the ideological beliefs of capitalist ethics under which they labour is an unjust ethic. It is a life-threatening ethic

# 1 INTRODUCTION

## 1.1. Background

When the Crown issued Letters Patent on the 14<sup>th</sup> December 2017 to establish a Royal Commission (RC) into Misconduct in the Banking, Superannuation and Financial Services Industry, this gave the Finance Sector Union (FSU) a unique opportunity to find out how their members experienced misconduct in the industry. In early 2018, the FSU opened a portal on the Union website inviting members to 'Tell Your Story'. FSU wanted the Royal Commission to know what it was like to work in financial service sector, so the Commission would understand what needs to change.

There is no doubt that FSU members were motivated to inform the Royal Commission of their experiences working in the finance services sector. While the Commission refused to give workers in the sector and their Union a hearing, the FSU sought other avenues for their members' voices to be heard. In 2020, FSU finalised an agreement with the Religion and Social Policy (RASP) Network of the University of Divinity to prepare a report on the collected material.

This report gives voice to the 353 FSU members who poured out their concerns about their workplaces and their industry, providing an essential missing expression of the human concerns of employees of Australia's financial services 'entities'. Our research team read every word of these submissions, totalling over 100,000 words.

From short paragraphs to multiple page submissions, it was evident that these workers love their work. They wrote passionately about their satisfaction in serving their customers, and the meaning they found in such service.

However, FSU members also reported disturbing stories of work pressure undermining their desire to service customer's needs, and pressure to conform their personal ethics to their employers' overriding objective of profit maximisation. For too many workers, the pressure to conform took a huge toll on their psychological and emotional wellbeing. There are heart-breaking stories of suicidal ideation, broken marriages, forced early retirement, betrayal, bullying and victimisation. Yet there is also evidence of a steely resilience in the hearts of finance sector workers, manifested in their commitment to their own human dignity and the need for justice in their relationships with customers. Time and again we were touched by their accounts of calling out management abuse, refusing to comply with unjust dictates that viewed customers as 'cash cows', and pushing back against work systems that dehumanised their sense of self.

Collaboration between RASP and FSU began with a conversation about the Union's submission to the RC and in particular the FSU's proposals for the professionalisation of work within the finance industry. FSU proposed that 'the sector requires a workforce with independent professional obligations, training, minimum qualification standards and

independent, transparent disciplinary processes.’<sup>1</sup> The RASP Network’s response was to carry out research ‘to inform the advocacy of the FSU of a formation process for front-line finance sector workers that strengthens their capacity for ethical discernment and decision-making by researching workers’ experience of conflicts embedded in their employers’ corporate governance and culture.’<sup>2</sup>

*Formation is the process of acquiring a view of the world that shapes a person’s desires and embodies an ethical vision of what constitutes the good life. It shapes both a person’s interior (desires, values, beliefs) and exterior (relationships, work) life.*<sup>3</sup>

This report is the second of a two-part research strategy, the first being a pilot study of eight FSU members’ experience in their conflicted ethical work environment.<sup>4</sup>

RASP research practice has been formed in the Christian theological tradition and grounded in our personal experience of being encountered by the Spirit of Christ, which ‘re-formed’ our lives in ways that lead us to trust God’s presence in human affairs. We ‘see’ this presence revealed as God’s justice and love<sup>5</sup> for all human relationships, including in people’s working lives.<sup>6</sup> RASP Network provides a focus for our faith by bringing ‘theological insight into contemporary world issues and social policy debates—by stimulating research and engagement activity across the University and by building external partnerships.’<sup>7</sup> RASP researchers are committed to truth-telling and so we believe it is important to make clear our belief system, in contrast to the veiled and hidden belief system of capitalist ideology and ethics in the financial services sector and the policy and practices of successive Australian governments that have formed the sector in dehumanising and unjust ways.

This report explores the story of the finance sector’s ‘misconduct’ as revealed through FSU members’ testimony. A theological perspective grounds the human dignity and concern for justice embodied in their lived experience and is centred on the crucial importance of holistic justice that is, justice focussing on the whole person and the mutuality and equality of their relationships. Holistic justice “has a transcendent authority that stands over governments, officials and legal systems”.<sup>8</sup>

A holistic justice perspective is a wider lens than that used in the RC’s report of the finance sector corporations’ governance and culture, and ensures the corporations’ dehumanising and destructive behaviour is illuminated by the ethical judgement of its workforce.

## 1.2. Methodology

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<sup>1</sup> Finance Sector Union, *Submissions of the Finance Sector Union in respect of the Interim Report of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry* (Undated, est 2018), 4.

<sup>2</sup> Religion and Social Policy Network, *Application for Ethical Approval* University of Divinity (Melbourne:2019), 2.

<sup>3</sup> The authors use italics in this report for emphasis.

<sup>4</sup> John Flett, Brendan Byrne and John Bottomley, *Justice Tempered: how the finance sector’s captivity to capitalist ethics violates workers’ ethical integrity and silences their claims for justice* (Melbourne: Religion and Social Policy Network, University of Divinity, 2020).

<sup>5</sup> The character of God’s relationship with humankind is testified to by St. Paul: ‘the fruit of the Spirit is love, joy, peace, patience, kindness, generosity, faithfulness, gentleness, and self-control.’ (Galatians 5:22-23a)

<sup>6</sup> We draw on a long tradition of Christian social teaching and action on justice and human dignity that springs from the Hebrew prophets’ passion for justice, St. Paul’s critique of ‘the principalities and powers’ of sin and evil, Methodist engagement with working class struggles (Tolpuddle Martyrs, 1834), through Catholic papal encyclicals such as *Rerum Novarum* (1893) and *Laborem Exercens* (1981), the development of friendly societies and contemporary support for worker justice.

<sup>7</sup> University of Divinity, “Religion and Social Policy”, accessed 25/9/2020, <https://divinity.edu.au/centres-networks/rasp>

<sup>8</sup> Flett et.al. *Justice Tempered*, 6.

FSU members accessed the Union's website portal via their membership number. They were asked to

'shine a light on the toxic systemic practices throughout our industry. ... (and) tell the Royal Commission about the effects of institutional culture, conflicted pay and bonus systems, and performance management processes, on workers and customers alike.'<sup>9</sup>

The Union was aware of their members' grievances about their work environment, and saw the Royal Commission has an opportunity to add their members' concerns about the financial services industry to the growing public disquiet that had led to the Commission's establishment. The portal was open to the approximately 30,000 Union members for the duration of the RC. Contributions to the FSU portal were confidential and open-ended. Members could say what they wanted without needing to complete a survey form or questionnaire, so responses ranged from one-line sentences to multiple paragraphs and/or pages. FSU members' submissions were largely responses to their union's invitation, setting out in detail their individual experience of work pressures, ethical conflicts and the personal harm they attributed to their work environment.

Once downloaded from the portal, the stories were coded using the NVivo software program for analysing qualitative data. Coding involves highlighting phrases and sentences from each participant's narrative, then categorising the piece of information to a theme node (e.g. 'work pressures', 'work harm', 'support', and 'ethics', where the concept is a core theme for the research) that best embraces the meaning of the text. The generation of initial codes from each member's narrative was based on a deductive approach, drawing from the RASP pilot study, *Justice Tempered*, the RC *Interim Report* and *Final Report*, and informed by the use of the NVivo word frequency function and a careful reading of the narratives. The same process informed the establishment of theme nodes and their related case nodes. For example, the theme node 'work pressures' was amplified by a series of case nodes, such as 'unjust treatment, including bullying', 'sales pressure' and 'incompetent management'.

With an initial framework established, the researchers:

- i. Coded/categorised the data from the source narratives, allocating coded material to theme nodes and case nodes, and annotating quotations that provided critical research insights.
- ii. Reviewed the theme node structure of one-quarter of the narrative material coded in terms of coherence, consistency, overlap and the logic of node hierarchies. This resulted in merging nodes whose content seemed to overlap, and creating additional node hierarchies to further differentiate and explore the nuances of a given theme.
- iii. Conducted data analysis using NVivo query and visualisation functions - supported by a close reading of the coded data and annotated material - to explore the interrelationship between specific theme nodes and case nodes.

The presentation of findings and subsequent analysis drew upon a mix of processes of analysis that included:

- Frequency charts and reference counts to explore the number of references or mentions of a given data code at a given node in order to determine the overall

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<sup>9</sup> Finance Sector Union leaflet, *FSU Update*, March, 2018. (see Appendix one)

prevalence of a given theme across the data (e.g. 38 mentions or references by participants to being employed at ANZ: see table one).

- Cross-tabulations and matrix coding<sup>10</sup> to explore patterns in the data, such as patterns in the relationship between work pressure and work harm, or the relationship between sales pressure and work stress.
- Development of stand-alone case studies where FSU members had provided detailed experiences annotated with NVivo to highlight emerging research themes.

Members contributed from the four major banks, Australia and New Zealand Banking Group (ANZ, 10.8%), Commonwealth Bank of Australia (CBA, 16.1%), the National Bank of Australia (NAB, 9.9%), and Westpac Banking Corporation (Westpac, 14.2%), as well as a number of smaller banks and insurance companies (10.8%).

Table one: No. of FSU members x institution worked for.		
Institution	No.	%
ANZ	38	10.8
CBA	57	16.1
NAB	35	9.9
Westpac	50	14.2
Other banks & insurers	38	10.8
Unspecified	135	38.2
<b>Total</b>	<b>353</b>	<b>100.0</b>

With 51 per cent of FSU members making a point of mentioning which of the major banks they worked for, it is evident the Union’s invitation for members to make their views known to the Commission evoked a strong desire to ensure both the name of their employer and their concerns about their employer were known to the Commission. At the same time, participants were not asked to state who they worked for, so perhaps it is not surprising that 38.2 per cent of FSU participants did not specify their employer. Many of those who did not identify their employer named a reason for not

doing so—fear of retribution. This concern was voiced in a number of ways:

- I would like this to be confidential as I don't want NAB to know I spoke up.
- Please help us get rid of this pressure of selling and constant badgering from the management. I hope this is confidential.
- This has to be anonymous. I will not take this any further because I don't want to deal with it.
- Please keep my name and details confidential! Please share the story and not my name. If you publish my name, I will be in trouble to lose my job, which I can't bear as I am the only one earner to feed my family.
- I would prefer to stay anonymous as I have already experienced enough stress.
- Please ensure my comments remain confidential. Despite the protections offered, I still want to be able to work in the industry, and it is a small industry. It's not worth it to me to have a public rant about what I saw and how I was treated.

In what follows, the reasons for FSU members’ fears of retribution will be revealed.

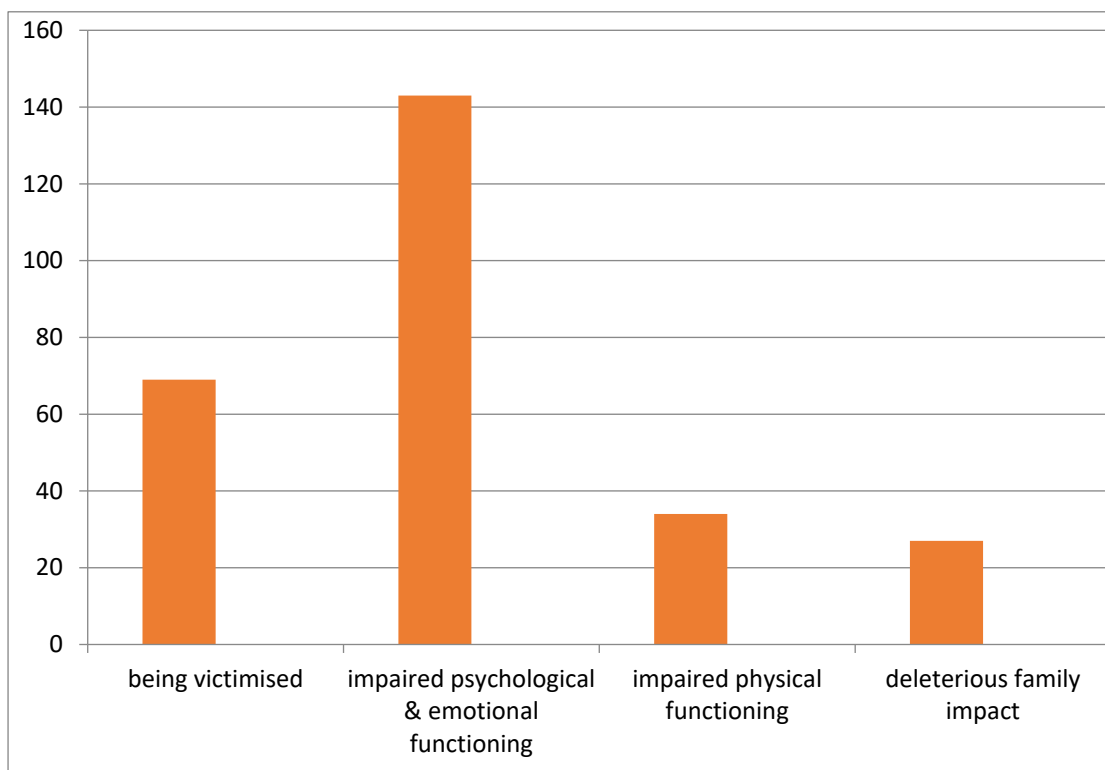
<sup>10</sup> Matrix Coding enable the researcher to assess coding intersections between multiple nodes within a project (theme or case nodes). Matrix Coding interrogates patterns of relationship between theme and/or case nodes of coded data, revealing the frequency with which the pattern of relationship occurs within the data set. It will also access the individual case material that shows the pattern of the interrogated relationship.

## 2 WORKERS' EXPERIENCE OF HARM

Fears about losing their job and wanting to avoid work-related stress were not the only concerns noted by FSU members. *FSU members made mention of work harm 283 times* in their reports to the Union portal. The most serious harm was registered by ten workers who said they had felt suicidal or had attempted suicide. In addition, there were:

- 143 mentions by FSU members of experiencing impaired psychological and emotional functioning due to work harm.
- 69 mentions of being victimised.
- 34 mentions of impaired physical functioning.
- 27 mentions of work harm having a deleterious family impact (see table two).

Table two: No. of references to work harm



### 2.1. Work factors in suicide

While fears of redundancy, dismissal, and work-related stress will be more thoroughly explored later, ten members spoke of how work factors had even pushed them to suicidal thinking or to attempted suicide.

- The pressure put on me in the years that led to my retirement became unbearable to the point of serious consideration of homicide and suicide.
- After 12 months, constant pressure and failed discussions with management I attempted to take my own life. For two years I was picked on by management. I tried to commit suicide.
- The amount of pressure to produce results and sales led me to holding a knife against my wrist and nearly committing suicide.

- I have tried to end my life since this episode, a number of times.
- I was feeling like I wasn't good enough because of my manager, and that nothing that I did would be (good enough). I held a knife against my wrist and was about to commit suicide.

These ten workers revealed the tragic consequences of the dehumanising governance and culture deeply embedded in Australia’s financial services sector. The narratives documenting suicidal thinking or attempted suicide reveal failures of governance, policy and practice to provide a safe and healthy working environment for these finance sector workers. They also reveal significant levels of corporate malfeasance. Six work factors are identified by FSU members that breach national occupational health and safety model legislation mandating employer responsibility for providing a healthy and safe work environment.<sup>11</sup> The number in brackets corresponds to the number of times each factor is mentioned.

- Unjust treatment of the worker includes bullying (10)
- Sales pressure on the worker (6)
- Incompetent management (5)
- Under-staffed (1)
- Performance management and coaching (1)
- Overwork, and/or unpaid hours (1)

The concerns of these ten workers are but the tip of the iceberg as far as revealing board and management failures to address harmful work pressures in the sector. That is, the three most mentioned work pressures affecting those who reported suicidal thinking or attempted suicide (i.e. unjust treatment includes bullying [10], sales pressure [6], and incompetent management [5]) are also the three most mentioned work pressures for the whole 353 participants. In table three below portal participants reported their three most mentioned work pressures were *unjust treatment at work, including bullying, sales pressure, and incompetent management*.

Table three: No. of references to both work harm and work pressure

Work Pressure	Being victimised	Impaired psychological and emotional functioning	Impaired physical functioning	Deleterious family impact

<sup>11</sup>Safe Work Australia, *Guide to the Work Health and Safety Act*, (Safe Work Australia, December 2019), 7.

‘A guiding principle of the WHS Act is that all people are given the highest level of health and safety protection from hazards arising from work, so far as is reasonably practicable. The term ‘reasonably practicable’ means what could reasonably be done at a particular time to ensure health and safety measures are in place. In determining what is reasonably practicable, there is a requirement to weigh up all relevant matters including:

- the likelihood of a hazard or risk occurring (in essence the probability of a person being exposed to harm)
- the degree of harm that might result if the hazard or risk occurred (in essence the potential seriousness of injury or harm)
- what the person concerned knows, or ought to reasonably know, about the hazard or risk and ways of eliminating or minimising it
- the availability of suitable ways to eliminate or minimise the hazard or risk, and
- the cost of eliminating or minimising the hazard or risk. p.7.

