Chapter III

REVIEW OF LITERATURE

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Introduction</td>
<td>47</td>
</tr>
<tr>
<td>3.2 Indian Studies</td>
<td>47</td>
</tr>
<tr>
<td>3.2.1 Conceptual Papers</td>
<td>47</td>
</tr>
<tr>
<td>3.2.2 Empirical Papers</td>
<td>51</td>
</tr>
<tr>
<td>3.3 International Studies</td>
<td>53</td>
</tr>
<tr>
<td>3.3.1 Conceptual Papers</td>
<td>53</td>
</tr>
<tr>
<td>3.3.2 Empirical Papers</td>
<td>65</td>
</tr>
<tr>
<td>3.4 Conclusion</td>
<td>84</td>
</tr>
</tbody>
</table>
3.1 INTRODUCTION

The literature review is done with the objective of identifying the proper research gap. For better understanding the works reviewed has been arranged in chronological order. It includes the works from the period 1980 to 2014 covering studies relating to most countries. The literature review has been classified into Indian and international studies. Further it is classified into conceptual, empirical, and case studies.

3.2 INDIAN STUDIES

The Indian studies includes conceptual and very few empirical studies relating to whistle blowing.

3.2.1 Conceptual Papers:
Rajput Namita, Aggarwal Vipin, Chopra Kamna (2014)\textsuperscript{70}, the authors have made an effort in comparing the existence of whistle blowing laws of USA with that of India. The authors identify that there is single ineffective law in India when compared to many strong whistle blowing laws in USA. The authors while identifying the loopholes in Indian Whistle Blowing Law recommends the need and implementation of effective whistle blowing law in India.

Premlata, Ankshika Agarwal (2014)\textsuperscript{71} in their article have thrown light on the importance of whistle blower policy in the organization. The article highlights the evolution of whistle blower and the model of whistleblower answering who is a whistleblower. The authors had reviewed the cases of few companies like Wipro, Tata Motors, Steel Authority of India Limited, Reliance Industries Limited, Tata Consultancy Services. The authors highlight the practices and policy of whistle blowing in these companies. The authors exhibit the cases of whistleblowers in India. Some of the noted cases of whistle blowing are Shanmugham Majunath, Narendra Kumar, Sanjiv Bhat, J.N Jayashree, Lalit Mehta Shashidhar Mishra, Misra, Vijay Pandhare, Rinku Singh, Satish Shetty. Finally the authors conclude by recommending for a strong need for whistle blowing Act in India to protect whistleblowers and all stake holders.


Chaurasiya, V. K.; Singh, Nandita; Dwivedi, Priyanka; Chaturvedi, Trishna (2013)\(^{72}\) the authors in their paper analyses the serious issue related to the current conduct of whistle blowing and whistleblowers protection in India, which is still in its way to become a country wide act to be enforced on the public and private sector companies. They examine the consequences of inexistence of a formal whistleblower policy and provide recommendations for formulating such kind of policy. They identify common shortcomings in the regional legislations; recognize the most important barriers that obstruct public interest disclosures; and suggest to more successful whistleblower protection by highlighting favorable and effective practices. The authors opine Whistleblower Act will provide a safeguard which will help people to speak about corruption.

**Sonal Nagpal (2013)**\(^{73}\) the author with the objective of protection of the whistleblowers and ensuring better corporate governance, discuss the concept and consequences of whistle blowing. The author discusses the legislations relating to whistle blowing in the countries such as UK, US and India. The author also brings out the limitations of whistle blower protection in the law. The author finally concludes that whistle blower law can provide guidelines and the procedure to report, where in it is included in non-mandatory clause of clause 49 of listing agreement.

**S. Srividhya, C. Stalin Shelly (2012)**\(^{74}\) the authors mainly focus on the issue of whistleblower protection. They identify that the availability of information and organization dependence and culture makes very few person to involve in whistle blowing. They say whistleblower have high moral responsibility, courage and concern for the organization and society. They discuss the role of stakeholders, HR manager, SEBI, and organization with regards to whistleblower protection. Finally, they recommend for mandatory whistle blowing policy, effective investigation process and fast track disposal of cases, fines/penalties for frivolous or mischievous complaints, Inclusion of other stakeholders, such as vendors, shareholders and customers, in the list of eligible complainants.

Balakrishna R (2012)\textsuperscript{75} the author in his paper discuss about the concept of whistle blowing and whistle blowing laws existing in different countries like US, UK, Australia, New Zealand, India. The author highlights the SEBI guidelines, Clause 49 listing Agreement including about recommending for whistle blowing policy as non-mandatory in India. The author discuss about the formulation of whistle blower policy document, role of auditor and audit committee in monitoring and implementing whistle blower policy.

Vivek Sadhale, Vikas Agarwal (2012)\textsuperscript{76} the author in his paper expresses their personal view points on whistle blowing in present scenario of corrupt practices. They discuss the whistle blowing legislation in US, UK, Canada and India. The authors express that corporate involvement can make or mar the success of whistle blowing policy. By highlighting the requisites in the whistle blowing legislation, the author thinks that are we moving in right direction.

Sudheendra Putty C.S. (2012)\textsuperscript{77} the author in his paper has made an attempt to explain the concept of whistle blowing and role of company secretary in India. The author says it has become imperative to institutionalise the concept of a whistle blower in the corporate world. The author highlights the need for a whistle blower policy. The author discusses the position of UK, US and India in terms of whistle blowing law. The author considers company secretary’s role as a generator and administrator of the whistle blowing mechanism and as a whistle blower.

