## Workplace Whistleblowing: What your board needs to know

whistleblowing process.

With remote and flexible working trends here to stay, it is more

important than ever that senior executives and board members

understand the importance of providing access to a confidential

From health & safety, and harassment & discrimination, to data privacy, financial misreporting and conflicts of interest, organisations should ensure their employees and stakeholders can always safely

speak up about their concerns, no matter where they are located.

Below are 8 key facts your board needs to know about workplace whistleblowing.

Whistleblowing channels are known by many names...

What is a whistleblower? A whistleblower is an employee, or external stakeholder, who reports a concern or suspected wrongdoing that may have occurred within the workplace. A report can relate to a potential breach of law, company policy, or unethical activity, and is made confidentially to senior management, or to the organisation's nominated whistleblowers' champion, or submitted through a dedicated whistleblowing channel. Employees can also submit a report externally to the

appropriate industry or government body.

Fraud hotline Whistleblowing hotline Ethics helpline Integrity line Confidential helpline Speak-up line Alert line Loss-prevention line ...and can take many forms Post and Email Web and PC Mobile Telephone In-person

Your board needs to know that it is not good news if your employees aren't raising any concerns as it is

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likely that misconduct is still occurring within the workplace. Many employees have concerns they wish to raise, but most are not comfortable in doing so. It is far more beneficial to encourage your employees to raise their concerns so they can be identified and

It is not good news if your employees

aren't raising any concerns

resolved early on rather than remain unchecked where they can escalate into a crisis.

of respondents have had information or concerns about



EY Fraud Survey, 2017

AU\$**525**m

Protected

Amendment

Whistleblower

**Protection Act** 

Your board needs to know that whistleblower regulations are not only increasing around the world but many jurisdictions are also ammending existing regulations to broaden the requirements and establish enforcement mechanisms.

## in place, depending on their size, location or industry. Failure to comply with these laws may result in prosecution and severe financial penalties. MAJOR COMPLIANCE REGULATIONS ARE BEING INTRODUCED AND UPDATED WITH TOUGHER REQUIREMENTS

Hundreds of thousands of organisations are now legally required to have whistleblowing processes

Maximum infringement fine introduced by the Australia Treasury Laws Ammendment, 2019 **NEW ZEALAND** UK **CROATIA** Disclosure Act

**Senior Managers** 



It is a common misconception that receiving whistleblowing reports is a sign of an unhealthy culture and an underperforming business. On the contrary, academic research shows that a strong speak-up culture where employees raise their concerns not only helps the business achieve regulatory compliance, but it also provides a strategic competitive advantage. The data shows that the more

reduction in

settlements

George Washington University, Evidence on the Use and Efficacy of Internal Whistleblowing Systems, 2018

fewer negative

news stories

**EVERY REPORT SHOULD BE** 

INVESTIGATED PROMPTLY AND

APPROPRIATE ACTION TAKEN

of workers do not report as they

**EU Public Consultation on Whistleblowing, 2017** 

I felt I might

alienate myself

from my colleagues

believe no action will be taken

I did not want to

be seen as a

troublemaker

Your employees must trust your whistleblowing programme

**EU Public Consultation on Whistleblowing, 2017** 

I felt it was none of

my business

of workers do not report due to

fear of legal consequences

TOP 5 REASONS WHY EMPLOYEES DID NOT RAISE CONCERNS ABOUT MISCONDUCT

I felt I might

jeopardise my job

YOUR EMPLOYEES SHOULD FEEL

SAFE AND AFFORDED A HIGH

**DEGREE OF CONFIDENTIALITY** 

Institute of Business Ethics, Ethics at Work Survey Europe, 2018 The more reporting channels you provide, the 05 more reports you will receive Your board needs to know that the more communication channels you provide for your employees to raise their concerns, the greater the number of whistleblowing reports you will receive. To maximise engagement with your whistleblowing programme you should aim to provide a range of reporting channels such as web, telephone, mobile, and in-person. This allows the whistleblower to choose the communication channel they feel most comfortable using and increases the likelihood that they will submit a report. PERCENTAGE OF WHISTLEBLOWING REPORTS MEDIAN NUMBER OF WHISTLEBLOWING REPORTS

06 encouraged. report their concerns anonymously.