Unjust treatment (including bullying)	<b>44</b>	<b>64</b>	<b>18</b>	<b>12</b>
Incompetent management	<b>24</b>	<b>42</b>	<b>9</b>	4
Sales pressure	<b>19</b>	<b>47</b>	6	7
Performance management & coaching	10	13	3	1
Overwork, unpaid hours	6	19	6	7
Being understaffed	5	13	4	3

But before further investigating these particular work pressures, it is important to understand some of the other work pressure harm described by FSU members. We will focus on the two types of work harm most frequently mentioned, namely, impaired psychological and emotional functioning, and being victimised.

## 2.2. Impaired psychological and emotional functioning

As impaired psychological and emotional functioning was the most frequently mentioned type of work harm mentioned by FSU members, we used NVivo to recode this node to better spell out the specific types of work harm we had initially grouped under the rubric of psychological and emotional impairment. At the same time, in order to identify what was happening in their work environment, we cross-tabulated the specific forms of harm with types of work pressure that FSU members had related to the psychological and emotional impairment they experienced.

The most frequently mentioned type of impairment was stress (66), followed by anxiety, fear, panic, and insecurity (49), diminished mental health (37) and depression (18). Table four illustrates a more detailed breakdown of these four types of impaired psychological and emotional functioning as FSU members relate them to the four most mentioned types of work pressure affecting work harm.

Table four: No. of references to both impaired psychological and emotional functioning and the four most referenced work pressures.

Work Pressure	Stress	Diminished mental health	Depression	Anxiety, fear, panic, insecurity
Sales pressure	<b>25</b>	8	5	13
Unjust treatment (including bullying)	18	<b>22</b>	10	<b>22</b>
Incompetent management	19	8	7	12
Overwork, unpaid hours	8	7	1	2

This table shows that the three most mentioned types of impaired psychological and emotional functioning were:

- a. *Stress related to sales pressure (25).*
- Also almost every branch is short staffed and the management still pushes us for sales. They do not take into account that we are under pressure. Every day is a *stressful* worrying about sales and targets.
  - I had to retire early because mentally I could not deal with the *pressures* of sell, sell, sell.
  - A few years ago when the *pressure* to sell and call customer daily to offer them whatever product they did not have with NAB has taken a toll on me. The constant daily *pressure* and harassment to get my numbers by my various leaders was in my view "*abuse*". I have had to take Long Service Leave as I was on the edge of a breakdown.
  - My Manager said if I don't make my target this quarter I will have the car taken off me and my pay reduced and be sent to the other branch. That's a lot of *pressure* to be put under when returning from ill health.
- b. *Diminished mental health due to unjust treatment, including bullying (22).*
- Team members are highlighted for *underperforming* in daily leader boards.
  - I have experienced emails from other colleagues stating I had taken sales from them and they will make sure it is removed from me as it is theirs. *Very toxic.*
  - In the morning we have to pledge what sales we want to get and if it's not achieved by the end of the day, we are *made to feel inadequate.*
  - I got pulled into a meeting and they said that we are looking to terminate your employment and that you will be sent home until they have done a thorough investigation and that I cannot talk to anyone about this case. And that I needed to submit a written statement as to why I should keep my job. It was at this time I was already feeling like *I wasn't good enough* because of my manager, and that nothing that I did would be good enough, that I held a knife against my wrist and was *about to commit suicide.*
- c. *Anxiety, fear, panic and insecurity related to unjust treatment, including bullying (22)*
- I recall one instance I had a customer who had just had a still born baby and was struggling with their mortgage repayments and needed to be transferred to assist and my manager stood up and said *you need to ask for insurance sale and stood over me* and made me ask this poor lady for insurance. I nearly cried right there on the spot. I felt like they didn't care about anything but sales. Not me, not the customer, not anything but the sales.
  - I was on a steep slide into anxiety and depression with *all targets and sales needed.*
  - I was falling apart into a huge depression and breakdown due to extreme pressure and *feeling constantly attacked* day after day.

We now examine these three relationships between the specific work pressures identified – sales pressure and unjust treatment - and the types of psychological and emotional impairment with which the impairment is related.

### 2.2.1 Psychological and emotional impairment and sales pressure

The two types of sales pressure most related to stress are meeting sales targets (18) and being personally abused and belittled to meet sales (table five). The pressure to meet sales target is also the most mentioned type of sales pressure related to FSU members experience of anxiety, fear, panic and insecurity at work (8). It is also noteworthy that the pressure to meet sales targets and the pressure workers experienced from personal abuse and belittling are the two types of sales pressure that are related to each of the four types of psychological and emotional impairment: stress, diminished mental health, depression, and anxiety, fear, panic and insecurity.

Table Five: No. of references to both impaired psychological and emotional functioning and sales pressure.

Work pressure: sales pressure	Stress	Diminished mental health	Depression	Anxiety, fear, panic, insecurity
Sales targets	<b>18</b>	3	2	<b>8</b>
Personal abuse, belittling	<b>9</b>	3	2	5
Workload, micro management	6	2	0	0

#### a. Pressure of meeting sales targets contributes to work stress

- I decided enough was enough. I was sick of the stress, the teleconferences, the micro-management, the pressure to sell,
- Also almost every branch is short staffed and the management still pushes us for sales. They do not take into account that we are under pressure. Every day is stressful worrying about sales and targets.
- I feel stressed and sick that staff are put under a lot of pressure every day to sell unwanted home loans, business loans, personal loans, financial planning and insurance products to customers.
- Greed and profits led to staff getting high targets, unpaid overtime work, stress and pressure of everyday life.

#### b. Personal abuse and belittling sales pressure contributes to work stress

- The pressure and stress I was put under in my final years as a Home Finance Manager was so bad that I had to resign before I had a nervous break-down.
- I was so stressed and tearful during my interview with X and his manager.
- There had been bullying from the immediate manager, favouritism and no acknowledgement of the service, constant reminder of unattainable statistics targets and lots more.
- One of these times, when my manager was standing right next to me, I informed him that I was not feeling well. I said that my pulse was racing 2 to 3 times faster than normal (I even offered him to check my pulse, but he declined) and that my peripheral vision was blacking out. He said that if I can stand then I had to keep serving as I was disadvantaging our customer as I might recognise a product

they need! He said I could be held liable if I didn't sell them insurance and their house burnt down. It would be my fault.

- Between the unrealistic targets and behaviour towards staff I am currently on stress leave for 6 weeks

c. *Sales targets pressure contributes to work-related anxiety, fear, panic and insecurity*

- I've had many a sleepless night worrying how I am going to keep coming up with weekly expected sales and it's interfered with my work life balance many times.
- Although we are given sales targets to meet or exceed if we want a bonus, we were advised by our Team leader in a meeting a few weeks ago that we need to get more sales, or as the Bank puts it, 'help customers with expressed and unexpressed needs', even if we are meeting our sales targets presently. The pressure put on us to sell causes anxiety to me personally.
- Targets over the years were unrealistic and at times had staff in tears and fear of losing their employment.
- After working for NAB for over three years the sales pressure and toxic culture got to me and I developed severe anxiety where I was unable to perform my duties

**2.2.2 Unjust treatment and psychological and emotional impairment**

Unjust treatment, including bullying was related to a range of symptoms of psychological and emotional impairment, most mentioned being diminished mental health and anxiety, fear, panic and insecurity (table six).

Table six: No. of references to both unjust treatment (including bullying) and impaired psychological and emotional functioning.

Work pressure: unjust treatment, including bullying	Stress	Diminished mental health	Depression	Anxiety, fear, panic, insecurity
Bullying	6	11	1	8
Other threats	9	7	7	8
Sales threats	6	3	3	6

The specific type of unjust treatment that most affected both of these psychological and emotional impairments was bullying. Bullying was related to diminished mental health eleven times, and eight times related to FSU members experiencing anxiety, fear, panic or insecurity. The following quotes illustrate these relationships.

a. *Bullying contributes to diminished mental health, and anxiety, fear, panic and insecurity*

- I am working for Westpac and witnessed the systematic bullying and harassment of staff by management until I myself had a *complete mental break down* resulting in hospitalisations and shock therapy to come back from the brink.
- Culture and behaviours are bad at NAB and it is condoned from the top. The impact of bullying particularly is evidenced around the impact on employee mental health. This experience changed my life; *I will never be the same.*

- After working for NAB for over 3 years the sales pressure and toxic culture got to me and *I developed severe anxiety*, where I was unable to perform my duties. After taking some time off, the day I returned back to work my manager gave me a warning for breaching my sick leave policy. Despite seeking help from higher management and HR who did nothing to assist, not even a return to work plan was offered. I was forced to resign as a result of this.
- Due to the lack of staffing, no relief, and changing style of the Bank, which took us further away from customers' needs my banking life was destroyed. Due to mismanagement by a weak Area Management, my last 7 years approximately *broke me physically and mentally*.

*b. Workplace threats contributes to stress, and anxiety, fear, panic and insecurity*

- More recently I witnessed the most *horrific branch manager behaviour* that has led me to have a condition of anxiety. Our branch employed a new CSA. From the start this person was treated with utter disrespect and targeted by more than just managers. I felt so strong about this bad behaviour that I reported it to a manager removed from my line manager. The reaction from the manager was nothing less than disgusting. She spoke to me about how I should be more careful about who I speak to and get more of a whole picture of the situation in our branch. So I was just seeing things that were not there???
- I was *under extreme pressure* and stress so I decided to resign rather than be put under a formal performance review.
- During this time of stress I also had a down turn in my health and asked if I could go part time or work from home as I knew others did. However they said it was full time or nothing, *I had no choice* but to leave.
- If you ever spoke out about how unhappy, stressed, bullied, or feeling unable to balance the impossible workload, *you would be targeted* as a trouble-maker and stepped on by leadership.

A Danish longitudinal study of public service workers showed a similar pattern relating the work environment to mental illness, in that 'overall dissatisfaction with psychosocial working conditions is related to a significantly increased risk of developing psychiatrically diagnosed depressive, anxiety or substance abuse disorders.'<sup>12</sup> Further, a research note by a Finnish occupational health researcher, Marianna Virtanen, summarised several studies that support the findings of our research, including:

- A recent meta-analysis reported that high work demands (such as FSU reported sales pressure) and low decision-making responsibility (such as workplace bullying and victimisation) combined with high effort-reward imbalance (such as apparently random shifts in sales targets and bonus provisions), and low social support at work from co-workers and supervisors (such as performance management and threats of dismissal) are risk factors for common mental disorders.
- A Swedish study implied that employees striving for good work performance but lacking in organisational support (e.g. FSU workers who report incompetent

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<sup>12</sup>H Jensen, J Wieclaw, T Munch-Hansen, A Thulstrup and J Bonde "Does dissatisfaction with psychosocial work climate predict depressive, anxiety and substance abuse disorders? A prospective study of Danish public service employees," *Journal of Epidemiology and Community Health* 64, No. 9 (September 2010): 800.

management, lack of appropriate training for work tasks) may be at increased risk of depression.

- Organisational justice research reveals the quality of treatment employees experience while completing work tasks, specifically, receiving polite and considerate treatment from their supervisors—compared with the high level of unjust treatment reported by FSU members—has predicted mental disorders among employees.<sup>13</sup>

### 2.3. Victimisation

Portal participants reported that *unjust treatment at work, including bullying* (44 mentions), incompetent management (42 mentions), and sales pressure (19 mentions) were the most mentioned work pressure for being victimised (24) (table seven).

Table seven: No. of references to both being victimised and three most referenced work pressures.

Work pressure	Being victimised
Unjust treatment (including bullying)	44
Sales pressure	19
Incompetent management	24

#### a. *Unjust threats at work, including bullying, contribute to being victimised*

- For 2 years I was *picked on by management*. I tried to commit suicide.
- I was basically being *picked on to break me down*, and finally I was told I have no longer a job at NAB and I was walked out like a common criminal in front of regular customers and colleagues by my Manager.
- When I came forward about an incident I also advised NAB I hadn't done so previously due to fear, as this *manager had pinned me down* in the kitchen previously, which was witnessed. He was eventually talked to regarding this behaviour, but I was reprimanded for raising an issue about the lack of training!
- During the last 16 months on Workcover I have been victimised by former staff colleagues. My managers have *ceased contact with me* and I have never been asked about my health by my former managers. In November, a psychiatrist performed an IME whereby they found it would be detrimental to my health to return to CBA.
- I finally divulged to my HR officer that this elderly staff member would *place his hands between my legs*, above my knees, to pretend to search for papers. He did this over ten times while I was serving customers, so all I could do was turn around, kick his hand away and keep on serving. This was never resolved.

But what is it about being bullied and treated unjustly that makes workers feel victimised? Unjust behaviour, including bullying that leads workers to feel victimised is a manifestation of workplace violence. Such violence violates the centrality of work to a worker's life and sense of self. This is the core of the harm these forms of violence do to those who are targeted.

<sup>13</sup>M. Virtanen, "Work characteristics, anxiety and depression," *Occupational and Environmental Medicine* 65, no. 2 (February 2008), 71.

'Continual criticism, unmanageable workloads, and the uncertainty afforded by ongoing lack of security and support in the workplace undermine self-esteem and the ability to perform everyday work tasks. This then affects mental health and ultimately the ability to do the job.'<sup>14</sup> *This is the true human impact of so-called 'misconduct'. It is behaviour that not only breaks laws and codes of behaviour. It breaks human hearts, minds and bodies, too often with devastating and tragic consequences.*

*b. Incompetent management contributes to being victimised*

- I have being [sic] bullied, harassed, and punished by having to do all my targets for the quarter in one month. When submitting for additional hours the manager continually forgets to approve them. It went as high as 90 additional hours.
- In our second face-to-face meeting, my new people leader/regional manager "asked" why I was in the role. He questioned whether I got the role for the title (Branch Manager) to make my wife and family proud of me, as he said people from "my culture" would think this. On another occasion he compared my (second) language abilities with another branch manager peer: "she speaks Mandarin (Chinese), what do you speak? Pidgin!?"
- I studied management and was told I was management material and my qualifications were never recognised. ... The team leader stopped me getting redeployed saying she didn't want to dump me on another team the way I was. ... She repeatedly told me I wasn't good enough and if I don't like the way they work I can leave.
- At my annual review I submitted a lengthy proposal of solution-based small changes to encourage longevity in Team members, grow a culture of mutual respect at Branch level, and discontinue the morally reprehensible degradation of genuinely caring for customers' wellbeing and welfare. Ironically and unfairly, I was identified as a "trouble-maker". After this, my departure was hasty.

When FSU members report being victimised by incompetent management, they are reporting managers who abuse their power, belittling and intimidating their staff into conformity and passive compliance. In effect, this management behaviour is no different from unjust treatment of staff, including bullying.

The behaviour reported here is not unique to the financial services sector. Okechukwu and colleagues reported on the impacts of work pressures, including workplace discrimination, harassment, and bullying on physical and mental health. They reported such workplace injustices have similar impacts to those experienced by FSU portal contributors on their mental and physical health, health behaviours, job-related outcomes, and family well-being.<sup>15</sup>

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<sup>14</sup>L. Turney, "Mental health and workplace bullying: the role of power, professions and 'on the job' training" in L. Morrow, I. Verins, and E. Willis, *Mental Health and Work: issues and perspectives* (Adelaide: Auseinet, The Australian Network for Promotion, Prevention and Early Intervention for Mental Health, 2002), 137.

<sup>15</sup>C. Okechukwu, K. Souza, K. Davis, and A. de Castro, "Discrimination, harassment, abuse, and bullying in the workplace: contribution of workplace injustice to occupational health disparities," *American Journal of Industrial Medicine*, 57, no.5 (2014): 2.

Awareness of the links between work and mental health, at management and governmental levels, is not new. A joint Commonwealth, State and Territory Initiative under the Second National Mental Health Plan published a policy framework for the promotion of mental health and prevention and early intervention for mental health problems and mental disorders in 2002. The 'National Action Plan for Promotion, Prevention and Early Intervention for Mental Health 2000' is a national framework that identifies the important relationship between work and emotional and social wellbeing. The relationship is regarded as a priority for action.

The catalogue of psychological and emotional harm reported by FSU members meets the standard that defines the 'misconduct' by financial services entities set by the RC's Letters Patent. In reality, this level of harm represents systemic breaches of a professional standard or a recognised and widely adopted benchmark for conduct, and constitutes an offence against Commonwealth, State or Territory occupational health and safety laws.

