

DENNIS: THE WHISTLEBLOWER WHO STAYED

Introduction

Dennis was a whistleblower in the banking industry who played a role in exposing a rogue trading scandal that cost the institution he worked for \$360 million. He was not rejected by his employer after speaking up and, for twelve years after the disclosure, remained working there in a variety of senior roles across financial markets and corporate strategy. The experience did however spur a strong interest in human and organisational behaviour. He went on to pursue a degree in psychology by distance education and author an award winning book that explored the behavioural drivers of ethical failure. Shortly after publishing the book he left the bank and spent a short period of time working as an educator and advisor before taking on a role as a governance consultant at a large global professional services firm.

The disclosure

Dennis joined the National Australia Bank on a graduate program in their financial markets division. At the conclusion of the program, Dennis was appointed as a trainee to the FX options trading desk. Shortly after joining the desk, he was informed that certain transactions were being entered at incorrect rates to “smooth” the volatility in the desk’s reported daily profit and loss – the business was under pressure to reduce the volatility in its earnings. Several months later, he raised concerns with his direct report’s leader about a number of issues including the continued use of smoothing. His efforts largely fell on deaf ears and he suffered repercussions from his direct report as a result of this disclosure. Approximately one year later, he was informed by a senior trader he worked with that the desk was concealing losses in the vicinity of \$70 million AUD. His initial reaction was to resign but he sought counsel from numerous people including his wife and close friends who encouraged him to say something. The following day he spoke to a colleague at work who worked on a separate desk about the situation he found himself in and to this day Dennis believes he was pivotal to him raising concerns a second time. “He was extraordinary. He basically said to me in a very powerful way... that I had a moral responsibility to do something. [He] gave me the confidence that... something would happen this time.” When Dennis made an initial attempt to find the losses in the trading system, he could only find \$40 million AUD which did not reconcile with what he had been told by the senior trader the previous day. Over the following 24 hours, thanks largely due to the efforts of a quantitative analyst working on the desk, the majority of the losses were uncovered. Unbeknown to Dennis, the methods being used to conceal the losses had evolved and become far more elaborate. Four traders were immediately placed on leave on full pay while a full investigation was conducted. Following the investigation they were dismissed and a raft of other employees associated with the incident departed the bank. Court cases ensued in which Dennis appeared as a witness for the prosecution and all four traders were jailed.

The new role

The National Australia Bank were supportive of Dennis. He went on to spend a further six years in financial markets where he went on to lead an institutional foreign exchange sales

desk. Subsequent to this he spent five years in their corporate strategy function and during this time authored a book that used his experience on the FX options trading desk and the research in behavioural sciences to describe the origins of ethical failure. The bank was supportive of the book and the foreword was written by the Chairman. Shortly after the book was published, Dennis and the National Australia Bank amicably decided to part ways.

He spent the next three years working as an educator and advisor. He formed relationships with prominent academics that enabled him to take an adjunct role at an Australian university (where he still lectures on business ethics for one of their Masters programs) and develop and facilitate ethical decision making workshops for organisations in the banking and finance industry. He was also a regular contributor to conferences, newspapers and blogs on discussions relating to ethics, leadership, conduct and culture and made submissions to parliamentary inquiries into whistleblower protection and the banking and finance industry. More recently, Dennis joined a large, global professional services firm where he continues to work as an advisor in the areas of governance, conduct and ethics.

Factors that helped

1. Supportive workplace

Dennis acknowledges that he was very fortunate to be surrounded by very supportive colleagues at the National Australia Bank after the scandal was exposed. As noted, subsequent to the incident, in addition to dismissals, a raft of other employees left the bank. Therefore, Dennis did not find himself in an unenviable situation where he had to face into anyone who was remotely associated with or supportive of the wrongdoing. "If I found myself in an environment where I was ostracised or neglected, that would have made it really tough. Fortunately, that didn't happen to me." Furthermore, those employees who did remain looked beyond the whistleblowing experience and promoted Dennis. "Instead of treating me as used goods, as is what happens to many whistleblowers, they kept supporting me, seeing me as someone who had potential and providing me with opportunities."