Aishwarya Padmanabhan (2011)\textsuperscript{78} the young author express that the corruption by political leaders must be controlled over the corruption by public officers. The paper indicates the young mindset talking about the corruption with special reference to public administration and political system in India. The author feels top-level people must be made clean and corruption free, who could set example for the lower levels. The author opined that whistleblowers can play a very important role in providing information about corruption and mal-administration. The author says there are lack of courage/ fear of reprisals among the public servants in giving information with


\textsuperscript{76} Vivek Sadhale, Vikas Agarwal (2012), “Whistle blowing — are we heading in the right direction? \textit{Souvenir} of 40\textsuperscript{th} National Convention of Company Secretaries pg 104-112.

\textsuperscript{77} Sudheendra Putty C.S (2012), “Concept of Whistle Blowing and role of Company Secretary”, \textit{Souvenir} of 40\textsuperscript{th} National Convention of Company Secretaries pg 95-103.

\textsuperscript{78} Aishwarya Padmanabhan, “Eradication of corruption and whistle blowing” National University of Juridical Sciences (NUJS), Kolkata.
respect to corrupt or unethical practices in their organization, if adequate statutory protection is given to them then the government will get more information about corruption and mal-administration. The author also discusses the proposals for a bill for public interest disclosure and the basis for the proposed bill. The author highlights and justifies the constitutional provisions relating to Freedom of Speech, Right to know, and the privacy in favoring and balancing whistle blowing act. The author opined that public servant may be subject to a duty of confidentiality; this duty does not extend to remain silent regarding matters of corruption and whistle blowing law must be based on this principle of serving the society by giving information of corruption and exposing it to the society and protecting the public interest.

**Arup Barman (2011)**\(^7^9\) the author in his article discusses about the conceptual framework of corporate governance and whistle blowing policy framework in India. The author says there are both success and failure stories of whistle blowing in India. The author opines there is a need of ministry, professional bodies as well as practitioners to address whistle blowing issues for making whistle blowing scheme successful one. The author also says education and HRD can play vital roles in increasing intensity of whistle blowing for good governance.

**Sunil Bahriat (2011)**\(^8^0\) express there is an urgent need for a relook at the whistleblower provisions as well corporate reporting parameters. He suggests there is a need for strict rules to ensure hiding the identity of the whistleblower, establishment of corporate fraud meter for all listed companies based on the number of whistleblower complaints received during the year and disclosing the status in the annual financial report by the board, and also there is a need for corporate fraud benchmarking and corporate lokpal. The post of company secretary can be strengthened to be corporate lokpal. The use of technology like mobile phones and video mails can revolutionise the process of whistle blowing.

**Siddharth G Das, Regina Aldrin (2007)**\(^8^1\) the authors in their paper have made an attempt to explain the concept of whistle blowing and whistle blower. They also clarify the difference between whistle blowing and making a complaint and difference

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\(^8^0\) Sunil Bahriat (2011), 5th Annual Antifraud Conference organized by Riskpro India Hyatt –Mumbai, India.

between anonymity and confidentiality. They discuss about the regulations relating to whistle blowing in India as per the committee reports and recommendations. The authors opine that there is a need for mechanism which reduces the whistle blowing by which competitive advantage can be achieved by organization.

In this regard the author identifies the salient features of various laws protecting whistleblowers in UK, Australia, New Zealand and USA. The author identifies the need and importance of Whistle Blowing to eradicate corruption and thereby suggest the need for law relating to whistleblower protection in India.

3.2.2 Empirical Papers:

Sanjay Dhamiya (2014)\(^{82}\), examined the implementation of whistleblower policy by Indian companies and analyzed the extent and manner of implementation of whistleblower policy by large Indian companies. The author had identified the essential features a whistleblower policy should have in order to be really effective. The study found large proportion of sample companies has adopted a whistleblower policy. However, there are wide variations in the contents of the whistleblower policy adopted by the sample companies. Majority of the sample companies have not made their policy available on their web sites. Likewise, majority of the companies do not permit anonymous whistle blowing. The findings and suggestions in this article may be used with advantage by the capital market regulator (Securities Exchange Board of India-SEBI) in prescribing the details to be included in a whistleblower policy.

Kirti Arekar and Reena Mehta (2013)\(^{83}\), the authors have undertaken the survey for examining the pro-activeness of companies in training the employers on whistle blowing policy, and thereby understanding the motivation of employees by their organization in blowing the whistle. This paper analyses the awareness level of employees about whistle blowing policy and the effort taken by their organization to train employees about whistle blowing policy. The author opined the following:

1. Having whistle blowing policy and training the employers in having clarity about whistle blowing policy is the indication of ethical behavior of the organization.

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2. Employees are the one who encounter irregularities at workplace at the initial stages.

3. Employees must be encouraged and must be given protection for disclosing irregularities in the company internally. This gives opportunity to minimize the loss.

The author examines the persons who encourage whistle blowing in their organization. For this purpose 8 factors were considered namely family members, co-workers, immediate senior, friends, neighbors, company policy, mentor and own values. The findings revealed that encouragement to whistle blowing in the organization is more due to their own values and is less due to their neighbors.

The paper also examined the association of demographic profile of employees and motivation of employees for whistle blowing in the organization. The study revealed industry designation and salary of the employees have no significant association with the motivation to whistle blowing and age, gender, and work experience of the employees have significant association with the motivation to whistle blowing in the organization.

The authors also studied the association of job satisfaction, religious mind and happiness of employees with motivation for whistle blowing in organization. One sample statistics is used for testing. The result said there is association between current job satisfaction and motivation for whistle blowing, whereas there is no association with respect to religious mind and happiness of employees with motivation for whistle blowing.