#### **2.4. The sources of work harm**

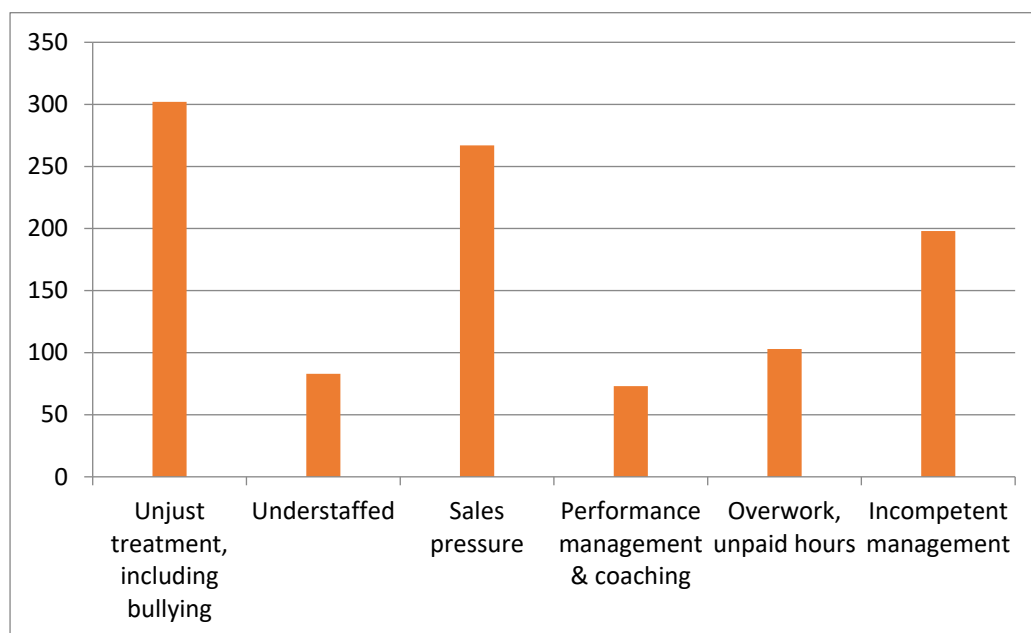
What could be the reasons behind such a widespread pattern of work-related harm? There is a frustrating circularity in the mental health literature about the sources or origins of work harm. For example, an International Labour Organisation study of work-related mental illness in five countries, Finland, Germany, Poland, United Kingdom and the United States determined that 'Work-related mental illness is a product of anxiety, depression, stress and/or burnout.'<sup>16</sup> This appears to say that work-related mental illness is caused by people having symptoms of mental illness! The evidence from the FSU portal helps to break through this self-defeating and circular argument. FSU members draw direct links between their experiences of suicidality, psychological and emotional harm and victimisation and unjust workplace stressors. What do FSU members believe to be the sources of the work pressure they have experienced?

Table eight (below) shows how the work factors reported by those who had suicidal thinking or attempted suicide were each reported in the same order of priority by all FSU respondents, that is, *the greatest number of mentions was unjust treatment of the worker, including bullying (302 mentions), followed by pressure on the worker to make sales (267 mentions), then incompetent management (198 mentions), overwork and unpaid hours (103 mentions), understaffed (83 mentions), and performance management and coaching (73 mentions).*

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<sup>16</sup> M. Leon, "Work in the trenches: fear and anxiety in the workplace – an exploration) in L Morrow, I. Verins, and E. Willis, *Mental Health and Work*, 233.

Table eight: No. of references to work pressures.



The RC determined that the root cause of the misconduct reported to it was ‘greed – the pursuit of short-term profit at the expense of basic standards of honesty.’<sup>17</sup> Greed was deemed to lay at the heart of the identified ‘dishonest behaviour’<sup>18</sup>. While greed has other meanings, such as covetousness, or taking ‘something that is not rightfully ours,’<sup>19</sup> the RC definition was notable because it identified the cause of misconduct within an ethics framework. It is nonetheless an individualistic definition of greed, and one that accords with the capitalistic ethic of tempered justice. Tempered justice is defined as:

the level of justice deemed ‘sufficient’ to legitimise the culture of profit maximisation within the finance sector, while simultaneously hiding or minimising its harm.

Tempered justice serves the ideological purpose of justifying the ‘necessary’ level of work pressure on workers to achieve capitalism’s ethical virtue of profit maximisation, while ‘greed’ provides an explanation that justifies this ideological necessity as merely an individual overstepping the boundary of tempered justice. Thus ‘misconduct’ is reduced to dishonest or ‘unethical’ behaviour caused by shameful individual failings. The discredited argument that misconduct is due to the bad behaviour of a few ‘bad apples’ was replaced by a further individualistic explanation. The root cause of the problem was not poor governance and poor systems of compliance. Now the root cause of misconduct was deemed to be the ‘bad attitude’ of individuals fostered by a corporation’s poor culture.

But describing the harm reported here as ‘misconduct’ due to corporate culture grievously minimises the injustice experienced by FSU members. The Letters Patent defined misconduct as behaviour that violates an observable law, agreement, duty or standard,<sup>20</sup>

<sup>17</sup> *Interim Report of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, volume 1* (Commonwealth of Australia, 2018), xix.

<sup>18</sup> *Interim Report*, 121.

<sup>19</sup> Institute for Faith, Work and Economics, accessed 6/10/2018, <https://tifwe.org/what-is-greed>.

<sup>20</sup> *Letters Patent* of Elizabeth the Second, Queen of Australia, 14 December 2017, 5. ‘Misconduct includes conduct that:

that is, misconduct is defined in such a way that it is separated from its human consequences. There is no acknowledgement that anyone suffers harm or experiences injustice from the offence of misconduct. Nor are there victims of misconduct, only broken laws, bad behaviour, including unprofessional behaviour, or broken promises. The harm voiced by FSU members suggests that this definition serves the ideological function of justifying tempered justice by minimising, even ignoring, injustice meted out to FSU members by their corporations' failed governance and corrupted culture.

While much of the harm to *customers* revealed by the RC was usefully analysed through perspectives of culture and governance, much of the work harm perpetrated on workers *is due to the perpetration of violence against workers' ethical beliefs*. The violation of workers' ethical beliefs and their human dignity reflect both dehumanising corporate governance structures and culture that together serve the capitalist ethic of tempering justice for the sole purpose of maximising profit.

While this research did not have access to the governance arrangements of financial services corporations, we assume their arrangements are congruent with those defined by the RC: 'Governance refers to the entirety of structures and processes by which an entity is run.'<sup>21</sup> This definition is similar to that offered by the Governance Institute of Australia (GIA) and the Australian Securities and Investments Commission (ASIC).<sup>22</sup> All of these definitions define governance as a set of structures that have the purpose of controlling the corporation's direction. These definitions of governance share a rational scientific focus on how objective 'structures and processes' are believed to provide a fully causal account for how 'an entity is run'. However one striking feature of these definitions is that there is no 'subject' who governs, and no mandate for how 'the governed' may hold to account those who govern them.<sup>23</sup> Thus the human dimension of holistic justice and human dignity as core values of corporate governance are absent. The *sources* of work harm in corporate governance and alleged misconduct are veiled in silence. And again, this silence is broken by the voices of FSU members exposing the harm to which they are exposed by the unjust violation of their personal ethics and human dignity.

They describe how financial services corporations' culture and governance appears to condone wrong-doing by a systematic dehumanising 'not seeing or not hearing', so as not to upset the stated end goal of profit maximisation. Workers comments include:

- The manager turned a blind eye as this lender is a high performer
- I see some sales staff pushing things on to customers. You can see the customers aren't comfortable with or wanting what is being pushed on them. But as they get results sales-wise the managers turn a blind eye to the behaviour.
- I pleaded to be transferred to another branch but this fell on deaf ears.

- 
- a) Constitutes an offence against a Commonwealth, State or Territory law as in force at the time of the alleged misconduct; or
  - b) Is misleading, deceptive, or both; or
  - c) Is a breach of trust, breach of duty, or unconscionable conduct; or
  - d) Breaches a professional standard or a recognised and widely adopted benchmark for conduct.'

<sup>21</sup>Final Report of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (Commonwealth of Australia, 2019), 333.

<sup>22</sup>Australian Securities and Investments Commission, *Corporate Governance Taskforce: Director and officer oversight of non-financial risk report* (ASIC, October 2019), 9. Governance Institute of Australia, *What is governance* accessed 27/01/2020, <https://www.governanceinstitute.com.au/resources/what-is-governance>

<sup>23</sup>ASIC, 'It encompasses the mechanisms by which companies and those in control are held to account.' 9.

- If a banker is not adhering to compliance or risk requirements, management will sweep it under the carpet as long as this person has the sales figures, he or she will still get bonus reward.

Corporate culture and governance that fails to listen or see the harm perpetrated by unjust work pressures constitutes secondary injury, that is, the refusal to see or hear the grievances of harmed workers rubs salt into their wounds. This will be expanded on in the next section.

Case study A: how chasing maximum profits changed the purpose of the banks.

In the last few years I watched team leaders being replaced with contract workers from other industries who excelled in achieving sales targets but were somewhat lacking in empathy, humour and other important people skills. I saw the business coach roles being scrapped and given to these "super workers" who knew their contracts would not be renewed if they failed to achieve their KPIs. I saw outsourced companies employed to do that most fundamental and important task of a customer-centric business - to make a good first impression. They did not! Despite stringent controls and disciplinary measures, these people were not bank employees and *the bank customers were not their customers, the Bank was!*

## 2.5. Ethical conflict and the violation of workers' humanity

The form of harm most often mentioned by FSU workers was impaired psychological and emotional functioning. This was most frequently experienced as stress, followed by anxiety, fear, panic, and insecurity, diminished mental health and depression. But what is the link between work factors such as sales pressure, and work harm?

A major French study,<sup>24</sup> drawing on data collected from the case files of mental health practitioners, has codified the link between two sources of ethical conflict at work and a range of mental and behavioural disorders. The following ethical conflicts are also evident in the experience of FSU members' reports to the Union portal.

1. Personal ethics and conflict of values, including
  - Performing an act going against their principles (miss-selling, making redundancies)
  - Being a powerless witness to acts going against their principles
  - Lacking resources or time to do quality work
  - Other conflict of values relating to personal ethics
2. Ethics of the business, including
  - General level of safety or a low safety culture
  - Lack of means
    - Lack of collective means of protection
    - Lack of individual means of protection
  - Lack of respect in verbal communications
  - Other ethical failings of the business capable of causing disturbance.

<sup>24</sup> A. Chamoux, C. Lambert, A. Vilmant, C. Lanher, R. Agius, M. Boutaleb et al., "Occupational exposure factors for mental and behavioral disorders at work: The FOREC thesaurus," *PLoS ONE* 13 no.6 (2018): 7.

These findings suggest that ethical conflicts strain workers' psychological resources and lead them to feel psychologically and emotionally impaired by the violation of their personal ethics. The following evidence suggests this is a cogent explanation for the impaired psychological and emotional functioning suffered by FSU members from their exposure to work pressures. The conflict between members' experience of their company's ethics and member's personal ethics are the two most often mentioned areas of ethical conflict related to their experience of impaired psychological and emotional functioning (see table nine).

Table nine: No. of references to both personal and company ethics and impaired psychological and emotional functioning.

Member's ethics	Impaired psychological and emotional functioning
Personal standards undermined	7
Member is critical of employer pressure to ignore the customer's interest	8
Affirm personal ethics	12
Oppose company ethics	14

*a. Impaired psychological and emotional functioning related to members' personal standards being undermined*

- We have been working 2 staff down for 6 months. It is causing stress and errors.
- Staff were constantly given unreasonable targets and some staff became so stressed and then did things that were totally unethical to reach targets.
- They set goals and they said they would be there for support, but the stress level was through the roof. I found it hard to reach the targets as I was so depressed and developed very low self-esteem. I was a shadow of the person who started at Westpac.
- I have personally been pressured to the point of panic attacks and anxiety from the pressure, lack of relieving staff, and guilt from the additional stress put on colleagues when my children were too sick to attend work.
- Due to this pressure work was coming home with me. As my mental state deteriorated, I was often agitated and arguing with my family. My personality was changing as the company tried to mould me into a sales consultant, offering products to people that they often did not need or in reality, could not afford.

*b. Impaired psychological and emotional functioning related to FSU member opposing company ethics*

- I had one Manager who to boost numbers would ask customers who came in with kids if the children had an account; if not they would take the parents details; the child's name; DOB; and have accounts opened without seeing any Birth Certificates for proof of identity or DOB. She also bullied staff and made racial statements to staff. When I stood up to these issues I was treated like the one that had done wrong. Very poor. I ended up taking sick leave for stress and was off work for 10 months.

- Culture and behaviours are bad at NAB and it is condoned from the top. The impacts particularly impact on employee mental health. This experience changed my life. I will never be the same.
- The telemarketing and datamining targets caused me extreme anxiety, as the whole process was against my ethics and values to aggressively use customer information to generate sales of products they neither wanted nor needed.
- All the staff are stressed; we are under a lot of work pressure.
- In the morning we have to pledge what sales we want to get and if not achieved by the end of the day we are made to feel inadequate
- The underlying messages which are communicated in various ways are FEAR and feelings of being UNDERVALUED. There is fear of expressing our opinion as there is no trust or confidentiality, e.g. on a few occasions where I had to discuss with the regional manager about some serious issues in the work environment, not only nothing happened to resolve the issue, but after the conversation I experienced avoidance and isolation from my Branch Manager.

Whether opposing their company's ethics, affirming their personal ethics, or experiencing their personal ethical standards being undermined, these FSU members' work is making them sick. However, in the worldview of capitalist ethics, such sickness is believed to be a sign of individual pathology or personal weakness. Typically these sick workers have been treated as if they have a mental illness. For the most part, they have also thought themselves to be suffering a mental illness, that is, they talk about not 'coping', having a 'nervous breakdown', or label their symptoms with common labels of mental illness, such as 'depression', 'panic attack', or 'anxiety'. But what we see are symptoms of workers' ethical integrity and human dignity being violated by unjust work pressures. We will now look in turn at the three most often mentioned work pressures reported to the FSU portal: sales pressure, unjust treatment (including bullying), and incompetent management.

### 3 WORK PRESSURE: SELL, SELL, SELL.

While there were more mentions of unjust threatment, including bullying, than any other work pressure from FSU members, we begin with sales pressure because sales are at the core of financial service corporations' commitment to capitalist ethics, culture and governance. Sales are the necessary and essential factor in the corporations' goal of profit maximisation.

#### 3.1. Sales targets: the key source of sales pressure

As table ten shows, the 237 mentions of sales targets and bonus remuneration by FSU members support the RC's conclusion that the sole focus of the financial service entities was selling and that staff sales targets were linked to their bonus remuneration.<sup>25</sup> However, management sales pressure was also linked to a range of behaviours harmful to workers and the corporation, such as personal abuse and/or belittling (89), workload and/or micro-management (51), the threat of punishment (54), and pressure to ensure management reaped their bonus rewards for workers meeting sales targets (38). Yet the *impact* of this governance-endorsed culture of sales pressure on their employees fell on the deaf ears of entities' Boards. For FSU members represented in this study, their employer's narrow focus on selling was a significant—if not the most significant—source of work pressure and work harm.

Table ten: No. of references to types of sales pressure.

workload, micro management	threat of punishment	sales targets	rewarding management	personal abuse, belittling
51	54	237	38	89

Meeting sales targets contributes overwhelmingly to FSU members' experience of work pressure.

- In the CBA call centre we were measured on an annual running target. I had a few weeks off on holidays just before the new financial year. When I returned I was grilled as to why I was only 45% YTD, and subsequently *put on performance management*. The stress was so bad that I had to see a psychologist.
- Also almost every branch is short staffed and the management still pushes us for sales. They do not take into account that we are under pressure. Every day is a stressful worrying about sales and targets.
- We are pushed to achieve sales targets. Customer was never in front of our mind. Although 'needs based conversation' was discussed it was never given priority. Unreasonable sales targets never motivated staff to have needs-based conversations. If they don't achieve targets they *go in to performance management*.
- My bosses were only every interested in revenue and sales. The whole remuneration system was built around revenue targets that increased each year.

<sup>25</sup>Interim Report. 55.

If you were applying for a new role, the main criteria were always your achievement of sales targets.

- The sales regime put staff against each other so that you could achieve your target.

'Performance management' is consistently referred to by FSU members as a mechanism for punishing staff for failing to meet sales targets, leading many to experience impairment of their psychological and emotional functioning. Tying remuneration to targets was also identified as a source of staff conflict, and an obstacle to genuine needs-based conversations with customers. Table nine sits in sharp contrast to the governing conclusion reached by the RC:

'staff and others engaged by an entity will treat as important what they believe that the entity values. Rewarding volume and amount of sales is the clearest signal that selling is what the entity values. What staff and others believe that the entity values informs what they do. It is a critical element in forming the culture of the entity.'<sup>26</sup>

The evidence contained in this study reveals that finance sector workers' experience of management's sole focus on sales does **not** inevitably inform what workers do. Rather, corporate governance and culture with a sole focus on profit maximisation through sales targets causes widespread work pressure to FSU members. As evidenced above, work pressure from various sources (culture, governance, remuneration), but especially sales pressure, is the key cause of work harm and the violation of workers' personal ethics and human dignity.

#### Case study B: Sales targets, work pressure, the iniquity of KPI measurement

The targets we had were not achievable within the normal 40 hour working week. As a HFM, I was required to do 10 new lending interviews a week, which had to be predominately self-sourced. From this we had to complete 7 applications. We were expected to have a minimum of three settlements per week with a dollar value exceeding \$750,000 in total per week. If this wasn't achieved we had to complete an action plan, which had to be signed off by the branch manager and forwarded to the regional manager. We had to make a minimum of 25 proactive calls each week. We also had to sell home and contents insurance, savings and transaction accounts, credit cards, and various insurance products, and refer people to financial planners. We were measured on all these outcomes and had to sell a certain amount of each of these products to achieve our targets on top of the home loan requirements. We were also measured on mortgage quality. This meant that if we had one error on a loan we would get a zero. The score had to be over 90% if we were to achieve a bonus. It was very difficult to meet all the requirements to obtain a bonus. If you were behind on one of these things you would be pretty much considered to be failing. You were constantly left feeling inadequate and a failure.