Regulations require minimum whistleblowing standards

Your board needs to know your organisation may be legally obliged to maintain minimum standards

Legal requirements cover the provision of whistleblowing services across many stages of the process.

managing the investigations process, providing appropriate feedback and safeguarding the reporter.

confirm receipt of the

report to the reporting

person and the status

investigation and its

outcome within set

Your board needs to know that effective whistleblowing processes can bring significant benefits to

Whistleblowing

Reporting &

**Benchmarking Dashboard** 

Third-Party Due Diligence

of the internal

timeframes

Whistleblowing improves your risk and

compliance programme outcomes

Policy Management

These include requirements relating to whistleblowing awareness and reporting options, to

Organisations can gain additional insights and build a stronger workplace culture by connecting the whistleblowing programme with the broader compliance framework. Whistleblowing data provides valuable information on the efficacy of your risk and compliance programme and provides full visibility of your organisation's risks for better reporting and decision making.

to handle all personal

data in accordance with

the GDPR and store all

reports in a safe place

provide robust

protection against all

direct and indirect

forms of retaliation

person and other

protected parties

Conflicts of Interest

**EU Whistleblower Protection Directive (Directive (EU) 2019/1937)** 

against the reporting



Compliance Training

Named Reports

provide clear

information on the

reporting channels to

internal reporting

process and the

the competent

authority

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throughout the whistleblowing process.

REGULATIONS MAY REQUIRE A WHISTLEBLOWING PROGRAMME TO:

allow reporters to

submit a report in

meeting

your wider compliance programme.

writing, and/or orally,

and/or via a personal

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Convenient

On-line service provides

instant access for employees

#YearOfTheWhistleblower

Configurable

Powerful options to tailor to

individual requirements

Integrated

Connect to your wider risk

and compliance programme

FIVE YEAR ETHICS PREMIUM Organisations that embrace whistleblowing as an important The world's most ethical companies compared to the Large Cap index, source of information find that Ethisphere, 2020 managers have better information to make decisions and control risk. UK Gov, Dept Business, Innovation and Skills

27% 23% 28% 20% 18% MADE BY REPORTING CHANNEL RECEIVED PER ORGANISATION Report per 100 employees 24% Available reporting channels: Web and Telephone Web 2 Reports 43% per 100 employees 33% All other Telephone Available reporting channels: All channels\* methods\* \*includes Web, Telephone, Mobile, In-Person, Email and Post \*includes Mobile, In-person, Email and Post NAVEX Global Whistleblowing Benchmark Report, 2020 NAVEX Global Whistleblowing Benchmark Report, 2020 Anonymous whistleblowing reports hold significant value Your board needs to know that anonymous whistleblowing reports are valuable and should be There is a long-standing, and unfounded, belief that anonymous reports are frivolous or deliberately false compared to named reports. Data shows that anonymous whistleblowing channels continue to provide valuable insights and high levels of substantiated allegations. Organisations should therefore ensure they have channels in place that allow employees to REPORTS MADE BY TELEPHONE **Anonymous Reports** 

The more whistleblowing reports you receive, the better Your board needs to know that receiving a high number of whistleblowing reports is good for business. whistleblowing reports you receive, the better your organisation's financial performance is likely to be. ORGANISATIONAL BENEFITS OF RECEIVING A HIGHER NUMBER OF WHISTLEBLOWING REPORTS increase in fewer material lawsuits return on assets Your board needs to know that your employees will only raise their concerns if they trust your whistleblowing programme. There are three essential requirements to establishing trust with your whistleblowing programme and to maximise the likelihood that your employees will speak up about their concerns.

YOUR EMPLOYEES SHOULD KNOW

HOW TO RAISE THEIR CONCERNS AND

employees do not know their company has

a whistleblowing hotline

I did not believe

corrective action

would be taken

EY Fraud Survey, 2017

CAN SUBMIT A REPORT AT ANY TIME