Kanika T. Bhal, Anubha Dadhich (2011)\textsuperscript{84}, the authors studied the impact of ethical leadership and leader–member exchange on whistle blowing. The authors explored the moderating role of the moral intensity of the issue on this relationship. The study was experimental studies, conducted on the postgraduate students of a premier technology institute in India. Ethical leadership, leader–member exchange, and moral intensity were manipulated through scenarios. Results showed that not only ethical leadership and leader–member exchange predict whistle blowing, but these relationships get moderated by the moral intensity of the issue.

\textsuperscript{84} Kanika T Bhal, Anubha Dadhich (2011) “Impact of ethical leadership and leader- member exchange on whistle blowing: the moderating impact of the moral intensity of the issue”. \textit{Journal of Business Ethics}, Vol.103.
Vaidya Vibhavathi (1998), the author in her thesis has discussed the ethical issues in public service in Karnataka. The author has considered IAS officers as sample respondents. This study has aimed in understanding the perception of administrators towards ethics and examining the ethical behavior of the administrators with a view to understand the influence of political and organizational practices and the effectiveness of external control mechanisms in maintaining high public service. The results indicated ethics is interpreted in negative sense than positively. The study revealed that 85% of the respondents are faced with ethical dilemmas in work situations. The respondent’s experience revealed respondents possesses qualities such as optimism, courage and fairness. The author says more importance is given to intellectual abilities and academic excellence rather than moral integrity in selection process. The study suggests need for ethics based training.

3.3 INTERNATIONAL STUDIES

The international studies include conceptual papers, empirical papers from article publications in journals and thesis and dissertations and conference papers.

3.3.1 Conceptual Papers:

Stephanos Avakian, Joanne Roberts (2011), the authors argue that the study of biblical prophets offers a great contribution to understand the experience, role and qualities of whistle-blowers, and their understanding of the whistle-blowers work is highly informed by appreciating the moral values and norms which are exercised by prophets in seeking to become agents for change. They have identified three core implications that have practical and theoretical relevance. The first concerns how the whistle-blowing activity challenges the established order of an organization as this is comprised of institutional structures, policies and procedures. The second implication concerns the degree of social concern and the individual’s interpretation of morality. The third implication concerns the importance of the agency. They conclude by taking a moral stance, the whistleblower assumes an important agent role facilitating change through his/her intervention and although such change is sudden and unpredictable it brings about new conditions for the organisation and its members.

Alexander Dyck, Adair Morse, and Luigi Zingales (2010)\textsuperscript{87}, the authors identify the most effective mechanisms for detecting corporate fraud. The authors have studied all reported fraud cases in large U.S. companies between 1996 and 2004. They find that fraud detection does not depend on standard corporate governance actors such as investors and auditors, but rather takes a several nontraditional players such as employees, media, and industry regulators. The authors felt differences in access to information and monetary and reputational incentives, help to explain such pattern. The author analyses and suggests that reputational incentives are weak, except for journalists in large cases. By contrast, monetary incentives help explain employee whistle blowing.

Adrian O’Dowd, Josephine Hayers and Deborah Cohen (2010)\textsuperscript{88}, the authors feel ability to raise voice about a colleague’s work is important for patient safety, but finds that NHS trusts make it difficult. The author speaks about the survey conducted by BMJ- British Medical Journal on whistle blowing policy documents and their standards for NHS staff. The author discuss about matters relating to confidentiality and protection, disciplinary action, model policy and culture of silence. The authors provide the case of Dr. Nick Harper, deputy Medical Director and Surgeon Steven Walker.

Wim Vandekerckhove & Eva E Tsahuridu (2010)\textsuperscript{89}, the author argues that while the idea of whistle blowing as a positive duty to do good or to prevent harm which may be defendable, legislating that duty is not feasible. The argument has been developed by identifying rights and duties involved in whistle blowing as two clusters one of justice and one of benevolence. They considered the problematic assumptions and implications of whistle blowing as a positive duty, by examining the extent to which the Samarian’s who are good, their argument holds with regard to whistle blowing. The author says that three criteria necessary for whistle blowing as a legally enforceable positive duty are not met namely that we need to be able to a) specify who should know what, b) minimize the risk to the whistle blower and c) adequately deal with mistaken concerns being raised. Finally, they conclude by calling for greater


scrutiny of policy makers and policy advisors towards current trends in whistle blowing legislation, organizational codes of conduct and internal reporting procedures.

**Phillip Schaper (2010)**\(^90\), the author in his dissertation has examined the live experience of nine successful *qui tam* whistle blowers using qualitative interview method. The dissertation methodology flows in the way of storytelling by each participant on issues relating to their experience, challenges, and motivation being whistle blowers.

**Abhijeet K Vadera, Ruth V Aguilera and Brianna B Coza (2009)**\(^91\), the authors discuss the individual antecedents of whistle blowing. The antecedents were categorized as consistent and inconsistent factors. The pay level and education were consistent factors, gender, age, and job tenure was considered as inconsistent factors. The findings are mainly based on previous literature reviews.

**Jukka Varelius (2009)**\(^92\), the author had assessed the central philosophical arguments to the effect that the moral problem of whistle blowing is merely apparent. According to his argument, being loyal to one’s employer is not incompatible with blowing the whistle about their wrong doing, because employee loyalty and whistle blowing serve the same goal the moral good of the employees.

