

Whistleblowing

In your company is a whistleblower a crank or is he a valued/important employee, customer, vendor or vendee?

Among the criteria that is used to determine what company should receive a Rochester Business Ethics Award is whether the entrant provides the following and how effective the program is:

A means for employees, customers and other parties to bring ethical concerns to the attention of management and a mechanism for resolution that ensures fair and consistent treatment of the parties involved.

A way of measuring this is to determine if employees who observe unethical conduct do something to address it. In an ethical company, it is far better for people to bring their ethical concerns to the attention of management than to not do so because they perceive it would be a waste of their time because no one would pay attention.

Suggested procedures, with respect to whistleblowing, should include:

An employee handbook that clearly establishes the policies regarding expected behavior, including a channel for reporting concerns.

If concerns are reported, they should be accurately, neutrally, and thoroughly investigated.

If something is wrong, it should be addressed, rather than hoping it will go away.

Above all, when a complaint is made, whether or not it is substantiated, never penalize, discipline, or fire an employee simply for bringing it forward.¹

A problem in small companies: reluctance to “rat” on a fellow employee. Ethicists describe this as a dilemma between truth and loyalty.

Many companies require that an employee having ethical concerns must first raise them with her supervisor, which can be awkward if the supervisor is the cause of the problem.

The success of the program may depend on the qualities of the person designated by management to field complaints. In a small company, this can be a problem if the only person taking this responsibility is the person who is actually causing the problem.

Large company or small, a proper and fair means of addressing bona fide ethical concerns must be part of the Standard Operating Procedure of a going, successful business.

¹ Nancy Cooper, *When Workers Speak Out*, Inc. com, June 1, 2007.