### 3.2. A perfect storm: harmful sales culture meets governance sales pressure

When cross-tabulating all mentions of all harmful factors of workplace culture with all mentions of work pressure (an indicator of governance responsibility), the most mentioned work pressure is the pressure on staff to achieve sales (see table eleven). As the quotes below illustrate, a harmful sales culture is consistently twinned with how governance

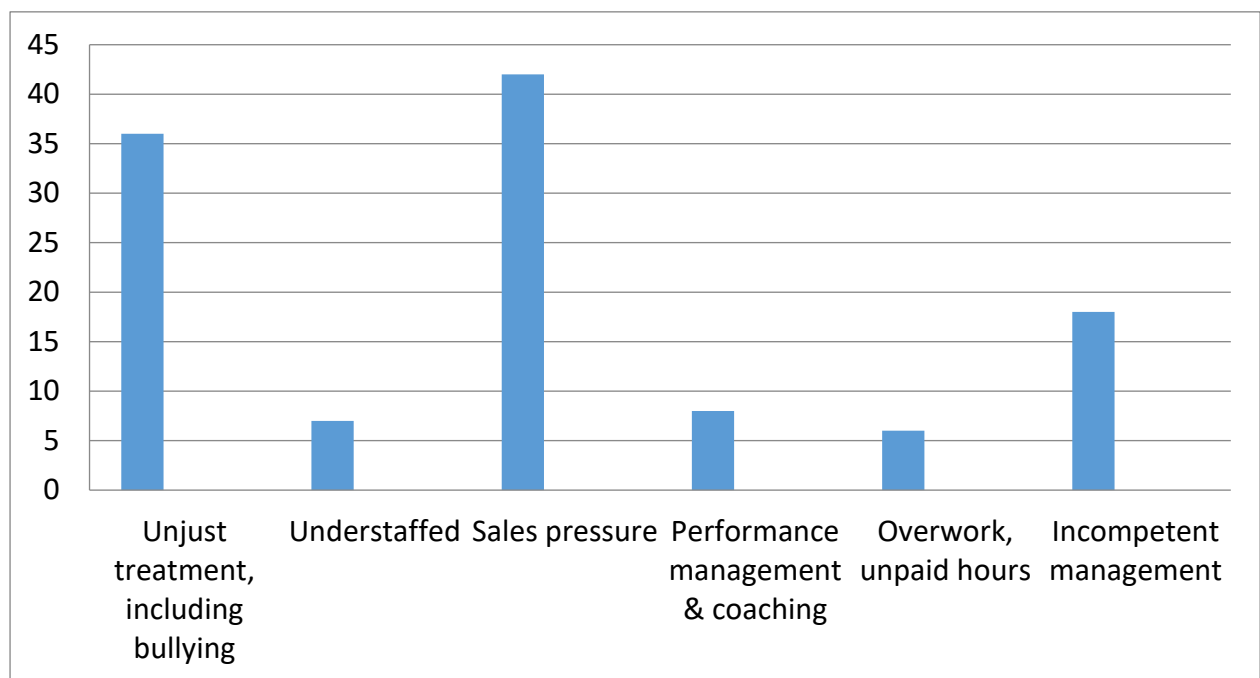
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<sup>26</sup>Interim Report. 55

structures (i.e., how management uses those structures to justify their harmful behaviours) ignore the consequences of that harmful culture for FSU members.

- The *culture was very competitive*. You got scrutinised individually at team meetings, if you could not sell/*make revenue* on the day. You actually were on a time limit of spending time with customers.
- The Westpac leadership *culture was abusive*. From being called a sloth in a tie because we don't move fast enough to being threatened to being marked 'not effective' in the role because of not having 40 pre-booked appointments for February. Even to this day the *more-at-all-cost mentality* is still very rife.
- The Manager would conduct morning and afternoon meetings with the team to *pressure them* into 'What Revenue they expected to sell for the day' followed up by an afternoon meeting to see if they managed to sell this amount of product revenue and if not WHY? On some occasions up to 4 meetings would be held during the day *harassing staff to sell more!* The issue here is that a number of the younger staff members were not confident enough to speak up or tell the Manager he was out of line, and unfortunately this was a culture that was encouraged by the RGM.

Table eleven: No. of references to both work pressures and harmful workplace culture.



- Staff are constantly *measured on how many sales they make*, this determines if they get a pay rise, it determines if they make any bonuses and it determines if they keep their jobs.
- After 10 and a half years with NAB in Business Banking I chose to leave and join Bendigo Bank mainly to escape an endemic *toxic organisational culture of sales pressure and rampant bullying by senior leaders* in the region.
- It's toxic in the operations sector as well as retail. The *constant push* to process work. Staff *doing unpaid overtime* or overtime that went on for years.
- The management was looking at *employing sales-oriented staff instead of service* - the ones that will flog the products to the customer *without the regard*

for their current financial situation. The new managers were rather aggressive in installing the sales culture as they were after bonuses.

- Under the stretch target CBA has imposed on the branches, it is common practice for CBD Branch Managers to achieve their business results by *sourcing fake business*. This occurs in a variety of ways, including stealing business from different branches, churning the same business repeatedly, or even asking for 'revenue' that they did not work for, solely for the purpose of inflating their business results. The culture and common practice occurring due to *this culture is prevalent across all of Retail Banking*.

The noxious and pervasive influence of such sales pressure on the culture of financial entities' work environments reaches into every aspect of governance responsibility: customer relations, incompetent management, corruption of the worker bonus system, and fraud. And at the heart of their concerns about this competitive, toxic, and dehumanising work environment, FSU members voiced their concern for workers' wellbeing and their occupational health and safety.

#### Case study C: Extracting wealth to maximise profit: training for bank-sanctioned stealing

Our training was centred around conversations with customers and how we would shift conversations from the product requested to the wealth products not requested. We would do this in many different ways, such as asking the customer to explain to us how they would protect the new loan obligation if their income was to cease.

Many customers after such sales discussions would feel that not taking the wealth product/ insurance would jeopardise their loan approval, even though this was not specifically said. The position I held as a BDM for mortgage broker distribution required me to only support pricing discounts for brokers who would sell other bank products such as wealth and insurance. Brokers almost always look to offer the best loan product and price, and in many cases would be advised by us, that in order to offer a better price we would need the customer to take up at least 4 other products unrelated to the loan. Many brokers would question this practice, and in turn we would argue that it is best for them if they want to retain the business and avoid the customer moving within the broker's clawback period. Management all knew this was happening, and in many training sessions we were role playing these conversations as part of our training.

Too many times I have seen lower ranked individuals or individual mortgage brokers blamed for selling inappropriate or unsuitable products, but the pressure and motivation to do this, was almost always coming from the very top within the bank. At all times management knew full well what was driving sales and the methods used. It was very frustrating to see media publications of low ranking staff or individual brokers being blamed for inappropriate conduct, when they were pressured by the bank to meet targets or offered discount incentives to drive a sales culture.

### **3.3. Toxic culture and dehumanising work**

The strongest criticism made by portal participants about the culture of their work environment—mentioned 55 times—was that the corporate culture was abusive and/or toxic. Again, this was linked to dehumanising sales targets, with a further 45 mentions castigating the harmful sales culture of their workplaces. As the following comments from FSU members reveal, Australia's four biggest banks have a severely compromised organisational culture.

A Canadian study has defined the toxic culture of a workplace according to the following seven factors.<sup>27</sup> The dot point quotes from FSU members illustrate how their experiences of a toxic work environment across the financial services industry match the criteria established by this study:

1. Mediocre performance is rewarded over merit-based output.
  - The CBA had a yearly best of the best being purely for high achievers in sales. A weekend away at a luxury resort all expenses paid - a very unfair culture.
  - Favouritism is a big issue, with the contact centre managers promoting people they like and always bullying staff they dislike.
2. Employees avoid disagreements with managers for fear of reprisal.
  - I saw several assistant managers demoted or forced out if their bullying tactics weren't considered strong enough, or if they questioned the banks practices. One assistant manager was fired - this lady had a wealth of experience but was considered too soft on staff.
  - There is a firmly entrenched fear of being fired.
3. Personal agendas take precedence over the long-term well-being of the company.
  - The culture was very competitive and on most occasions, the customer's best interest was not considered.
  - The culture did not support the FOFA (Future of Financial Advice) reforms and maintained a high sales culture despite the industry moving away from this type of culture.
4. Leaders are constantly on edge and lose their tempers often.
  - I saw many alarming behaviours that contributed to a high pressure bullying culture.
  - There was rampant bullying by senior leaders in the region.
5. New leaders do not stay long and employee turnover is common.
  - There was a high turnover in Branch Managers and subsequent loss of experience and leadership. The pressure was clearly too much on the Regional Executive who started taking it out on her staff.
  - We were seriously understaffed due to 2 members also resigning due to culture toxicity,
6. Employees are treated more like financial liabilities than like assets.
  - We are just as disposable as customers
  - We do not take sick leave because of loyalty to our direct team, and this is taken for granted by management. The culture of abuse will never be resolved until sales targets are removed.
7. Bosses routinely throw temper tantrums, make unreasonable demands, scream, and use obscenities.
  - The staff were attacked morning and afternoon, what are you going to do, more, better, different, less. etc. etc. from the area offices to the managers it was nonstop.
  - Leaders delivering sales expectations with intimidation, bullying and harassment.

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<sup>27</sup>J. Gilbert, N. Carr-Ruffino, J. Ivancevich & R. Konopaske "Toxic versus cooperative behaviours at work: the role of organizational culture and leadership in creating community-centred organizations," *International Journal of Leadership Studies* 7 no.1. (2012): 29.

### 3.4. Ethical conflict

The governance policy area most often mentioned by FSU members concerning their personal ethical conflicts with their employers is the relentless management pressure to make sales. The pressure to make sales undermines the personal standards of FSU members (37 mentions) and is most often mentioned by FSU members who oppose their company's ethics (49 mentions) and against which they affirm their personal ethics (48) (see table twelve).

Table twelve: No. of references to both ethical conflicts with their employers and work pressures.

Areas of members' ethical conflict with their employers	Unjust treatment (incl bullying)	Under-staffed	Pressure to make sales	Performance management & coaching	Overwork, unpaid hours	Incompetent management
Personal standards undermined	20	7	37	7	3	12
Oppose company ethics	40	8	49	8	6	23
Affirm personal ethics	25	7	48	9	8	21

a. *Reports on how workers' personal standards are undermined by the work pressure to achieve sales targets*

- We are *forced* to shove the product down the customer's throat.
- As a teller we are constantly told to offer credit cards and p/loans to people that really do not need these and quite obviously cannot really afford them! It is part of my job requirement to ask my customers and if I don't I am penalised for not getting my 'targets'. I cannot offer credit to people to people who can't afford it. It is so wrong, against all my beliefs, and so *morally wrong!*
- I was *forced* to up-sell accounts, draft packages and credit cards to businesses that obviously wouldn't be able to afford them or would get declined even if they applied for them.
- I never had an issue with KPI targets for our core business, but I did find targets unrelated to our core role *ethically challenging*.
- There were so many dishonest behaviours due to impossible targets, I felt *my integrity was compromised and I was in conflict with myself*.

Undermining these workers' personal standards to achieve their employers' sales targets is done through acts of force – even violence. That staff are 'forced' to do things, and 'stood over' speaks to workplace violence. We have already presented earlier evidence of bullying, victimisation, being belittled, and being threatened by those with organisational power; this evidence establishes that ethical conflict is part of an established culture of violence in the financial services sector. Indigenous author Judy Atkinson quotes the *Collins English*

*Dictionary* definition of violence in her book on trauma before advancing her own definition: 'Unjust force, actions or words used, without informed consent, to intimidate or harm; actions that are irreverent or disrespectful of another or others, and that are used, consciously or unconsciously, to obtain power over another or others, causing pain to the whole person (body/mind/soul/spirit)'.<sup>28</sup> Our analysis of the way the term 'misconduct' is used by the government and RC illustrates the importance of demystifying their intentional minimising of the harm done to customers and workers by the pursuit of profit maximisation; so our use of Atkinson's definition of 'violence' to describe behaviour that harms other humans illustrates our commitment to the importance of truth-telling in research and social policy.

In contrast to the euphemism that describes harmful behaviour as 'misconduct', the standards of these staff are actually ethically grounded – it is morally wrong to sell to people products they do not ask for, want or need, and/or which they cannot afford. It is ethically challenging to be selling products that the worker is not familiar with. Ethical conflict touches a deeply personal part of these workers. This is what it means to experience workplace violence that leaves integrity compromised, to be in conflict with oneself, and to experience the overwhelming absence of concern by one's manager for one's customer.

*b. Reports of affirming personal ethics in relation to the work pressure to achieve sales targets*

- The stress levels and treatment of staff was unbearable. The targets were getting higher while mortgage centres across the country was being closed down. The sales in the banking sector have increased and no accountability how it was sold. *If you spoke up how to improve the process you have a bad attitude!*
- Bankwest offers a compulsory credit card as part of a Home Loan package. Even if the customer expresses they don't want one. Even if the customer says they are trying to bring down credit card debt and have a gambling problem, the bank still makes them have a \$1000 credit card otherwise they can't have the Home Loan package rate and have to go with a different home loan. Its forcing customers to have a product that doesn't suit them and is irresponsible lending and the lenders are *forced* to do it. If we try to put the deal through without, it's sent back to add the credit card. *It's wrong* on so many levels.
- I always put my *customers first* and did not toe the line of the banks policy of sell, sell, sell.
- Each sale was worth \$100 revenue to the staff member. Branch and the sales staff were encouraged/ told that they *must* have the customer pay \$100 into the fund to activate it. The behaviour was completely *misleading, disgraceful* and should never have been allowed to happen.
- The pressure to sell as much as required to maintain staff hours, meet branch revenue and justify my own worth gave me *a feeling of dread* every morning I woke up to go to work.

Again, workplace violence falls upon staff who put their personal ethics on the line, pushing back against the pressure of sales targets. Workers report being belittled (having a bad attitude), being forced to act against their personal ethics, feeling dread before going to

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<sup>28</sup>J. Atkinson, *Trauma Trails Recreating Song Lines: the transgenerational effects of trauma in Indigenous Australia* (North Melbourne Spinifex Press, 2011), xi.

work. Consistent with their other-directed ethic, workers decisions are ethically grounded in putting the human dignity of their customers first, before the company mantra of 'sell, sell, sell', a phrase often repeated by workers in their submissions to clarify their antipathy to corporate ethics they judged to be dishonest and unfair to their customers.

c. *Reports of workers' opposition to their company's ethics in relation to the company's work pressure to achieve sales targets*

- There was a lot of pressure to 'make the sale', which was usually at the expense of the client being *pressured into buying*, or the sales advisor being *dodgy/misleading* to make the sale, and in some cases, making a sale *without the client giving consent* to set up the insurance.
- As far as I know financial advisor bonuses were rewarded on a scale of *best return to bank* not necessary to customers.
- Staff were constantly given unreasonable targets and some staff became so *stressed* and then did things that was *totally unethical* to reach targets.
- One of the worst forms of bullying and intimidation I have ever seen was whilst working at a Branch where the Manager was encouraging the sales staff to sell products and accounts that were *NOT in the best interest* of the customer.
- I saw numerous staff 'let go' due to *fraudulent* behaviour to achieve targets. Staff members would create fake customers in the system and apply for products for these customers to meet sales targets. Setting up numerous insurance policies for a client that only required 2 policies; later cancelling them. Giving customers credit card insurance that they didn't want then cancelling after they were credited with the sale. Stating a customer was going to live at home and receive rent for a property to get a loan application to meet serviceability requirements. These staff were not sacked as the bank did not want attention drawn to this and were often employed by another bank or financial institution shortly after leaving.
- The 'Numbers Game' has to be stopped. The Financial Services industry should focus more on *ethics and morals rather than on greed* all the time.

Violence begets violence. When the personal ethics of workers are violated, such as being stressed by work pressure, workers report that this violence is passed on to their customers via dodgy, fraudulent, and unethical behaviours not in the customer's best interests. The human dimension of workplace violence is not confined to the workplace, as the ideology of tempered justice attempts to suggest. In addition to work harm spilling over into the lives of customers, there are 27 mentions by FSU members on the impact of work harm on their families, such as:

- Speaking out has destroyed many staff member's careers and lives as well as the impact on their families.
- The stress this puts me and my family under is immense due to the hours worked without any reward.
- I've had many a sleepless night worrying how I'm going to keep coming up with weekly expected sales and it's interfered with my work life balance many times.

## 4 WORK PRESSURE: BULLYING

All comments by FSU members that specifically referred to them being bullied were coded as 'bullying', while other comments that indicated they had been threatened or forced to follow a management directive were coded as 'unjust treatment'. Initially the two experiences of unjust treatment and bullying were coded as one factor: 'unjust treatment, including bullying'. Later, when this code emerged with the second greatest number of mentions for work harm, the code was disaggregated to identify 'sales threats', 'other threats', 'misconduct', 'forced changes', and 'bullying'. However, it is pertinent to note that the academic literature suggests that *all* forms of threats, misconduct and coercion constitute bullying behaviour. That is, bullying 'includes such things as persistent and unjustified criticism, constant scrutiny of work or unfair allegations of incompetence or insubordination ... or ongoing criticism, threats or behaviour towards a person that intimidate, humiliate and/or undermine their capacity to do their work.'<sup>29</sup>

### 4.1. The legitimization of bullying to achieve sales targets

All forms of bullying experienced by FSU members are related to work-related sales pressure (table thirteen), as the following quotes also illustrate.