**Marda P Miceli, Janet P Near and Terry Morehead Dworkin (2009)**\(^93\), the authors in their paper have provided the suggestions to executives and other parties involved in the process of whistle blowing. The parties who will be benefited by author’s recommendations include managers, potential whistle blowers, and legislators/policy makers. The authors argue that whistle blowing is less likely supported if it is not morally and legally justified. The potential whistle blowing must analyze the seriousness of wrongdoing, the act is in his good faith concerned with public safety, whether the moral violation can be justified and specified. The managers must support

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a culture supporting communication, including multiple channels for reporting concerns, managers must be encouraged to focus on the wrongdoing of the complaint rather than attacking the complainant, and there should be fair investigation.

**Anthony Heyes, Sandeep Kapur (2008)**94, the authors examines the design of policy toward whistle blowing. Their focus is on the regulatory responsiveness to disclosure and the severity of potential penalties that follow. The authors opines while suggesting the model, that the care must be taken to clearly know about whistle blowers motives. They are into the opinion that value of the information that whistle blowers bring to the enforcement agency and what the agency will wish to do with that information depends upon the motives of whistleblowers. The model discussed, is based on certain assumptions under different situations to attain the optimal policy.

**Aleksander Berentsen, Esther Bruegger, Simon Loertscher (2008)**95, the authors studies the role of whistle blowing in inspection game. The authors speaks about whistle blowing in sports context where cheating and doping is found. In the game of two, one can win and other loses either through ethical or unethical means. If the winner has played the game through unethical means, then whistle blowing mechanism can help to reduce the frequencies of cheating, when punishment for cheating are sufficiently large.

**Mathieu Bouville (2008)**96, the author in his paper is tries to establish the relationship between whistle blowing and morality. The author discusses about the codes of morality, freedom by means of obligation and when whistle blowing is worthy. Finally the author concludes that whether whistle-blowing is the right decision depends to a great extent on its outcome and consistency is not a main feature of professional morality.

**Vicki D Lachman (2008)**97, the author in his paper had addressed what type of organization culture can prevent need for whistle blowing, and what mechanism is needed to manage whistle blowing process when it is needed. The author recommend

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for creating the ethical organizational culture, which can be made by developing code of conduct which emphasizes value system, need for organization ethics committee. Finally author concludes by saying an ethical culture is necessary to prevent and manage whistle blowing.

Terry Morehead Dworkin (2007)\textsuperscript{98}, the author in his article compares the SOX whistle blowing provisions with other state and federal whistle blowing status. The author finds the shortcomings of SOX provisions and explains the need for revising SOX. The revised point includes rewarding whistle blowers. The author had identified there is a conflict between SOX revised issues with that of current law which can be resolved by judicial interpretation.

Ben Depoorter and Jef De Mot (2006)\textsuperscript{99}, the authors in their study by applying the U.S. False Claims Act (FCA) as an analytical frame- work, they provide a critical review of the efficiency limitations of whistle blowing. There are into the opinion that the formal model developed in this contribution reveals a gap between social and private incentives in whistle blowing, both with regard to the decision to pursue litigation and the timing of whistle blowing.

Adam Epstein (2005)\textsuperscript{100}, the author discusses the whistle-blowing case in the sports context – Jackson v. Birmingham Board of Education. Jackson involved retaliation by a local school board against the girl’s high school basketball coach in Birmingham, Alabama. Ironically, Jackson was not about retaliation against a female for whistle-blowing. Rather, the whistleblower was a male coach, Roderick Jackson (hereinafter “Coach Jackson”), who reported Title IX violations to a female supervisor about bias and inequity against his female basketball players. According to the coach, he was stripped of his coaching duties as a result of his complaints of bias and inequity against that the girls’ basketball team because the girls did not receive equal funding or access to athletic equipment and facilities. Coach Jackson sued under Title IX of the 1972 Education Amendments alleging that the Birmingham Board of Education retaliated against him for reporting the discrimination against the girls’ basketball team. The issue before the Supreme Court was whether the private right of action

implied by Title IX encompassed retaliation claims. In a 5-4 decision, the Court held that the private right of action does encompass retaliation claims where the funding recipient retaliates against an individual because he complained about sex discrimination. The Court further concluded that Title IX “is broadly worded and does not require that the victim of the retaliation must also be the victim of the discrimination that is the subject of the original complaint.

Matthias Schmidt (2005)\textsuperscript{101}, the author in his paper had discussed the regulatory models of whistle blowing in US, UK and Germany. By doing so the author suggests the regulation of accounting standards enforcement in Germany and Europe which uses the whistle blowing in particular in the regulation. The author finally concludes by prioritizing internal whistle blowing than external whistle blowing which avoids ambivalent effects on organizational efficiency.

Wim Vandekerckhove, Ronlad Commers M. S. (2004)\textsuperscript{102}, in their article argues that there is no contradiction between institutionalized whistle blowing and loyalty. They imply that the duty of loyalty is same as obligation towards institutionalization of whistle blowing and puts an end to the dilemma that exists between the two as described by other authors.

Allan Fels Ao (2003)\textsuperscript{103}, the author presented his conceptual paper in one of the international conference. The author tries to analyze whistle blowing as a threat and as an opportunity. In this regard the author highlights the corporate governance practices and public sector reforms. The author does not follow any specific methodology in the paper. In fact it is the series of opinion and views of the author, while considering some of the cases that has happened relating to whistle blowing including investigation matters and Common wealth law and economic reforms Program’s Corporate Disclosure Whistleblower Protection, when the author was chairman of the Australian Competition and Consumer Commission. of The author opines that whistle blowing information should be carefully assessed before action is taken against it, and when disclosure mechanism is in-house i.e., internal whistle blowing the


\textsuperscript{103} Allan Fels Ao (2003) “Whistle blowing: opportunity or threat? Understanding the corporate governance and public sector reforms”.

