

## Whistleblowing Introductory Toolkit

Through an ethical systems lens, whistle blowing empowers workers to speak up for principles and ethics and shines a light on unethical practices that can cause economic and reputational risks for organizations as well as negative consequences for consumers, citizens and colleagues.

# Whistle Blowing

### Factors That Inhibit Reporting Misconduct



- Decentralization
- Organizational culture
- Toxic Leadership
- Potential reactions to the whistle blower

Vadera, A. K., Aguilera, R. V., and Caza, B. (2009). Business Ethics Quarterly

### Creating an Ethical Culture

Implement structures and policies that visibly protect and incentivize internal reporting	Make ethics part of the core organizational values	Leaders must be active listeners and role-models of integrity
		



## **Organizational Priorities**

In an ethical organization, internal whistle blowing serves as a powerful mechanism to protect and grow the economic, legal, and reputational value of a business.

**To make this shift, organizations need to prioritize ethics and create a culture of integrity and speaking up.**

Research has shown that the most important factors that influence reporting intentions and behavior include:

- Leadership
- Perceived support
- Organizational justice
- Organizational culture
- Type of organization
- Risk of retaliation

## Ideas to Apply

Consensus seems to be that organizational context strongly influences the whistle blowing process and experience. Congruent to systems thinking, these 4 nudges help make internal reporting work:

### 1. Make ethics part of the core organizational values

- Establish a code of conduct and incorporate in recruitment materials, employee contracts and internal policies

### 2. Create structures and systems that visibly protect and incentivize internal reporting, i.e. particularly speaking truth to power (and sanction retaliation)

- Institute robust and effective [Compliance and Ethics programs](#)

### 3. Leaders act as role-models and active listeners to promote cultures of speaking up

- [Hire and develop leaders who exhibit ethical behavior and influence ethical cultures](#)

### 4. Apply a systems approach, including:

The individual dimension

- What characteristics influence intentions and reporting behavior? (to come)

The organizational dimension

- How can you encourage employees to speak up?
- In what ways does leadership and organizational culture predict behavior?

The legal dimension

- How do laws and rewards, like the SEC Whistleblower Program, influence the whistleblower's behavior, the process, and organizations?

Research Entry Points	
	<p><b><u>The National Business Ethics Survey® generates the U.S. benchmark on ethical behavior in American corporations</u></b></p> <p>The latest report shows improvement on how companies conduct work while it yet again highlights the severe problems of reporting behavior and retaliation against whistle blowers.</p>
	<p><b><u>An integrative analysis of past whistle blower research highlighting consistent and inconsistent findings</u></b></p> <p>Vadera, A. K., Aguilera, R. V., and Caza, B. (2009). Making sense of whistle-blowing's antecedents: learning from research on identity and ethics programs. Business Ethics Quarterly, Vol. 19 (4), pp. 553-586</p>
	<p><b><u>Comprehensive article about the quandary of becoming a whistle blower</u></b></p> <p>The New York Times, Alina Tugend (September 20, 2013). Opting to Blow the Whistle or Choosing to Walk Away.</p>
	<p><b><u>The impact of financial rewards for whistle blowers on American and multinationals organizations</u></b></p> <p>The Economist (2011, November 17). The Year of the Bounty Hunter.</p>
	<p><b><u>Ted Talk on ordinary people who dare to speak up in the name of progress</u></b></p> <p>“The Dangers of Willful Blindness” - Margaret Heffernan</p>