Table thirteen: No. of references to both types of unjust treatment and sales pressure.

Work pressure	Sales threats	Other threats	Misconduct	Forced changes	Bullying
Sales pressure	<b>73</b>	29	25	10	<b>33</b>

#### a. *Unjust sales threats reported in relation to pressure to make sales*

- We are told every day that we need at least 2 Home Loan Opportunities and *this pressure is very challenging*, especially knowing that we may not get a pay rise, bonus and possibly be put on an Employee Performance Programme that may lead to being terminated from the company.
- The way they make you feel when you don't always achieve your targets, even if you are trying your best to do so.
- My branch is run like a Concentration Camp. A couple of times at staff meeting we were told by our Line Manager, if branch sales targets are not achieved *we will be pushing trolleys at Coles*. How degrading is this to us?
- I was told if I can't achieve the weekly targets I will be put on the performance management and at the end *I will have to leave the job*.
- Unrealistic sales targets that are droned into us and we are then *forced to shove the product down the customer's throat*, and if our targets are down we are penalised with 'coaching' or 'not reached targets, no bonus'

<sup>29</sup>L. Turney, "Mental health and workplace bullying," 136.

b. *Unjust bullying reported in relation to sales pressure*

- If you do not achieve your individual target, you are micro-managed, bullied and threatened to get to the target with non-ethical ways. If you cannot do that there is no future in banking for you.
- I was bullied and belittled by my manager recently for not achieving my sales targets. The targets have now increased.
- If you refuse to bully your team into pushing the core lines, you are shunned and bullied yourself. Staff were consistently bullied to achieve targets and humiliated in front of other team members if they failed to achieve. I saw several assistant managers demoted or forced out if their bullying tactics weren't considered strong enough, or if they questioned the banks practices.
- You were constantly measured against your peers. I was regularly told "well so and so can get their target, what is wrong with you".

c. *Unjust threats in relation to sales pressure*

- I was forced out of a job I loved because I refused to sell products my clients didn't ask for or need such as credit cards, personal loans, transaction accounts etc. so management did everything in their power *to make my job a living hell*.
- Team members who are *under-performing are highlighted in daily leader boards*.
- Staff are constantly measured on how many sales they make. This determines if they get a pay rise, it determines if they make any bonuses, and *it determines if they keep their jobs*.
- Behind closed doors we are all managed on numbers and leader boards shown and managed on daily. No one will speak up, due to *the fear of losing their job*.

The key focus on sales and maximising profit is reflected in these repeated reports of threats (especially in relation to performance management and termination) and bullying behaviour by management. These behaviours are 'manifestations of violence in employment [which are] entrenched, invisible and difficult to counteract'.<sup>30</sup> The quotes illustrate that such behaviour has become legitimated as part of the normal practice of meeting sales targets. The absence of applied ethical norms, a consequence of directing every end towards profit maximisation, produces toxic behaviours that are by definition and in practice blind and deaf to the injustices they cause: the behaviour is calibrated to extract profit from vulnerable or relatively powerless workers while fostering the belief that this is normal, acceptable, and even best business practice.

The injustice here is not only did financial services corporations engage in 'selling [that] became their focus of attention. Too often it became the sole focus of attention.'<sup>31</sup> The perpetuation of these injustices by corporate actors is made possible by violating the ethical integrity of their workers. These corporations' governance fosters a culture that is 'blind' and 'deaf' to the reality that the object of their sole focus is an actual human construct, for selling products that customers neither need or want for the sake of maximising profit is not an immutable business practice. Rather, it is the manifestation of an ideology or belief that has

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<sup>30</sup>Morrow, et.al., *Mental Health and Work*, 133.

<sup>31</sup> *Interim Report*, p.xix.

claimed the status of an ultimate truth for personal and social progress, a ‘truth’ to which people become captive with ‘religious’ certitude.<sup>32</sup>

#### 4.2. Bullying: normalising a culture of violence and failure of governance

Table fourteen shows that bullying and other threatening behaviour were most often mentioned in relation to FSU members being victimised (24 and 30 mentions respectively) and experiencing impaired psychological and emotional functioning (33 and 29 mentions respectively). The quotes associated with these statistics reveal why bullying is part of a toxic culture of financial services corporations to which their governance turns a blind eye.

Table fourteen: No. of references to both unjust treatment and the two most referenced work harms.

Work harm	Sales threats	Other threats	Misconduct	Forced changes	Bullying
Being victimised	12	<b>30</b>	9	3	<b>24</b>
Impaired psychological and emotional functioning	16	<b>29</b>	4	12	<b>33</b>

##### a. Effect of workplace bullying on FSU workers

- Basically *our targets were almost unachievable* without having to work 60 hours a week. The bullying and humiliation was rife and ongoing. Westpac in SA is a *very toxic place to work*.
- After a few months I made a complaint regarding workplace bullying to the Area Manager and our Human Relations Department. This escalated the problem causing me to *seek assistance for mental health issues*.
- She also bullied staff, made racial statements to staff, and failed compliance issues. When I stood up to these issues *I was treated like the one that had done wrong*. Very poor. I ended up taking Sick Leave for stress, and was off work for 10 months.
- I resigned from the CBA in 2014 as it has become a miserable place to work. Branch staff morale was very poor as we could see our jobs were being replaced by machines, the constant bullying and *total disregard for the mental welfare of staff* were something I could no longer tolerate.
- I don't know how much longer I can last. It feels unfair to have given 20 years' service and then be forced out by the bank's continuous bullying and *telling you you're not good enough* and expecting you to work 45-50 hour weeks.
- There is a strong bullying culture to meet the targets, with no support from higher up. *I was frequently "counselled"* for not making home loan appointments.

Turney reports research that links this type of bullying to mental illness, which we describe as psychological and emotional impairment to emphasise the point that such destructive outcomes are not to be dismissively pathologised as ‘illness’ but are more truthfully viewed as the result of the violation of a worker’s human dignity:

<sup>32</sup>B. Goudzwaard, *Idols of our time* (Illinois: Inter-varsity Press, 1984), 20-21.

- Belittling comments ('you are not good enough').
- Public professional humiliation ('I was treated like the one that had done wrong').
- Shifting goalposts ('our targets were almost unachievable'), and
- Undue pressure to produce work ('I was frequently "counselled"').

Turney concludes that when 'these and similar activities are ongoing they constitute workplace bullying and are likely to have deleterious effects on the mental health of the person who is subjected to such treatment.'<sup>33</sup> This pattern of bullying is not a case of a few management 'bad apples': it is systematic and serves the purpose of coercing FSU members to comply with sales targets driven by profit maximisation.

Case study D: the slippery slope of sell, sell, sell to suicidal thinking.

I began working for Westpac as a Bank manager in January 2016. I had previously been a branch manager and Home finance manager at another bank for several years prior, with great success. By January 2017 I had developed severe depression and anxiety which was impacting my marriage and personal life. In April 2017 I took several weeks off, too stressed to get through the day. By October I had resigned for fear that I would lose my job in time if I didn't.

In the short 20 months that I worked there, I saw many alarming behaviours that contributed to a high pressure bullying culture. Managers ... are expected to be very much sales and products focused. We were directed to have product specific 'Focus Days' where all we could discuss with our teams were the particular product in focus, the goal; to drive that product to customers in an indirect way. Ideally, we were to manipulate 'service' to mean uncovering 'unexpressed needs' and twist a benefit to convince a customer it was necessary, to drive revenue for the bank. Tuesday's were specifically to be spent focusing on General Insurance. We would be instructed to review customers seen by our personal bankers and see if any quote opportunities had been missed. If they were, we would need to have a 1 on 1 session where we deep dive into the 'skill gap' and find out why a quote wasn't offered. If it was and the customer declined, it is expected that you teach them how to overcome objections in a way that the customer was forced to agree. We would then have to observe these skills applied in sessions. ... Anyone who struggled with the number of conversations or pre-booked appointments per week, number of home loan referrals, wealth referrals or General insurance quotes were performance managed. Any leader who protested was told they weren't meeting the values requirements and would get a low value rating at performance review time.

All bank manager targets are financial. Branches still have home loan sales plans and general revenue targets. The culture is all about putting on a front to look like they're doing the right thing, but in reality they want to manipulate the system to achieve revenue.

Westpac makes it look like they remunerate on any banking needs met, but the messaging to leaders is very much pushing the three core product lines.

If you refuse to bully your team into pushing the core lines, you are shunned and bullied yourself. The worst period of my life was working with Westpac. ... I left because I was suicidal. I dreaded going to work and being told I wasn't good enough. I felt like nothing I did was at a high enough standard. I was bullied to tears in my one-on-ones and performance reviews for almost two years. I was too fearful of being fired to go to HR.

<sup>33</sup> Turney, "Mental health and workplace bullying," 138.

### 4.3. Bullying: an abuse of power to coerce compliance with capitalist ethics

Three US researchers focus on what they call 'divestiture practices': behaviours sanctioned by a corporation to discourage its workers from relying upon their personal belief systems, and then replacing their workers' personal beliefs/ethics with the organization's attitudes and beliefs/ethics.<sup>34</sup> For example, a worker is bullied via constant work pressure to sell in a way that attacks their personal beliefs concerning the value of providing fair and honest advice to a client. The bullying aims to elicit behaviour that meets the corporation's targets for making sales by forcing the worker to act against their ethical beliefs. The ethical conflict reported by FSU members is a symptom of such institutional abuses of power. The harm it causes is due to the violation of their ethical beliefs. An attack on workers' personal ethical beliefs is an attack on their personhood. FSU members report:

- I was bullied and belittled by my manager recently for not achieving my sales targets. It left me feeling very *sad and vulnerable*. They treat me like I'm a *horrible human*. I have only ever wanted to act in the best interest of customers.
- I lose sleep over my job, and feel *anxious all day*.
- I have personally been pressured to the point of *panic attacks and anxiety* from the work pressure, lack of relieving staff and *guilt* of the additional stress put on colleagues when my children were too sick for me to attend work.
- I am really hoping that something will change at our bank and will make the work environment a better place, so all employees will be given the same opportunities and will be able to have a normal life without *stress, pressure and anxiety*.
- The aggressive sales culture that was now in place made my *depression* build and ... I found myself *unable to function* at work. The management answer to this problem was to continue to apply pressure for results rather than seeking help. ... The depression was real and linked to the high pressure culture.

The effect of organisation divestiture tactics to undermine a person's sense of who they are. It is the organisation's attempt 'to break down pre-existing employee attitudes and beliefs and replace them with the organization's norms,'<sup>35</sup> causing ethical conflict for the employee that result in symptoms of 'emotional exhaustion'.<sup>36</sup> The FSU members testify to the psychological and emotional cost of this assault on their being, reporting everything from stress to depression, to feeling like a horrible human and being unable to work. Their litany of despair is matched by the evidence from the US research, which found ethical conflict contributed to burn-out, stress, internal distress, feeling overwhelmed, confusion, psychological discomfit, guilt, and career dissatisfaction.<sup>37</sup>

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<sup>34</sup>J. Kammeyer-Mueller, L. Simon and B. Rich, "The Psychic Cost of Doing Wrong: Ethical Conflict, Divestiture Socialization, and Emotional Exhaustion," *Journal of Management* published online (30 August 2010): 4.

<sup>35</sup>Kammeyer-Mueller et.al. "The Psychic Cost," 5.

<sup>36</sup>Kammeyer-Mueller et.al. "The Psychic Cost," 18.

<sup>37</sup>Kammeyer-Mueller et.al. "The Psychic Cost," *in passim*

## 5 WORK PRESSURE: INCOMPETENT MANAGEMENT

### 5.1. Management pressure to achieve sales targets plagued by incompetence

The RC acknowledged that the prevailing system of financial incentives and bonuses in financial services corporations created ‘an unacceptable risk of promoting behaviour that is inconsistent with the interests of customers’.<sup>38</sup> From the experience of FSU members, the system of financial incentives that rewarded management for maximising profit through sustained sales pressure also created risks that were inconsistent with the interests of employees. As ‘risk management, compliance and administration are all elements of governance’,<sup>39</sup> the failure of financial services boards to manage the prevention of harm to its workforce from attempted suicide, suicidal ideation, impaired psychological and emotional functioning and victimisation due to sales pressure, bullying and a toxic culture indicates systemic compliance breaches to occupational health and safety laws. As table 15 shows, this compliance and risk management failure is then manifest in the incompetent performance of managers, especially with regard to management failure to support their staff with adequate resources (39 references) and not taking responsibility for staff wellbeing (18 references).

Table fifteen: No. of references for both incompetent managers and sales pressure.

	Take no responsibility	Reward fraudulent, unethical behaviour	Micro-management	Fail to support staff with resources	Cover up mistakes	Cover up fraudulent, unethical behaviour
Sales pressure	18	4	7	39	3	13

#### a. Staff not supported due to management sales pressure on FSU members

Management’s narrow focus on increasing sales and its resultant failures to support their staff have led to lack of empathy for the destructive realities articulated through staff concerns about their workplace conditions. Examples include:

- Management expectations are unrealistic as they only seem to *dictate orders*, but won’t take on feedback.
- I was *forced to sell* life insurance as a bundle with home loans, despite the product being a specialist one (life insurance). I received little more than the bare minimum training on it (most of it relating to overcoming customer objections!).
- Your leaders *pressure you* to increase application volume before you are fully accredited. The result from this pressure is errors on your files, which your credit manager overviews and then is unable to pass your accreditation.

<sup>38</sup>Final Report of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (Commonwealth of Australia, 1February 2019), 368. Sedgwick Review, Report, i; Transcript, Matthew Comyn, 19 November 2018, 6535–6; Transcript, Brian Hartzler, 22 November 2018, 6868, 6872; Transcript, Andrew Thorburn, 26 November 2018, 7043; Transcript, Shayne Elliott, 28 November 2018, 7322.

<sup>39</sup>Governance Institute of Australia, *What is governance* accessed 27/01/2020, <https://www.governanceinstitute.com.au/resources/what-is-governance>

- When I returned to work after my injury my Regional Manager asked if I was going to meet target that quarter, I explained that I could not possibly meet my target having had so much time off. She said that I had two months to *look for another job.*'
- As a Team Leader, productivity of team members is the sole focus - it's either get them up, or get them out, (but make sure you don't leave yourself open to appeal), document every little thing. This expectation was just exhausting and when you have 30 direct reports it becomes impossible. Appealing against the unrealistic expectation of having 30 people to manage on a daily basis fell on deaf ears - I was basically told to *get on with it or get out!!*
- We get *put down constantly*, and the Management are only interested in delivering the results they promised and making their giant bonuses. They have no concern for staff wellbeing. They should just let us get on with looking after our customers and not be fixated on sales and pressuring staff to make poor choices to please management.
- These young staff members *were in no way educated or trained* in Financial Planning to be able to recommend to a customer to change their Superannuation funds without consulting a qualified Financial Planner. The main benefit they were selling was the fact the BT Super for Life could be seen online. This did NOT in any way take into consideration their current funds fees structure, if it was a specific Industry Fund and/or if there was any insurances they were entitled to in their current Super Fund.

Management's lack of empathy for their staff includes:

- staff being forced to act in roles for which they lack appropriate training;
- the harmful treatment of injured workers on a return-to-work program;
- the psychological abuse of stressed staff;
- unfair dismissal claims;
- staff susceptibility to making inadvertent errors due to workload pressure;
- and, fostering flawed or corrupt business practices with customers.

Case study E: Training vulnerable staff to exploit vulnerable home loan customers

We are given 5 days training then sent off to the phones to answer calls and be referred to as "a home lending specialist". Some of my colleagues are in their early 20's and have not even thought about saving to buy a property let alone experienced enough to be called a specialist. There is no ongoing training. There is no quality feedback to bankers regarding the home or investment lending advice we are providing to customers and if we were ever to have been found to give incorrect or misleading advice, there is no recourse.

Our team leaders are not trained in home lending, they are simply there to manage us, not the information we are providing. The only feedback we get is usually "you should have discussed all the customers' needs and asked them if they want a quote on car insurance, or they do not have any savings accounts for the children, why didn't you discuss this with them?"

There will be no feedback provided on the \$1.5 million dollar 30 year loan the customer is looking at taking out. I would argue this is not doing the right thing by our customers

## 5.2. Culture and governance failures foster incompetent management

The failure of managers to take responsibility for protecting customers' best interests is a strong argument for robust whistle-blower protection for front-line staff. These are the individuals who have interacted closely with customers and know their needs more holistically than a manager captive to the organisational governance requirements of 'pushing' sales targets and bonuses. For example:

- The constant sales pressures and target movements had always been geared towards the CBA senior management making targets. Many times the senior area and region management were told of the staff feeling regarding targets and the toxic lies and pressure put on staff.
- When I was a financial planner, ongoing service clients were asked to pay additional fees on annuity products on top of their yearly agreed fee for service. I voiced my opposition to my manager and was told on several occasions that the "business was comfortable with this".
- Almost none of the applications I did for home loans were the vanilla, generic loan case studies we were taught in training. After weeks of dealing with one application, I had to bite the bullet and lay out the situation to the clients that we could not approve the application as it would put them under financial stress if anything was to go wrong. Because of the need for the branch to meet sales targets my branch manager directed me to try every avenue to "do the deal".
- Poor local regional leaders would blame managers and support staff for poor growth/revenue performance without accepting the truth that business banking managers and support staff were under impossible workloads and expectations that were virtually impossible to meet.