58
consequences of wrong information will have greater impact on staff, anonymous sources create a further problem for organizations in limiting their accountability mechanisms, not all information given by the whistleblower is always accurate and reliable, and even not verifiable. The authors agree with Transparency International’s belief that accountability can only be achieved where information is readily available through effective disclosure. The author finds the success of enforcement agency for whistle blowing will encourage other employees to come forward and blow the whistle and this spreads the act of whistle blowing. The author highlight the importance of leniency policy of the consumer commission, the policy encourages corporations and their executives to reveal the most serious contraventions of competition law such as price-fixing, bid rigging and market sharing. Finally, the author concludes it’s an opportunity for the organizations for having law relating to whistle blower protection, while threat to individuals irrespective of good system prevailing in organization. The threat can be minimized by good corporate governance practices.

Michael J Gundlach Scott C Douglas and Mark J Martinko (2003)\textsuperscript{104}, the authors in their paper have made an attempt to develop a social information processing model. This model explains how individual characteristics and responsibility judgments for wrongdoing, as well as their cost-benefit analysis of acting, influence their emotions and decisions to blow the whistle. In addition the authors demonstrate how wrongdoers can use impression management tactics to manipulate whistle-blowing decisions. The authors have considered the intrapersonal factors, interpersonal factors and credibility of the wrongdoer’s presentation of impression management and the power relations between wrongdoers and whistle-blowers – two factors that can moderate the relationship between interpersonal and intrapersonal factors in developing model and proposition. The propositions are based on interpersonal factors such as attributions, judgments of responsibility and emotions.

Janet P Near (2003)\textsuperscript{105}, the author in his article has made an attempt to review the book on whistle blowing by Robert Ann Johnson. The author cites which is been cited in the book saying reduction in bureaucratic structure in organizations, the


development of protective laws, and an increase in institutional support by the public for whistle-blowing. The author is in the same opinion that the bureaucratic set up can provide protection to whistle blowers by establishing clear channels for blowing the whistle which is been considered as the strongest predictor for blowing the whistle as identified in one of their study. The author’s review on 3rd and 4th chapter clearly indicates that the questions such as whether whistle blower influences the change in public policy and having impact on organization, the survey has failed to establish the strong imperatives. The author appreciates about the author’s discussion on international efforts to encourage whistle blowing. The author finally concludes by saying the book is useful based on the optimistic approach by the author and there is a need for more studies on whistle blowing which provide stronger results, however the loopholes are there in methodology application on the sensitive topic like whistle blowing.

Colin Grant (2002)\textsuperscript{106}, the author in his paper says that the courage, determination and sacrifice of the most ardent whistle blowers suggests that they only begin to be appreciated when they are seen as the saints of secular culture. The author opines that the world sees whistle blower in two extremes, on one side he is considered as trouble maker and on another side considered as tragic heroes, but actually he is the true saint.

James Gobert and Maurice Punch (2000)\textsuperscript{107}, the authors examined whistle blowing from a socio-legal perspective, asking what motivates whistle blowers, how do institutions respond to them, can legislation adequately protect them, and what effects will PIDA (Public Interest Disclosure Act) have on whistle blowing, employment practices, the culture of the workplace and, ultimately, society.

Richard G Brody, Joh M. Coulter and Summing Lin (1999)\textsuperscript{108}, their study is based, in part, on the work of Hofstede culture. As such it gives consideration to the impact of national culture on ethical decision making. The study had focused on ethical decisions made by U.S. and Taiwanese accounting students and examines cross-cultural differences in business-related ethical perceptions. Results indicated significant differences between the ethical perspectives and judgments of U.S and

Taiwanese accounting students in a whistle-blowing scenario, particularly with respect to Hofstede’s individualism dimension. This finding enhances the understanding of cross-cultural ethical differences.

**Peter B Jubb (1999)**, the author in his article has made an attempt to define whistle blowing by analyzing the different definitions on whistle blowing, to achieve the clarity of the concept. He interprets the concept by identifying 6 elements in the definitions such as act of disclosure, actor, disclosure subject, target, disclosure recipient and the outcome.

**Tom Treasure (1998)**, the author in his article try to bring out the case leading to situation existing whistle blowing which makes author unsatisfactory about the system. The author being whistle blower himself as a junior doctor could not be successful in blowing the whistle relating to his chief’s operation cases leading to endless death.

**Guy Dehn and Richard Calland (1997)**, the authors in their paper highlight the importance of whistle blowing and human dilemma in reporting wrongdoing and employer’s encouragement in whistle blowing. The paper also studies the relationship between whistle blowing with law, whistle blowing with media, whistle blowing with civil society. The authors opine, “Yet while employees are the people best placed to raise the concern and so enable the risk to be removed or reduced, they are also the people who have the most to lose if they do.”

**Terry Morehaed, Dworkin and Janet P Near (1997)**, the authors in their article provides for better statutory approach to whistle blowing. The authors are in opinion that the present law lacks protecting the whistle blowers. To overcome the present loophole the author had proposed the new approach towards legislation which can encourage valid whistle blowing.

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111 Guy Dehn, Richard Calland (1997), “Whistle blowing the state of the art. The role of the individual, organizations, the state, the media, the law and civil society”. *Public Concern at Work and Open Democracy Advice center*.
Alan Krull (1996), the author discuss about how to give employees the confidence and encourage them to go with whistle blowing. The author opines that employers must create an environment that encourages employees to recognize and respond appropriately for whistle blowing, the security must be part of job. The author finally suggests to have an employee suggestion programme and employees must be made aware of the procedures they should follow, and the standards and code of ethics must also become part of the organization culture and reward system.