Dennis admits the period following the exposure of the losses was challenging. Although the National Australia Bank did all they could to protect his identity, Dennis was required to appear as a witness for the prosecution in the ensuing court cases. At this point his name became public and he began appearing in the media. This publicity can be troubling: "Your whole public image is in the hands of people you don't even know and they can write whatever they want." Once again, his colleagues were instrumental in helping him get through this period. According to Dennis, they showed "extraordinary empathy and understanding" and didn't let the incident taint their opinion of him. "[They] didn't label me as a 'whistleblower' but rather kept viewing me as 'Dennis' who just happened to go through a unique experience. This really helped." Among some colleagues, there was a degree of awkwardness; people weren't sure whether or how to acknowledge the elephant in the room when Dennis was present. Significantly, though, and unlike in many other people's stories, no aggression, bullying or exclusion took place. After an initial phase of adjustment, Dennis settled back in, the disclosure faded into the past and work became enjoyable and fulfilling once more. "I got to the point where I could have left the whole experience behind me as my career had moved on in different directions."

2. Supportive home life

Social support boosts a person's resilience and ability to deal with adversity, whistleblower or not. The kind of people we have around us directly influences our power to overcome challenges. Approval and backing from people in all spheres of his life made Dennis's experience far less personally ruinous than that of many whistleblowers. Along with the acceptance and help he received from his employer and colleagues, his family and friends were there for him too. His wife, in particular, was an exceptional aid during his travails. "I think because I'd been very open with her throughout the ordeal, even with my concerns in the months leading up to the losses being exposed, she was very understanding with what I was going through. There were no surprises for her. And throughout it all, including the court cases where the defendant's lawyers were doing their best to dismantle my credibility and character, my wife never flinched. It definitely helps, knowing you've got someone like that in your life, that regardless of what happens, you're coming home to someone who will be there for you." The validation and assistance Dennis received from his community contributed to his coming through the process safely, being in a healthy position to return to work quickly and having the confidence to move forward in his career.

3. Managing self-concept

In order to survive the disclosure intact and minimise ill effects on his future career, Dennis found it important to manage his outlook. The experience of speaking up had an enduring and profound effect on his outlook and self-concept. In the immediate aftermath, Dennis noticed his sense of morality had become very heightened and absolutist. "You become extraordinarily virtuous and self-righteous, to the point where you start seeing everything in black and white and failing to appreciate the shades of grey that exist in the world... the pendulum swings too far to the point where you prioritise integrity to the point where it is impractical and not sustainable. We're all flawed humans. We're all going to fall short at times... you begin to learn that to err is human and if you're not falling short, you probably aren't challenging yourself enough. The key is to be aware when your principles are being challenged and thinking deeply about how you will respond when this happens."

His black-and-white mentality was short-lived, subsiding once the intensity and severe anxiety of the case faded on its completion. In the more long-term sense, Dennis's mental health and his relationship to his work in the bank was not negatively impacted. His ability to bounce back from this extreme stance enabled him to regain the psychological balance necessary to continue working. Interestingly, it also gave him a different perspective on issues of morality and how malleable it can be. This contributed to his new pursuit to understand the behavioural elements involved in ethical failures.

4. Pursuing one's passion

Subsequent to the whistleblowing process, Dennis devoted a lot of time to self-reflection and thinking about life. He found his personal interests changing. This shift not only led him to obtain a degree in psychology: it also prompted him to start writing a book on these subjects. Because of his tendency towards privacy, he wanted to omit mention of his own personal experiences in the book. Friends, however, advised against this and so he touches on the disclosure to help illustrate insights and points in the book. Moreover, he reorientated his career, translating his newfound passion into a career in sense-giving (teaching at a university, giving talks and advocating for whistleblower rights and law reform) and sense-making

(research and writing). He is aware of the power of his story to bolster this new work on business ethics.

Some high-profile people helped Dennis reach the next stage. He sent the manuscript of his book to a world-renown academic that focuses on values-driven leadership. She told him it was very good and would get published. More networking led him to share his book with a former Australian government minister who said it was outstanding. He suggested that the chairman or CEO of the National Australia Bank would possibly consider launching the book. A few conversations with personnel in the bank and sharing the manuscript with them resulted in the chairman writing the foreword and the bank organising the book launch. The book's success, along with his education and whistleblowing experience, has turned Dennis into a respected figure on business ethics and opened new doors into academia, public whistleblower advocacy and the private sector.

Summary: Dennis today

Having played a role in bringing massive corruption to light at the National Australia Bank, Dennis is now an important voice against fraud. His journey, made all the more possible and smooth by very supportive bosses, colleagues, friends and family, drove him to obtain a degree in psychology and start a new chapter in his career. He now works in a large global professional service firm area of governance, conduct and ethics, teaches at a university and shares his learnings and thoughts with the public in a bid to improve whistleblower rights and protections. He is cautious not to make his experience define his identity. "Although I recognise my story is important and needs to be referenced, I don't want it to be at the centre of everything I do in work and life. Ultimately, there is so much more to Dennis Gentilin than a single experience."