'Blame shifting' reflects a sick culture unable to address the governance problems of incompetent management revealed clearly by front line FSU members. Again, the culture of blame shifting is driven by management remuneration practices that encourage the exploitation of their staff to further management's financial self-interest. Several quotes illustrate this:

- The bosses on top break the back of staff, with their targets and sales, and in the end the bonuses are well rewarded to these sharks on top.
- The most important aim for any CBA employee is always to maximise the bonus of their Line Manager. My manager is of course only happy with the highest possible bonus payment. Anybody who places his bonus at risk has a tenuous employment status.
- The frontline staff bonuses are minimal. The actual big bonuses go to the branch managers and higher. They are the ones that push the frontline staff.

## 5.3. Capitalist ethics 'sees' virtue in fraudulent and corrupt profit

While the RC approach to good governance believed 'the "tone" of the entity must be set at the top'<sup>40</sup>, the experience of FSU members reveals that top-down governance is too often inimical to fair and just business practices. FSU members on the frontline often resist the

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<sup>40</sup> *Final Report*. 334.

'tone' set by their management in order to protect their customers - and the corporation - from fraudulent or corrupt practices.

To uphold their personal standards of ethical (and legal) behaviour, many FSU members have been placed in the position of wanting or needing to question management's cover up of non-compliant and imprudent risk, OHS breaches, fraud, and bullying behaviour, as well as management's promotion of their personal financial self-interest over the interests of customers and staff. For example:

*a. Fraud and bullying*

- If a banker is not adhering to compliance or risk requirements, management will sweep it under the carpet as long as this person has the sales figures, he or she will still get bonus reward.
- Management don't really care if you are doing the wrong thing as long as the numbers look good.
- My line manager asked me to falsify credit submissions as they wanted to "get the deal across the line" because they knew the people within the business. In submitting a credit submission based on factual information, my line manager then amended the submission to reflect what was wanted to be seen as opposed to what was actual fact.
- Leadership team managers get away with verbally harassing staff members, Contact centre manager knows of this and keeps it quiet which shows that they allow managers to verbally harass and bully staff members.

*b. Imprudent risk*

- We were told to make sure that when a customer came into branch to apply for a balance transfer on their credit card from another institution we had to make sure that we sold them one credit card for the balance transfer then also sold them another credit card for all the other transactions and that was the way to increase our sales for the branch and also the spsp for the branch. On the teleconferences staff were congratulated for this type of sale whether or not the customer needed or wanted the other credit card.

*c. Managers' self interest*

- Because the managers, area managers, executives, etc. want to make their bonuses, they put pressure on the frontline staffs. Now they are blaming the very people that work so hard to satisfy their hunger for their STI (short term incentive bonus).
- It is becoming impossible to provide good customer service and hit sales targets without breaking the rules and working a lot of overtime.

*d. OHS breach*

- At Westpac one year I achieved 130% of my targets after working 12-13 hour days to do this. The next year my target was increased by 25% which meant that I had to continue to work 12-13 hours a day. As I was on a salary I asked my immediate Manager what the expected hours to work for my role were. She replied you work whatever hours are required to get the job done.

Turney's research suggests that corporate cultures that justify management hierarchy entrench formalised power relationships within systems of bureaucratic management.<sup>41</sup> These instances of illegality reported by FSU members underline *the need for whistle-blower protections* for ordinary workers to encourage their truth-telling, for both worker health and corporate integrity.

Case study F: Work pressure pushes down, management bonuses flow up

This weekend news about CBA manipulation of children's accounts has implicated the frontline staffs for the manipulations. I have not done any of that. I would like to defend the staff that have been implicated.

The reason for their behaviour has been because of the toxic culture of the bank. The real circumstances have not been revealed. The frontline staff bonuses are minimal. The actual big bonuses go to the branch managers and higher. They are the ones that push the frontline staff. They use the words such as "taking responsibilities and ownership" to activate these accounts, so the branch gets the performance revenue.

Every Monday we get a report issued by the bank about the inactive accounts. The manager will then take action to push the staff to activate these accounts with '30 or 60 days'. This happens not just to children's account. It happens to other accounts that the bank has. The criteria to make these activations were changed by the executives, where once upon a time we just opened accounts without the 'activation'.

Every branch staff has a target to meet. Because the managers, area managers, executives, etc. want to make their bonuses, they put pressure on the frontline staff. The area manager gets pushed from higher managers, the area managers push the branch managers, then the branch managers push the branch staff.

Now they are blaming the very people that work so hard to satisfy their hunger for their STI (short term incentive bonus). So, it is not just the frontline staff bonuses we are talking about, it is also our job security. *We would rather not have the bonuses, and just have the job security by meeting the targets and criteria, that keep changing to suit what the bank set for us.*

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<sup>41</sup> Turney, "Mental health and workplace bullying," 143.

## 6 SUPPORT FOR HARMED WORKERS

Because the FSU invited members to share their experiences of the toxic systemic practices throughout their industry, the weight of the 353 personal narratives was on dehumanising work pressures and the devastating effect on their health and wellbeing. However a small number (78) did mention where they had found support for their recovery from work-related harm. FSU members were not asked to address this aspect of their work experience and the fact that a small number chose to do so is most valuable. So it is to their experiences of support after their exposure to toxic work environments that we now turn.

There were 78 mentions of support for handling or coping with work harm, with the majority reporting institutional support (46 mentions), followed by professional help (19), mutual worker support (8) and worker resistance to injustice (5). The two greatest harms for which support was reported were impaired psychological and emotional functioning, and being victimised, which are the two most mentioned types of harm reported overall. Workers who sought institutional help for work harm most often turned to the workers' compensation system or the FSU, while others sought professional help from doctors, psychologists, hospitals, and other therapists/counsellors.

### 6.1. Institutional support: Workers compensation

The following quotes from FSU members suffering a work injury illustrate problems with accessing the workers compensation system: abuse of trust while on workers compensation, discrimination by the employer and former work colleagues, the failure of effective return-to-work programs, and bureaucratic mismanagement.

- I went on sick leave for the duration of the 6 months of personal leave I had accumulated over 28 years and when that ran out (*after being harassed weekly for certificates and assurances that I was not going to lodge a stress claim*) I reluctantly, handed in my resignation. In fairness to Westpac, they did offer me light-duty type positions of decreased hours but I decided (with assistance from my psychologist) that it was time for a life-change.
- After a customer was stabbed I urged management to provide a security guard as a necessary measure. Several more similar incidents followed. *After 12 months constant pressure and failed discussions with management I attempted to take my own life.* I attended work for 2 weeks after that before consulting a doctor whereby they referred me to a psychologist who diagnosed me with PTSD and advised to go on WorkCover. I expressed this to my manager who advised that it would affect the business. Then a staff member in another branch was also stabbed by a customer. That day I went on WorkCover and remain on WorkCover. *During the time on Workcover I have been victimised by old staff members, My managers have ceased contact with me and I have never been asked about my health by former managers.*
- I appealed to FSU and an Advocate was appointed because I could not get any help or support from the bank. The list of mismanagement just grew. From the head of Workers Compensation down to the branch level. *Lost paper work, lack of recording, mismanagement, false statements - the list went on.* I was a proud employee of (this bank) once, however when I left I would not recommend (this

bank) to anyone. They lost sight of their staff completely. *There was no support system in place for staff in need.* I had a wonderful Psychologist and the FSU Advocate were great.

- I had to be off my work for a while since I was unwell physically. At the time, the company never asked me to come back to work with a doctor's clearance. However, *they asked me to come back with a doctor's clearance when I was mentally broke going through depression, and had to take some time off due to all those pressures from the company.*
- I was a Bank Manager with many years' experience working for ANZ when my workers compensation claim for bullying and harassment against the ANZ was accepted. *Whilst I was made to resign for my minimal payout both bullies still work in senior management positions within ANZ.*
- I had an injury at the Westpac branch where I worked. I lodged a claim through Workers Compensation and was *asked the next day to retract by my manager as it was going to affect his manager's bonus* if he had another Lost Time Injury.

The second of two extensive reports from the Victorian Ombudsman into the Victorian WorkCover Authority's (VWA) provides strong evidence that the experiences of FSU members across Australia may indicate a system failure in responding to the experiences of long-term injured workers, irrespective of the jurisdiction. A key finding of the Ombudsman's research reveals that *an exclusive focus on an ethic of profit maximisation is undermining the efficacy of the Victorian workers compensation system – in precisely the same way that it is undermining financial entities' support for their employees.* The investigation

*'found cases of unreasonable decision making on complex claims across all five agents, the evidence of which the Ombudsman said was 'too strong to be explained away as a few "bad apples"'. This included numerous examples of agents 'cherry-picking' evidence to support a decision, while disregarding overwhelming evidence to the contrary. In many cases, agents were found to defend unreasonable decisions when injured workers disputed them, despite knowing they would likely be overturned. The investigation acknowledged that as commercial organisations, it was reasonable for the agents to expect to profit from managing WorkCover claims. However, the evidence suggested that in the case of complex claims, financial reward and penalty measures in agents' contracts with WorkSafe were driving a focus on terminating and rejecting claims to maximise profit, at the expense of sound decision making.'*<sup>42</sup>

The narratives of FSU injured workers suggest that too often the treatment of long-term injured workers by their employer, especially those suffering from impaired psychological and emotional functioning and stress, are due to the same ethic of profit maximisation documented in the (mis)conduct of workers' compensation systems.

## **6.2. Professional help for work harm**

Those who sought only professional help for the harm they suffered at work appear not to have gone on to the workers compensation system, even though their harm is clearly described in their submissions as work-related. As the following quotes indicate, these

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<sup>42</sup>Victorian Ombudsman. *WorkSafe 2: Follow-up investigation into the management of complex workers compensation claims* (Victorian Government Printer. 2019), 6.

workers arranged their own professional health support to help them address serious episodes of work-related harm.

- As a teller I was put under enormous pressure by my people's leader to achieve weekly referrals target. I was told if I can't achieve the weekly targets I will be put on the performance management and at the end I will have to leave the job. Because of this I am under so much of stress and my doctor recommends me to take some medicine as well to reduce the stress.
- After 3 years in the role, I had a breakdown. I left the bank and haven't worked since, seeing a specialist every month, continually having nightmares, which my specialist puts down to PTSD
- I have been on anti-depression and anxiety medication for a several years and been on counselling on a regular basis because of work pressure and disgusting cultures in this company. This is not only me. A lot of staff suffer from mental health issue.
- I think bullying should be taken as seriously as sexual harassment because I have felt suicidal on at least 2 occasions. Fortunately now I am getting some counselling, but I wish they had to pay for that. It's also very hard to interview when your confidence has been shattered. Some people are disgusting and I wish it was taken MUCH more seriously. Bullying in the work place RUINS LIVES.

Why do so many injured workers turn to private professional health for support rather than the workers compensation systems operating in all Australian jurisdictions to support injured workers? This may be partly due to the stigma that is associated with mental illness, a stigma that is often magnified for workers once they seek the support of the workers compensation system. This reason is suggested by a Victorian study of long-term injured workers that found

'Workers' experiences of WorkCover were characterised from the start by anxiety, uncertainty and a sense that making a claim for compensation was an avenue of last resort. ... Workers associated their reluctance to claim with the negative perception of what it means to be a WorkCover claimant. One way of interpreting this is to see making a claim as an admission of failure, particularly for those workers who reported experiencing bullying and stress in their workplaces.'<sup>43</sup>

An injured financial services worker may thus have good reason to choose to be supported by a health professional at their own cost rather than go on WorkCover for support. Perhaps the significant number of injured financial services workers resorting to private professional help similarly indicates their desire to maintain a modicum of control and human dignity in addressing their recovery.

Case study G: When a manager loses sight of the humanity of an injured worker, psychological and emotional impairment to the physically injured worker follows

In 2014 I sustained an injury at a team building day, which resulted in major spinal surgery. At first NAB was supportive of my injury. However post-surgery I was receiving calls from my line manager asking whether I would be prepared to work on credit submissions " to keep my mind

<sup>43</sup>S. Pollock, J. Bottomley, and A. Taket, *Filling the Dark Spot: fifteen injured workers shine a light on workers compensation system to improve it for others*. (Armadale: Creative Ministries Network, 2014), p.16.

busy " as I knew the clients " inside and out ". As a Senior Business Banking Manager I was managing a portfolio of high-end business clients ... My performance from a KPI perspective exceeded all expectations prior to my surgery with a significant bonus paid. This was not due to having a sales focus, but rather, at considering what was right for my clients.

As the months went on the pressure to return to work grew, even though my surgeon, GP and physio therapist advised against this. My return-to-work was gradual under the advice of my medical advisors and in line with my recovery. However, upon commencement of my return I was constantly harassed to increase my hours.

My line manager requested a joint meeting with my GP, which was effectively a demand. I was advised that should I decline, this would not be viewed positively. ... I felt pressured and concerned about my future, so I eventually agreed. My line manager attended the meeting with my GP. Later I had a follow up meeting with my GP, as he was concerned about my emotional wellbeing. He said the appointment with my line manager was bullying and out of line of expectations of an employee undergoing recovery from such significant surgery. Then I was advised by my line manager that NAB had engaged a psychiatrist to meet with me to discuss my "concerns" with regards to my apparent delay in returning to work full-time. Subsequent to this, further meetings were requested by my line manager with no prior notification, during which I expressed my concerns with my return to work being pushed forward against the advice of my medical practitioners.

The response I received was "as a dedicated employee you should be pushing your medical practitioners to get you back to work". Constantly I was reminded of the pressure being placed on other team members during my absence, and made to feel guilty that I was acting in line with my medical practitioners recommendations. I received many phone calls from colleagues warning me of conversations that had been held regarding my recovery including but not exclusive to the likes of "she is just putting it on", "she is milking the system", "I would have been back by now and she is damaging the team in delaying this".

I sought advice through FSU whom offered assistance and guidance and referred the matter to NAB Human Resources. I had received no contact from Human Resources, even though I had requested an interview with them to address my concerns.

After constant bullying and harassment, my emotional state deteriorated and I had a personal melt down, which two team members were supporting me through. Both of these team members were instructed to have no contact with me as it would put their positions in jeopardy. I have both witnessed and been the victim of bullying from the particular line manager, and have supported other team members by guiding them to services such as independent GP's, social workers and psychiatrists along with EAP.

The treatment of staff and myself was appalling in all instances, and at no time was a formal complaint progressed as all were eventually pushed out of the organisation under threat of their reputations being unfairly damaged. It is time for change, if multiple employees complain about the same individual this needs to be addressed regardless of what position that person holds. Bullying in the work force has to stop and accountability must be held.

### 6.3. Institutional support<sup>44</sup>: Finance Sector Union

Of the comments made by FSU members about support they received from their Union, many were about traditional union issues, such as redundancy, pay disputes, entitlements, and work load. Most comments from members affirmed the value of the support received from the union.

- Staff don't know where they stand or what are their rights. I am speaking up to my union because people are too scared.
- Never in my wildest dreams did I expect to last 15 years given all the abuse I experienced. Many thanks to the Union for their assistance.
- I hope the Royal Commission takes serious notice of what this Industry is doing to its Staff. Two people with breakdowns, and many others ... suffering..in silence, unable to have a voice to be heard ... in fear of repercussions. ... The FSU has told me many people are suffering ... due to bullying treatment .. at Suncorp.
- I further reported this issue to FSU which evidenced about 9 - 10 complainants' and approximately 5 others who had come forward regarding this manager's bullying behaviour previously, I was so shocked that the RE who advise she would support me, was fully aware of his capacity and left both myself and all of my colleagues in harm's way and they still do with his continued employment at NAB to this day as he is simply a ticking time bomb.

This research indicates the importance FSU members gave to institutional support through their Union for the work pressure they endured and the work harm they suffered. It was their Union that gave them a voice during the RC through the FSU portal, and the Union that commissioned this research to bring members' voices to the public arena.

While several members expressed their appreciation of FSU support for work harm issues, there were also three members who expressed disappointment with the lack of support they received. These three cases were each about being bullied in the workplace, and in two cases the member resigned from their work due to the egregious nature of the harm they suffered at the hands of their employer. Alongside this, we note that several members who were on workers compensation return-to-work programs spoke about being victimised by former workmates or being cut off from their work colleagues while unable to return to work.

FSU members do not 'accept their misfortune passively or merely lament their distressing circumstances. They realign their voices to expose the inhumane acts of their tormentors ... even though seemingly powerless, (they) will raise their voices in protest and resistance. ... acts of cruelty and injustice must not be forgotten; in fact, they must be unveiled in solemn truth finding.'<sup>45</sup> The challenge for FSU may be to create further opportunities like the portal survey for members to protest the widespread injustices harming workers through the justice failures of corporate culture and governance.

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<sup>44</sup>We note that FSU members reported individual or a small number of other institutional supports, including the Fair Work Commission, Employee Assistance Programs, a bank psychologist, and a bank Human Resources manager, with mixed results.

<sup>45</sup>L. Stulman and H. Kim, *You Are My People: an introduction to prophetic literature* (Nashville: Abingdon Press, 2010), 205.