Michael Davis (1996), the author in his paper has made an attempt to reveal an inconsistency that exists between theory and fact of whistle blowing. The papers contains the explanation about standard theory of whistle blowing, by the standard theory observed by author, he argues the inconsistency on its part. The author considers the case study of Rogee Bojsjoly’s testimony to test the new theory which is considered as classic case.

Marcia P Miceli, Janet P Near (1995), the author in his paper discusses the general model for predictors of effectiveness of whistle blowing considering individual and situational variables. They also discuss about the characteristics of whistle blowers, wrongdoers, complaint recipients, and wrongdoing and organization structure and establishes the prepositions based on those characteristics.

Robert A Larmer (1992), the author in his paper argues and establishes the relationship between whistle blowing and employee loyalty. The author proposes that whistle blowing is entirely compatible with employee loyalty.

Natalie Dandekar (1991), the author in his paper has made an attempt to discuss the legitimacy of the whistle blowing act. He has used the theoretical discussion as a methodology to explain why the whistle blowing as a committed truth faced punitive sanctions. And how the society can increase the chance of rewarding the virtue rather than punishing and what is the reason for slowing down of such situation. Finally the

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author concludes by saying not all whistle blowing must be fully legitimated. There could be ambiguity while justifying the moral concern of whistle blowing, however few whistle blowing having moral concern and being virtuous having justified to protect society must be legitimatized and rewarded by the society.

**Michael Davis (1989)**\(^ {118} \), the author through his paper aims in helping individuals and organizations avoid whistle blowing. Though, the author is against the act of whistle blowing, had tried to balance it. The whistle blowing act can be balanced by making it necessary for good things to happen and least necessary for evil things.

**McCutchen C.W (1988)**\(^ {119} \), the author opines typically, the whistle-blower wants only to get the offending practice stopped or the offending paper withdrawn, publicity is not wanted because a reputation for whistle-blowing hurts one's employment prospects.

The author proposes the model of effective whistle blowing based on theory and past preliminary research. The authors opines that encouraging whistle blowing is inappropriate unless a person knows something about those variables that increase the likelihood that whistle blowing will be effective. The purpose of the article includes identifying the potential predictors of whistle blowing that result in wrongdoing, to summarise existing research relating to model, to derive propositions from the arrived model. The author summarizes a general model which predicts the effectiveness of whistle blowing which includes individual and situational variables and their long term outcomes. The individual variables that affect the outcome of whistle blowing includes the predictor variables such as characteristics of the whistle-blower (credibility, power), characteristics of the wrongdoers (credibility, power). The situational variables that affect the outcome of whistle blowing includes predictor variables such as characteristics of wrongdoing (organization’s dependence on the wrongdoing, convincing evidence of wrongdoing, legal basis for the complaint) and the characteristics of the organization (appropriateness of whistle blowing, climate supportive of whistle blowing, less bureaucratic structure, low organization power in environment).


The support for whistleblower is known by the characteristics of the complaint recipient. This in turn determines the organization willingness to change leading to termination of wrongdoing. The characteristics of the wrongdoing and the organization determines the whistleblower’s use of external channels and leads to organization’s willingness to change ultimately leading to termination of wrongdoing which affects the future organizational performance and organizations control of elements in the external environment. Based on theories the model is developed and based on the model the propositions are developed.

Finally the authors conclude that whistle blowing will increase in future as the result of consumerist attitudes or because of legal changes that will encourage whistle blowing.

The author justifies the proposition by analyzing the personal characteristics of male such as high self esteem, locus of control, initiative nature and wide opportunities and distribution network and awareness about wrongdoing were strongly associated with male than female.

Finally, the authors concludes and hope that their model offers a constructive reformulation of existing theory and research and points the way toward research and theory that can further contribute for the understanding and development of the subject.

Janet P Near, Maria P Miceli (1985)\textsuperscript{120}, the authors in their article considered the existing theories of motivation and power relationship to propose a model of the whistle blowing process. This model focused on decisions made by organization members who believe they have evidence of organizational wrongdoing and the reactions of organization authorities. The authors finally suggest variables that affect both the member’s decisions and the organization’s responses.

Janelle Brinker Dozier, Marcia P Miceli (1985)\textsuperscript{121}, the authors in their paper tries to understand the reasons for blowing the whistle and reasons for not blowing the whistle. In this light, the authors make an attempt to show that whistle blowing is form of pro-social behavior. A pro-social behavior is broadly defined as any action by


an organizational member that attempts to benefit the person to whom it is directed. The authors by their literature studies on pro-social behavior found that personal and situational variables influencing whistle blowing process.

Janet P Near and Marcia P Micelle (1985)\(^{122}\), in their paper have proposed the individual factors affecting whistle blowing. The authors have considered gender as an individual factor in testing the likelihood of blowing the whistle. The authors have proposed males may be more likely than females to blow the whistle because of the reported case histories which is dominated by males.

Bill Winter (1983)\(^{123}\), the author in his article discuss the matter of lawyers not involving in whistle blowing wherein it’s their duty to do so and ethical responsibility too as identified by the investigators in the case of New Hampshire Scandal.

Crossman A. (n.d)\(^{124}\), the author has included the work in progress of his study, where in the author wants to know the relationship between climate of fear and the psychological contract in respect of transactional and relational dimensions and the relationship between climate of fear and whistle blowing intent, and employee ethical values and whistle blowing intents. The author has revealed research methodology along with objectives and hypotheses. The paper is partial in nature, since empirical results are not revealed. The paper is concluded by highlighting the potential contribution of the study.