## 7 ETHICS, GOVERNANCE, CULTURE

### 7.1. Who speaks truth?

Commonwealth Bank CEO Matt Comyn described to the RC his predecessor's advice that he (Comyn) should temper his sense of justice after Comyn raised his concern that an insurance product the bank sold had no value for customers. In response to his evidence, some media commentators declared that Comyn had thrown his predecessor 'under the bus.'<sup>46</sup> But there is another judgement to be made. In obeying this directive, Comyn ensured this injustice would continue to be perpetrated on bank customers for at least another three years<sup>47</sup>, and he was subsequently appointed by the CBA Board to the position of CEO in 2018. The fact the new CEO reached this pinnacle in the Bank *after* he agreed to comply with the instruction of his superior/predecessor and 'fit in' with the *status quo* was ignored by the RC.

Yet this behaviour was a cultural pattern that drew frequent criticism from FSU members: 'keep quiet and don't criticise your manager if you want to get promotion'. Comyn's acquiescence is evidence of blindness to how the capitalist ethic of tempered justice leads to no justice. The result of this ethic is *a culture that legitimates the bullying and violation of staff integrity and personal beliefs* when they oppose the injustice perpetrated in the name of the ethics of tempering justice; and *a governance that fails to protect the OHS of its employees*. Justice 'tempered' meant there was no justice for employees.

In the earlier three sections on work harm, we explored the causes of misconduct due to problems of governance and culture. Evidence from FSU members repeatedly points to how the focus of corporate governance and culture perspectives on 'misconduct' ignores the human dimension of *unjust* behaviour. These perspectives are captive to their belief in a worldview of an inviolate capitalist economic system fuelled by a capitalist ethic advocating the virtue of maximised profit-making. But this worldview, like all worldviews, is a socially constructed belief about both the governance of growth and progress, and the culture of success and human worth.

The challenge to the prevailing beliefs about governance, culture and capitalist ethics come from the truth spoken by FSU members in their submissions to the Union portal. At the heart of the truth they speak is a powerful sense of their pain at the violation of their ethical beliefs and their human dignity. This pain is exacerbated by a culture that refuses to listen to its workers' experience, and governance that justifies violent means to suppress the truth these workers know. In human terms, this is organisational injustice. The overarching justification for this perpetration of abuse of power is the ideological mystification of tempered justice, the

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<sup>46</sup> accessed 20/8/20 <https://www.abc.net.au/news/2018-11-20/cba-ceo-matt-comyn-blames-predecessor-ian-narev/10513836>; accessed 20/8/20 <https://smallcaps.com.au/commonwealth-bank-boss-predecessor-ian-narev-banking-royal-commission/>

<sup>47</sup>A. Ferguson, reported the fraud first was made public in 2011, that is, this injustice had endured for seven years. 'A report released by the Australian Securities and Investments Commission (ASIC), *Consumer credit insurance: Poor value products and harmful sales practices*, reveals that between 2011 and 2018 eleven financial institutions including the big four banks, CBA, National Australia Bank, Australia & New Zealand Banking Group, Westpac, Bendigo and Adelaide Bank and Suncorp, flogged CCI products to millions of customers and made a motza.' accessed 20/8/20 <https://www.smh.com.au/business/banking-and-finance/tempering-their-sense-of-justice-made-banks-billions-in-dud-insurance-20190711-p526cd.htm>

illusion of justice when there is no justice. Tempered justice finds its ideological roots and purpose in the belief system or worldview of capitalist ethics, the justification for the maximising of personal and corporate profit. The evidence of the human and social harm caused by this ideology should invite our society to a rigorous ethical conversation. It is not that capitalist ethics are unethical. The issue revealed by the truth spoken by these workers is that the ideological beliefs of the *capitalist ethics under which workers labour is an unjust ethic*. It is a life-threatening ethic and it is time for a truthful dialogue between diverse belief systems or worldviews for all humanity 'about the *ethos* in which people live, that which shapes peoples' character, their decision for a particular kind of life.'<sup>48</sup> In theological perspective, urgent change is required to establish a humanising Australian economy on holistic justice. This new horizon may embody an understanding of the ethical pursuit of holistic justice and respect for human dignity evidenced by FSU members. It is a transforming perspective for their workplaces' culture and governance.

## 7.2. Listening to truth

The pain of so much work harm invites a reimagining of the capitalist order. Former World Council of Churches General Secretary Konrad Raiser stated 'the assumption of a rationally ordered universe ...is propelled by the belief that its ideals can be universally applied.'<sup>49</sup> This belief, often referred to as 'modernity' has been characterised by the promotion of individual autonomy, such as the right to pursue profit maximisation according to its status as a 'good' in the capitalist ethic, over against community obligations, such as the value of human dignity and social justice. 'Modern capitalism differs from all previous forms of economic system in terms of its attitudes towards the future. ... Modern capitalism embeds itself into the future by calculating future profit and loss, and therefore risk, as a continuous process.'<sup>50</sup> Neither the culture of modernity nor its risk culture can be disconnected from its history, with its blessings and curses for contemporary Australian culture. .

The culture of silence in Australian financial services organisations cannot ignore injustice to customers or employees indefinitely, even though turning a blind eye to the pain, suffering and injustice to workers has prevailed for decades. Injustices brought to light by FSU members' voices expressing their stifled pain may no longer be so easily ignored. With these disclosures, financial services corporations cannot so readily forget the pain suffered by their workers.

1. Bullying can no longer be ignored. The victims of workplace bullying have named the bullies at their work, and have said 'enough'.
2. Work injury will not be swept under the carpet to protect management's bonuses for lost time injury. The use of all targets is under scrutiny.
3. Return-to-work workers have identified incompetent managers who fail to support injured staff returning to work. Isolating vulnerable workers at work is unconscionable and self-defeating.
4. Sexual harassment has been exposed and male violence at work can no longer be excused.

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<sup>48</sup>T. Gorringer, *Capital and the Kingdom: theological ethics and economic order* (New York: Orbis Books, 1994), 3.

<sup>49</sup> K. Raiser, *For a Culture of Life: Transforming Globalization and Violence* (Geneva: WCC, 2002), 8.

<sup>50</sup> A.Giddens, *Runaway World: how globalisation is reshaping our lives* (London: Profile Books, 1999), 24.

5. The bureaucratic merry-go-round that wears sufferers down has put Human Resource services on notice. Lost files, failure to follow-up complaints, and buck-passing reveal a failure of professional competence and responsibility.
6. Sending whistle-blowers to the social isolation of “Coventry” reveals organisational failure to uphold the truth about corruption, fraud and injustice.
7. The use of sales targets to divide and rule work groups exemplify the misguided policy of justice tempered. Human relationships hold a value beyond price or profit.
8. Suicidal thinking can no longer be brushed aside if financial entities really want to nurture a culture of life for their organisation.
9. Public humiliation that has been institutionalised is now a source of humiliation for corporation boards and executives. It represents a view of the human person that can no longer be sustained for a healthy, life-giving culture.
10. Bonuses that are used for reward and punishment likewise represent a failure of boards and executives to understand how to support a culture that motivates the best of human personhood.
11. The fear of being stifled by micro-management arises from an abuse of power that can no longer hide the perpetrator’s weakness.
12. Termination of employment as punishment is the ultimate threat of management that has run out of ideas on how to serve and support hardworking employees with all they need to function creatively and purposefully.

By exposing these twelve failed strategies for silencing pain and injustice, FSU members demonstrate they will not forget their suffering from work pressure and work harm. Like Indigenous Australians, they have raised their voices to name the truth of how their lives have been violated, and their pain silenced. Why have they given voice to their experience through the Union portal? US theologian, Walter Brueggemann, commenting on voices of pain against injustice in scripture, explains the importance of the cry of anguish and resistance that we hear in the voices of FSU members. For their voices speak truth to power and lift the blanket of silence imposed by their employers; their voice cry out ‘an eager longing for newness because the old has failed.’<sup>51</sup> The following quotes from the FSU portal express the hope of members that now they will be listened to:

- I will be very glad if the Royal Commission can hear my story (work overload, unfair dismissal).
- I just thought the unions could use this sort of a story to prove that unions are very important in the workplace to help others and stop staff from being victimized (illegally terminated).
- I would love the opportunity to share with a Royal Commission the true extent of the corporate bullying that I witnessed first hand (victim of bullying).
- Many of my colleagues were never in the Union and so their voice was never heard. I write a lot of this on their behalf (work stress).
- I would do it again in a heart beat if it might at least protect one person from bullying and violence in the workplace, hence this submission (victim of bullying).
- I am happy to provide further information to any enquiry if it helps more people going forward (suffered mental illness from work stress).

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<sup>51</sup>W. Brueggemann, *Virus as a summons to faith: Biblical reflections in a time of loss, grief and anxiety*. (Oregon: Cascade Books, Eugene, 2020), 65.

These FSU members know through wisdom borne of pain that the old order of the financial services entities has failed and is dysfunctional. So by voicing their pain, FSU members have revealed a level of injustice that waits to be heard, accepted, healed and transformed.

Case study H: Risk management failure – a risk identified, reported, and ignored until the CEO’s attempt to stifle it ended up on the front page of the news from the Royal Commission

Recently on the news was CBA's credit card insurance and how it wasn't worth the paper it was written on. I experienced training on this 'crap' insurance and questioned the trainer as the calculations did not add up as to the amount of premiums a customer would pay and the potential return if they ever claimed. *I was promptly told to keep quiet* as it was more about selling the product and not to worry about the claiming side of it. Needless to say I never got any awards for selling this crap product but I saw numerous customers who were unemployed paying premiums for this product which was in fact useless to them. *The bank was stealing their money.*

### **7.3. A new ethical horizon: holistic justice and human dignity**

These FSU members testify to personal experience of dehumanising culture and governance of financial services corporations that has fostered suicidal thinking and life destroying behaviour. FSU members have identified seven matters that *illustrate* the range and depth of cultural and governance risks their corporations will need to address to form a new ethical horizon grounded in holistic justice and human dignity.

#### **a. *Self-serving empires undermine honest business practices***

- Within the predominant culture of lenders there exist elements where ‘deals’ are gifted to mates and family members.
- Every time you expressed concerns about workloads or impossible complicated workflow processes, the organisation would essentially ‘gaslight’ staff by consistently saying ‘everyone down south has less front line staff than we do and they’re managing, so you are the problem’. It is disgusting what NAB management does to their staff.
- The culture in the Bank has been for those that come and join the elite group i.e. Manager's or Regional Manager's elite group. Appraisals are done in favour of the elite to ensure bonus is paid to them. You cannot question them.
- Promotion is on the close links with the very Senior Managers rather on performance. However performance measures are changed and vague and subject to arbitrary interpretation.

#### **b. *Management lack empathy and don't listen to feedback, or support and learn from their staff***

- The expectations they put on Home Finance Managers is unrealistic as they only seem to dictate orders but won't take on feedback
- The senior management did not seem to understand the time taken to do the job efficiently and compliantly with great customer service, or the trusted relationship that is built between a planner and client
- It is clear that constraints are not to be discussed.

- Inexperienced Managers who only know how to deal with numbers, not people, makes it far worse than it needs to be.
- The problem with management is that they don't hear their staff, always sugar coating surveys about culture and work life.

*c. Workers lack of confidentiality and trust from management*

- Certain managers tend to leak confidential information about staff to certain people and it spreads a lot.
- I want to let you know of the disgusting way I am being treated because I made a bullying and harassment case about my manager and a teller. The way they investigate the issues are disgusting.

*d. Training is inadequate and undermines efficient and effective work performance*

- The few experienced bankers are under so much pressure as new staff are not properly trained in their day to day tasks although they are sent on many 'training courses' that are essentially just sales courses masked as something else.
- These young staff members were in no way educated or trained in Financial Planning to be able to recommend to a customer to change their Superannuation funds without consulting a qualified Financial Planner. The main benefit they were selling was the fact the BT Super for Life could be seen online. This did NOT in any way take into consideration their current funds fees structure, if it was a specific Industry Fund and or if there was any insurances they were entitled to in their current Super Fund.
- We are not trained for the product that we are expected to sell while assisting customers in other fields.
- I rarely had coaching discussions, regularly was told I wasn't doing my job the way I should, but never had training to improve.
- We are given 5 days training then sent off to the phones to answer calls and be referred to as "a home lending specialist". Some of my colleagues are in their early 20's and have not even thought about saving to buy a property let alone experienced enough to be called a specialist. There is no ongoing training. There is no quality feedback to bankers regarding the home or investment lending advice we are providing to customers and if we were ever to have been found to give incorrect or misleading advice, there is no recourse. Our team leaders are not trained in home lending, they are simply there to manage us, not the information we are providing.

*e. Fraud is too often ignored*

- Being on relieving staff I witnessed actions by staff that at times I couldn't believe what I was seeing. Staff forging signatures and initials on loan documents, and on one occasion a lender typing out a letter saying a lump sum was "gifted" and then signing it under the name of the person who had "gifted" the money. No action was taken as she said the lender generated a lot of money for the branch.
- My Manager would (whilst we were signed on under our own names) increase customers credit card limits so this would increase her chances of reaching targets and achieving bonuses.

- I personally witnessed internal fraud at branch level by a specific banker (and their manager). Despite multiple personal loans being declined by fraud and reporting the behaviour to management and group investigations, the banker was allowed to continue processing personal loans and attended mortgage accreditation training. I witnessed the manager finalise loan drawdowns by transferring the funds of the loan to a real estate trust, despite being aware of the loans true purpose (home deposit under the guise of a travel loan). The manager was aware of this and did nothing. He was also aware that half her general insurance policies were being cancelled in the cooling off period but no coaching was done.

*f. There is a lack of whistle-blower protection*

- I was put under a performance review. To me I felt it was payback time for raising a complaint against my manager.
- I became a whistle blower and I exposed Home loans fraud scheme which led to the expulsion of two staff including the manager of the branch, I didn't receive any support or counselling and the matter was swept under the carpet and eventually they offered me redundancy package to remove from the Bank.

*g. The sales culture corrupts honest work practices*

- They reward people with sales figures only, not the right behaviours with risk and compliance balance. If a banker is not adhering to compliance or risk requirements, management will sweep it under the carpet as long as this person has the sales figures, he or she will still get bonus reward.
- If you do not achieve your individual target staff are micro-managed and feel bullied and threatened to get to target with non-ethical ways.

All of these risks identified by FSU members reveal failures in the current risk management culture and governance across financial services entities. These are known risks that have been identified by ethically formed staff, to whom management and boards are now able to listen and respond to creatively, justly and with human dignity.

## 8 CONCLUSIONS AND PROPOSALS

### 8.1. Healing harm, restoring justice

When FSU members' personal ethics and integrity are violated, their employers' governance and culture engages in forgetting and minimising their pain. Corporations have paid scant attention to the profound pain caused, from attempted suicide and suicidal thinking to disabling emotional and psychological impairment manifest in anxiety, depression and stress, including post-traumatic stress.

The Australian Council of Superannuation Investors (ACSI) has developed a program to improve corporation's response to OHS, including a guide to the development of improved OHS indicators and reporting based on interviews with ASX200 health and safety executives and independent health and safety experts. The focus on quantitative measures may overlook the richness of qualitative data on OHS failures revealed in union-based qualitative data. Further, the quantitative measure for work-related deaths is limited in the guide to fatalities, which excludes occupational diseases such as suicide, cancers, and heart disease. Given that occupational diseases are the cause of greater numbers of work-related deaths than fatalities, FSU could engage with ACSI to strengthen reporting that better serves the OHS problems in the financial services sector.

We propose that FSU forward this research report to ACSI and engage with ACSI to strengthen reporting that better serves financial services superannuants' OHS concerns.

We propose that FSU:

- Establish a peer support program.
- Establish an industry sector support and advocacy program for whistle-blowers.
- Advocate within the union movement for strengthened whistle-blower protection.
- Advocate for a restorative justice service for the industry.
- Partner with RASP to advance research into preventing work-related suicide

There is a pressing need for the union movement to challenge the historic institutional separation of workers compensation from OHS prevention, which has allowed injured workers recovery from harm to be privatised and consigned to an insurance system also captive to the very ethic of profit maximisation responsible for unconscionable work pressure and devastating harm. For injured workers, the result has been to individualise both workers compensation and the majority of private support (Employee Assistance Programs, medical and psychological services) captive to the capitalist ethic of profit maximisation.

We propose FSU request the Australian Council of Trade Unions to initiate a research and policy development response to better integrate OHS and workers compensation around a central focus of holistic justice and human dignity.

#### 8.1.1 Peer support

The failure of the workers compensation systems, the limitations of medical and psychological services, and challenges for union officials from emotionally and

psychologically impaired members have been documented, as have examples of harmed workers turning to the Union. It is the experience of discovering an empowering solidarity in relationship with a fellow worker that shaped the type of peer support program outlined in our first report.<sup>52</sup>

There we argued that peer support has significant benefits for people suffering work harm. A unique benefit of peer support is its capacity to strengthen those harmed to resist pathologising their symptoms or seeing themselves as victims. The solidarity of peer support can help victims of injustice to mobilise their strength and begin to address the injustices they have suffered. John Bottomley summarised key aspects of peer support in the following way:

‘Peer support is ‘a system of giving and receiving help founded on key principles of respect, shared responsibility and mutual agreement of what is helpful’<sup>53</sup> amongst people with similar experiences. Peer support has emerged most strongly in the mental health arena with a challenge to the way the cultural mainstream defines behaviour by forcing people to understand their situation in ways that disconnect them from the social and political factors that contribute to their experience of injustice and suffering.