3.3.2 Empirical Papers:

Adam Waytz, James Dungan, Liane Young (2013)\(^{125}\), the authors opines that whistle blowing promotes justice and fairness but can also appear disloyal. Their studies demonstrated that individual differences in valuing fairness over loyalty predict willingness to report unethical behaviour, experimentally manipulating endorsement of fairness versus loyalty increases willingness to report unethical behaviour, people recall their decisions to report unethical behaviour as driven by valuation of fairness, whereas people recall decisions not to report unethical


\(^{124}\) Crossman.A(n.d) “Issues in the workplace; whistle blowing-investigating employee complicity as a management technique”.

behaviour as driven by valuation of loyalty, experimentally manipulating the endorsement of fairness versus loyalty increases whistle blowing in an online marketplace. These findings reveal the psychological determinants of whistle blowing and shed light on factors that encourage or discourage the practice of whistle blowing.

P. G. Cassematis, R. Wortley (2013)\textsuperscript{126}, the authors in their study examined whether it was possible to classify Australian public sector employees as either whistleblowers or non-reporting observers using personal and situational variables. The personal variables were demographic factors such as gender, public sector tenure, organisational tenure and age, work attitudes such as job satisfaction, trust in management, whistle blowing propensity and employee behaviour. The situational variables were perceived personal victimisation, fear of reprisals and perceived wrongdoing seriousness. These variables were used as predictors in a series of binary logistic regressions. The authors identified whistleblowers on the basis of individual initiative, whistle blowing propensity, fear of reprisals, perceived wrongdoing seriousness and perceived personal victimisation. It was concluded that whistleblowers are same as non-reporting observers. Based on the two most influential variables perceived personal victimisation and perceived wrongdoing seriousness, the average Australian public sector whistleblower is most likely to be an ordinary employee making a good faith attempt to stop what they perceived to be a serious wrongdoing that was initially identified through personal victimisation.

Derek Dalton, Robin R. Radtke (2013)\textsuperscript{127}, the authors examine the effect of Machiavellianism on whistle-blowing, the ability of an organization’s ethical environment to increase whistle-blowing intentions of high Machs. Machiavellianism is a theory describing one of the dark triad personalities, characterized by a duplicitous interpersonal style associated with cynical beliefs and pragmatic morality. The employment of cunning and duplicity in statecraft or in general conduct is called Machiavellianism. The study was conducted among 116 MBA students. The study revealed that Machiavellianism is negatively related to whistle-blowing and Machiavellianism has an indirect effect on whistle-blowing through perceived benefits and perceived responsibility. Finally, the study revealed the strong ethical

environment, relative to a weak ethical environment, increases whistle-blowing intentions incrementally more for individuals who are higher in Machiavellianism.

**DLA Piper’s Employment Group (2013)** in their study summarizes the whistleblowers protection in 10 countries across five continents. US, UK, Japan, China and South Africa are the countries which have been given three stars in remarking express protection to whistleblowers in their legal framework for whistle blowing. The whistle blower protection laws in these countries are comprehensive in nature. Germany, France, Netherland and Australia were the countries which have been given with two stars in remarking some protection to whistle blowers through general laws and Hong Kong have been given single star in remarking little or no protection for whistle blowers. The two stars and single star remarked countries signify piecemeal legal system for whistle blower protection. The study also analyzes the cultural and legal differences having impact on development of whistleblower protection law. The report says the European countries have slow development of whistle blower protection law than US countries. The reason for such a difference is the type of employment model for termination existing in those countries. The European countries follow “for cause” model, which means the employee is terminated only on valid legal grounds, whereas the US countries follow “at will”, which means the employee is terminated at the will of the employer who dominates the employees. The study also signifies the role of compensation system in whistle blowing law across different countries. The compensation rate varies in different countries.

**Steven E Kaplan, Kurt Pany, Janet Samuels, Jian Zhang (2012)**, the authors in their study examine participant’s intentions to report fraud using anonymous and non-anonymous reporting channels, when given information about the outcomes from a previous non-anonymous whistle blowing incident. The study revealed that the negative outcomes from perspective of previous non-anonymous whistle blower lowered participant’s non-anonymous reporting intentions but did not decrease

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participant’s anonymous reporting intentions. Such differences were not identified when there were no such negative outcomes.

**Dyan.A. Bradbury (2012)**, the author in his dissertation explores the relationship between perception of fraud occurring in the defense industry and likelihood of engaging in whistle blowing behaviours. The study considers 281 college students attending university of Texas for the survey. The study used Independent T- Test and ANOVA to determine significant differences between variables. The variables of gender, race, and major political party and defense industry associations were found to have statistically significant differences. The scales were created to measure the perception of defense industry fraud and willingness to whistle blow, and the findings revealed there is a small positive correlation.

**Shani N Robinson, Jesse C Robertson, Mary B Curtis (2011)**, the authors examine the nature of the wrongdoing and the awareness of those surrounding the whistle blower influencing whistle blowing. The study revealed that employees are less likely to report financial statement fraud than theft, and immaterial than material financial statement fraud, when the wrongdoer is aware that the potential whistle blower has knowledge of the fraud and when others in addition to the wrongdoer are not aware of the fraud.