Peer support operates at a face-to-face level, but its potential to become a sustainable social development depends on peer programs giving voice not only to the suffering experienced by victims of a traumatic event, but also giving voice to the injustices and suffering caused to trauma victims by institutions of care that have failed to meet their needs’<sup>54</sup>

This program would value workers’ *shared experience of work harm and injustice*. Instead of being pathologised or disciplined, workers are equipped to return to work and be viewed as *the frontline for equipping co-workers* to work for justice.

In 2018, the building and construction superannuation fund in Victoria began funding a suicide prevention program for their industry based on peer support worker model.<sup>55</sup> This may be a funding model that could be pursued by FSU to provide peer support for finance sector workers harmed by work pressures and ethical conflict.

We propose that FSU establish a peer support program, possibly in partnership with the University of Divinity, to facilitate the healing of harmed members, and to develop Peer Support Workers who can support and advocate for members stuck in the workers compensation system.

We propose that FSU seek funding for a three-years pilot peer support program for finance sector workers exposed to harm from work pressure and ethical conflict.

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<sup>52</sup> Flett et. al., *Justice Tempered*. 28-29, 38-40.

<sup>53</sup> S. Mead, D. Hilton, and L. Curtis, “Peer Support: a theoretical perspective,” *Psychiatric Rehabilitation Journal* 25, (2001): 135.

<sup>54</sup> J. Bottomley, “The transformative journey to sustainability for Australia’s compensation systems: how peer support and restorative justice interventions are creating a new inclusive narrative,” in B. Crisp and A. Taket *Sustaining Social Inclusion* (London, New York: Palgrave, 2020), 40.

<sup>55</sup> “Blue-hats suicide prevention,” accessed 25/9/2020 <https://incolink.org.au/wellbeing-support-services/bluehats>

### **8.1.2 Whistle-blowers support and advocacy**

Whistleblowing has been defined as ‘the disclosure by organisation members (former or current) of illegal, immoral or illegitimate practices under the control of their employers, to persons or organisations that may be able to effect action.’<sup>56</sup> In *Banking Bad*, Adele Ferguson suggests that without the voices of whistle-blowers being raised, the RC into the finance sector’s unjust practices may never have happened. This research reported a number of FSU members who identified themselves as whistle-blowers, but who felt their experience was not valued by their management when they:

- Identified the failure of managers to take responsibility for protecting customer’s best interest. Their managers are criticised for being captive to the organisational requirements of ‘pushing’ sales targets and bonuses that is cited as the cause of cases of fraud, deceit, and criminality.
- Pointed to a culture of ‘blame shifting’ reflective of a sick culture unable to address the institutional problems seen clearly on the ground by FSU members.
- Expressed frustration at the corporate whistle-blower protection policy, which staff are too fearful to use because of likely repercussions.

We propose that FSU:

- a. Establish a Whistle-blowers Support and Advocacy Program within the Union to support their members deal with injustice and fraud in their workplace, and to advocate for strengthened whistle-blower protections.
- b. Work with the University of Divinity to include the ethics of whistle-blowing in a proposed Finance Sector Ethics Formation course.
- c. Propose corporation Boards and senior executives incorporate the role of whistle-blowers into their risk management function.

### **8.1.3 Advocate for a restorative justice service within the financial services sector**

How will financial services entities that are wedded to capitalist ethics, and employers who are responsible for OHS breaches that risk the lives and health of their employees, begin to transform their dehumanising governance and culture? Our report has found that a pattern of unequal power relations from the top down led FSU members to report:

- High levels of bullying, personal abuse and being belittled by their managers.
- Fear of reprisals for questioning management or being critical of policies and procedures.
- Being coerced to work unpaid overtime.
- Being subjected to incompetent management and micro-management.
- FSU members experiencing unjust treatment to sell products customers too often didn’t need or couldn’t afford.
- Being subjected to ‘performance management’ as a form of public humiliation and discipline.

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<sup>56</sup>B. Bjorkelo and O. Madsen, “Whistleblowing and neoliberalism: Political resistance in late capitalist economy,” *Psychology and Society* 5 no.2 (2013): 28.

FSU members who were subjected to this abusive managerial power reported a direct line of causation to the significant harm they experienced, including:

- Psychological and emotional impairment, such as anxiety, depression and stress.
- Feeling their personal ethics and integrity were violated, leading to instances of attempted suicide and suicidal thinking.
- Being made complicit in behaviour that harmed both their customers and their corporation.

We have highlighted the fundamental human dimension of the pain and injustice at the heart of harm to workers inflicted on staff harmed by abusive power relations. A humanising response will be best served by an approach that empowers workers to engage with their healing and justice. We propose an approach based on restorative justice *to address the personal and interpersonal dimensions of wrongdoing*, which have to do with the way in which the act of wrongdoing damaged the *relationship* between the person responsible and the person who has been wronged. It is based upon the assumption that every human being has intrinsic worth and dignity.<sup>57</sup>

Restorative Justice may be understood as *any process that seeks primarily to address or repair the harm caused by an offence or incident*. This is generally done by providing a 'safe place' in which all those involved have an opportunity to discuss the following three topics, with the assistance of trained facilitators:

1. Facts: what happened.
2. Consequences: how people were harmed or affected.
3. Future: what needs to happen:
  - to repair or make amends for the harm;
  - to make sure it does not happen again; and
  - to bring about positive changes for all those concerned.<sup>58</sup>

There is a growing literature on restorative justice, and a number of restorative justice services in Australia. It is not within the scope of this research to report further on such services.

We propose the FSU pursue the possibility of such a service becoming a valuable response to the harm suffered by FSU members with the Centre for Innovative Justice, RMIT.

#### **8.1.4 Research suicide prevention**

The reported incidence of attempted suicide and suicidal thinking in the FSU portal data indicates there is a serious OHS issue across the financial services industry. These reports are serious in their own right, but are also indicative of wider concerns in the industry's health and safety prevention. All of the factors identified by FSU members in their self-reported brushes with suicide are mentioned frequently in numerous portal submissions of members, in particular:

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<sup>57</sup>D. Brookes, *Restorative Justice and Work-Related Death: a literature review* (Melbourne: Creative Ministries Network, 2008), 43.

<sup>58</sup>D. Brookes, *Restorative Justice and Work-Related Death: Consultation Report*. (Melbourne: Creative Ministries Network, 2009), 111.

- Unjust treatment (including bullying)
- Sales pressure
- Incompetent management
- Member critical of bank attitude to customer relations
- Bank has negative attitude to member's ethics
- Being overworked and under paid
- Subjected to performance management and coaching as a form of discipline/punishment
- Being understaffed.

That is, the factors that ten members attributed to their attempted suicide or suicidal thinking are also widely reported by FSU members in their portal submissions. One research question is whether the ten reports represent the tip of a potentially life-threatening iceberg, or whether there are ameliorative factors in the work and/or non-work experiences of the larger group that has kept them safe from suicidal thoughts or self-harm. A second research question is whether a peer support program as proposed above may provide a suicide prevention intervention, which fosters resilience, information and material support and self-worth to ensure greater workplace safety in the financial services industry.

It is proposed the FSU request RASP to partner with the Union in preparing a funding submission to research the improvement of suicide prevention in the financial services sector.

## **8.2. Finance Sector Professional Ethics Formation and Integrity (PEFI) Program**

We propose the development of an accredited program in which professional ethics formation integrates best practice business knowledge with holistic justice and human dignity in order to *form humans with integrity as ethical beings at work*.

An outline of this program based on the findings of this and our earlier report for FSU suggests the program will:

1. Establish a base-line of personal ethics for participants in relation to their own worldview, and competing worldviews of capitalist ethics, Indigenous spirituality, and at least two alternative worldviews from the trade union movement, ecological/environmental movement, religious faiths, and civil society.
2. Identify the scope, nature and impact of ethical conflicts in participants' experience.
3. Explore the harm to finance sector workers of ethical conflicts that violate workers' ethical beliefs and personal integrity.
4. Introduce participants to the value of FSU programs for peer support and whistle-blower support and advocacy, and to understand their role in enhancing these programs as a contribution to a corporate ethics of holistic justice and human dignity.
5. Equip participants to develop their interior reflexivity and collegial decision-making capacity for collective solidarity in ethical life and work.

We propose that FSU commission RASP/UoD to develop a pilot for the PEFI Program to be implemented with participants nominated by FSU.

## 8.2.1 Truth telling

We identified how ‘misconduct’ as a euphemism for harmful and damaging behaviour hides the reality of the harm experienced by FSU members. The PEFI Program will encourage participants to speak truth to power, so that staff are empowered to trust their perceptions of the reality of their own and workmates experiences. Table fifteen demonstrates how the use of euphemisms identified by this research excludes the voices of financial services’ employees from full participation in their work: by perpetrating the ethical virtue of tempered justice to distort the reality of their work and hide their experiences of injustice.

Table fifteen: Euphemisms in the financial services sector that minimise the lived experience of FSU members by distorting the reality of their work and silencing the injustices they experience.

Euphemisms	Meaning ascribed by capitalist ethic of tempered justice	Meaning revealed by FSU members’ experience of injustice
Tempered justice	Cutting back a little on justice so we can keep making as much profit as possible	<ul style="list-style-type: none"> <li>• <i>corrupted practises</i> within banking industry.</li> <li>• <i>unethical behavior, lies and corruption</i> by the bank’s management to run the business and make profit for themselves</li> <li>• I was treated <i>so unfairly my health suffered</i></li> </ul>
Misconduct	A breach of the law, code of conduct, or community expectation	<ul style="list-style-type: none"> <li>• I was <i>absolutely gutted</i> I could be treated so unfairly.</li> <li>• Aggressive sales culture caused a lot of fraud and to <i>losses by customers</i>.</li> <li>• After all the bullying I was on a <i>steep slide into anxiety and depression</i></li> </ul>
Mental illness	A personal weakness of staff who cannot cope with the work pressure needed to succeed.	<ul style="list-style-type: none"> <li>• I was put on a coaching plan and micro managed. I developed <i>severe anxiety and stress</i>.</li> <li>• I was never diagnosed with depression, I was <i>diagnosed with symptoms of bullying</i>.</li> <li>• Targets caused me extreme anxiety, as the whole process was <i>against my ethics and values</i>.</li> </ul>
The Australian economy	An inviolate sphere of life with needs independent of those of consumers and employees of financial services institutions.	<ul style="list-style-type: none"> <li>• <i>We are made to concentrate</i> on lending growth over other aspects of the job.</li> <li>• <i>We are told to push</i> the customer in order to meet the targets.</li> </ul>

		<ul style="list-style-type: none"> <li>• The finance industry makes so much profit each year yet <i>cannot invest in its staff safety</i>.</li> </ul>
<b>Euphemisms</b>	<b>Meaning ascribed by capitalist ethic of tempered justice</b>	<b>Meaning revealed by FSU members' experience of injustice</b>
KPI	A measure of performance to help staff earn a bonus for meeting its target.	<ul style="list-style-type: none"> <li>• <i>We have to push</i> products on clients that don't need it to get our KPI.</li> <li>• I found targets unrelated to our core role <i>ethically challenging</i>.</li> <li>• <i>We have to push</i> referrals on customers to meet our KPIs when the conversation doesn't warrant it.</li> </ul>

Tempering justice has been revealed as an act of violence. It is a euphemism that hides the harm done to financial services staff, minimises the corruption of entities' behaviour towards customers and wider society, covers up the capitalist ethics that create profit for senior executives and shareholders at the expense of clients and the community, and blames victims of workplace abuse for their own suffering.

A program in professional ethics for financial services employees will need to address the power of language (and the euphemistic language of power) in the everyday discourse between management and staff. This is imperative if the program is to address the lies and corruption fostered under the guise of euphemisms, and for the program to be established on the integrity of truth-telling for justice and human dignity.

### 8.2.2 Reassessing the place of money in being human.

Capitalist ethics are produced by a particular worldview or belief system. The fundamental point of distinction for the proposed PEFI program is that it will build on the belief system central to FSU members who have testified to the value of life with a spiritual connection to the life-giving reality of holistic justice, while capitalist ethics is founded on a spiritual connection to an object that is ultimately lifeless: the acquisition of money. The implication of devoting one's life to a lifeless object, no matter what its value in human belief, is to place one's life in the centre of lifeless or death-dealing relationships.<sup>59</sup>

This is the bitter fruit of capitalist ethics, and it is most clearly manifest in the suicidal ideation and attempted suicide of workers who have been dehumanised as a consequence of being treated as objects in their employers' pursuit of maximised profit. The shadow of death has also invaded the emotional and psychological wellbeing of workers with its destructive presence born of a dehumanising culture of profit-driven sales targets at the cost of workers health and safety. This has in turn fed the corruption of the very governance systems of financial services entities that are meant to serve the public with just and truthful financial advice and services, and uphold employees in work relations of justice and dignity.

<sup>59</sup>'To set the mind on the flesh is death, but to set the mind on the Spirit is life and peace.' (Romans 8<sup>6</sup>).

The PEFI program will recognise the importance of forming or socialising participants into an ethic that is a mode of being, which empowers workers to trust their own interiorly-held wisdom for resisting the entrenched patterns of abuse identified in this research. Educating for growth in such trust will engage both interiorly-held wisdom and inter-subjective relations of mutual regard and solidarity, empowering resistance to dehumanising governance and culture practices that together have coerced employees' compliance with destructive capitalist ethics.

### **8.3. Endnote**

Our critique is an expression of solidarity with workers' pain at the unjust work-related violation of their lives, giving empathetic attention to their long-suffering grief and despair. We honour their committed resistance to the violation of their personal dignity and affirm the value they place on holistic justice. We seek to offer concrete and practical steps to give FSU an empowering hope of renewed solidarity for financial services workers in a global community and a new sense of what might be possible. Justice, love, hope and solidarity form the quadrilateral cornerstones for our belief in the shape of a new future for the financial services sector.

## 9 APPENDIX ONE: Invitation emailed to FSU members and former members



# FSU Update

March 2018

Authorised by Julia Angrisano, National Secretary

## Royal Commission Day One - Stay Informed

**Today the Royal Commission into Misconduct in the Finance Sector begins. The FSU will be there, standing up to protect all finance workers.**

This is a once-in-a-generation chance to shine a light on the toxic systemic practices throughout our industry. We will tell the Royal Commission about the effects of institutional culture, conflicted pay and bonus systems, and performance management processes, on workers and customers alike.

*Above all we are here to be the voice and champion of all finance workers. We will ensure the Royal Commission hears more than the 'bad apples' message from the banks. We will tell the Royal Commission what it's really like for finance workers day by day.*

Check the FSU's facebook and Twitter feeds where we will be posting updates as the day goes on. Find us at [facebook.com/FinanceSectorUnion](https://www.facebook.com/FinanceSectorUnion) and on twitter: [@FSU\\_Australia](https://twitter.com/FSU_Australia)

### FSU's Royal Commission Online Portal: Tell Your Story

The FSU has built an online portal where you can tell us your experiences of these and other issues. We need the Royal Commission to know what it's like to work in our sector, so they understand what needs to change.

## Tell your story

Go to: [www.fairfinanceindustry.com](http://www.fairfinanceindustry.com)

You can find the portal here: [www.fairfinanceindustry.com/](http://www.fairfinanceindustry.com/)

### Not a member?

If you receive this update, it's been shared by a member of our union community, and they're asking you to work with us to make your workplace a fair workplace.

You can join online at <http://bit.ly/JoinFSU>

Phone: 1300 366 378 (Monday to Friday, 8am - 6pm EST) | [www.fsunion.org.au](http://www.fsunion.org.au) | Email: [fsuinfo@fsunion.org.au](mailto:fsuinfo@fsunion.org.au)

## **Banking Royal Commission - Your Stories of Poor Leadership and the Toxic Culture Will Make All The Difference**

Tuesday, 20 March 2018

**Right now we have a rare chance to shine a spotlight on the finance industry. The FSU will present crucial information to the Royal Commission into Misconduct in the Financial Services Industry. Your experiences of front-line work in the industry are vital, to ensure the Royal Commission hears the right story.**

The scandals that have plagued our industry derive from systemic and cultural issues. It is vital that the Commission hears this, not just banks' "bad apples" version. As a former member of the FSU, we know you have had experience of these issues.

The FSU has built an online portal where you can tell us your experience of toxic culture in the finance sector, so that this information can be presented to the Royal Commission. Click here to share your story of banking culture:

This is a once-in-a-generation opportunity to address the systemic and cultural issues that finance workers have been working to rectify for years, such as:

- conflicted pay systems that pit finance workers' livelihoods against customers' best interests;
- unfair and unreasonable sales targets and regimes that put pressure on staff to push particular products or customer practices; and
- staffing rationalisation and reduction that has led to loss of experience, and has stretched remaining staff to ensure they are compliant and meet expectations to maintain their job.

The FSU Portal is confidential and FSU will contact all contributors to discuss the next steps towards submitting to the Royal Commission.

Stories and experiences of working across the finance industry provided by workers and former workers can shape the outcomes of the Hayne Royal Commission - this is an opportunity to fundamentally improve the lives of finance workers, customers and the community.

We are standing up for finance workers, making sure the Royal Commission hears our side of the story. We need the Royal Commission to know what it's like to work in our sector, so they understand what needs to change.

Authorised By: **Julia Angrisano, National Secretary**

AUTHORISED BY JULIA ANGRISANO, NATIONAL SECRETARY