**Tara Shawver (2011)**, the author examined decision-making within corporations to determine which factors may contribute to the identification of an ethical problem, reasons for making a moral judgment, and ultimately why one may choose to whistle blow. The study used factor analysis to test moral intensity and regression analysis to check the likelihood of choosing whistle blowing channel. The study found that earnings management situation involves an ethical problem and also provides evidence that moral intensity effects identification of an ethical problem, making a moral judgment, and ultimately making a moral decision (moral intent) to report an unethical action. The study revealed the likelihood of reporting channel by the sample respondents preferred to whistle blow internally to an anonymous hotline, internal

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manager, or internal audit than compared to external agencies, such as the SEC or the Department of Justice.

**Lewis & Vandekerckhove (2011)**\(^{133}\), in their article opines that there is a need to provide ways for the people to raise concerns about suspected wrongdoing by promoting internal policies and procedures which offer proper safeguards to whistleblowers. The authors in this article review the 5 different documents providing guidelines and policy documents produced by authoritative bodies in Europe. The authors examine the principles upon which legislation might be based and their management practices. The documents considered in this study are the Council of Europe Resolution 1729 (COER); Transparency International ‘Recommended Principle for Whistle blowing Legislation’(TI); European Union Article 29 Data Protection Working Party Opinion (EUWP); International Chamber of Commerce ‘Guidelines on Whistle blowing’ (ICC), and the British Standards Institute’ ‘Whistle blowing arrangements code of practice 2008 (BSI). This paper compares and does not prescribe the best practice among the given guidelines. This article identifies the gap that exists among different guidelines. The authors have used structured content and documentary analysis techniques to critically review the selected 5 guidelines about how to manage whistle blowing. While discussing with issues relating to the institutional content of internal whistle blowing the authors suggests unions have the positive role to play in designing and implementing whistle blowing procedures. The comparison of relevant elements included for who the guidelines are applicable and about what the guidelines are applicable, whether there are several tiers to raise concerns, whether in-house or out-house reporting suggested, the reporting mode, the confidentiality/ anonymity, recording reports, rights and duties, protection and reprisals, good faith and malicious reports, rewards, involving trade unions/ stakeholders, advice to employees regarding whistle blowing, roles and responsibilities of key players monitoring and review and about training.

**Syahrul Ahmar Ahmad (2011)**\(^{134}\), analyzed the individual’s pro-social behavior theory and organizational ethical climate theory to provide the general framework for predicting internal auditors’ internal whistle blowing intentions. The model developed


\(^{134}\) Syahrul Ahmar Ahmad (2011) “Internal auditors and internal whistle blowning intentions: a study of organizational individual, situational and demographic factors”.
in his study included four levels of factors that can influence an internal auditor’s internal whistle blowing intentions: organizational, individual, situational and demographic factors. The organizational factors are ethical climate, size of organization and job level. The individual factors are ethical judgment, locus of control, and organizational commitment. The situational factors include seriousness of wrongdoing and status of wrongdoer. The individual demographics include gender, age and tenure. A total of 180 internal auditors who were members of the Institute of Internal Auditors Malaysia (IIA Malaysia) participated in an experimental design employing four vignettes constituting four different types of wrongdoing and manipulated variables (seriousness of wrongdoing and status of wrongdoer). The author had used multiple regressions to test the model of internal whistle blowing intentions. The findings of his study said that organizational members have different reactions to different types of wrong doings. Overall, the findings suggest that, depending on the type of wrongdoings, the main predictors of internal auditors’ internal whistle-blowing intentions were the principle ethical climate (organizational factor), relativism dimensions of ethical judgment (individual factor), and seriousness of wrongdoing (situational factor) and finally, gender (demographic factor). The author feels that although the findings are not conclusive, his study is able to provide a much needed theoretical and practical contribution to the Malaysian internal whistle-blowing literature.

**Nadzri Ab Ghani, Jeremy Galbreath & Robert Evans (2011)**135, investigated several individual factors as predictive variables of whistle blowing intention. Using the theory of planned behavior as framework this study examines the relationship between the selected predictive variables (internal locus of control, work experience and ethics training) and whistle blowing intention. Data were collected randomly from 311 supervisors within large manufacturing companies in Malaysia. Applying multiple regression analysis, results indicated that work experience and ethics training are significantly related to whistle blowing intention. On the other hand there is no significant relationship between internal locus of control and whistle blowing intention. This study has contributed to an understanding of whistle-blowing intention. Specifically, work experience and ethics training are positively associated

135 Nadzri Ab Ghani, Jeremy Galbreath, Robert Evans (2011) “Predicting whistle blowing intention among supervisors in Malaysia”.

70
with whistle-blowing intention. Interestingly, internal locus of control is not significantly related to whistle-blowing intention. The study concludes that the plausible explanation to the non-significant relationship might be due to the collectivist culture of Malaysia. Taken together, the findings of this study have paved the way for further investigation on predictive factors of whistle-blowing intention especially in the non-western context.

**Muel Kaptein (2011)**\(^{136}\), examined the influence of the ethical culture of organization on employee responses to observed wrongdoing. To achieve the objective the author has considered the eight dimensions of the ethical culture of organization. The 8 dimensions includes cultural dimension of clarity, dimension of congruency of local management, congruency of senior management, feasibility, supportability, transparency, discuss-ability and sanction-ability. The hypotheses tested the relationship between the 8 dimensions and regarding the response of employees who observe wrongdoing. To measure the eight dimensions of the ethical culture of organizations, the questionnaire contained ‘the integrity thermometer’. The items were measured using a 5 point Likert Scale ranging from 1= strongly disagree to 5= strongly agree. The findings revealed clarity was positively associated with confrontation, reporting to management and calling an outline, and negatively correlated to external whistle blowing.

**Alexander Dyck, Adair Morse, and Luigi Zingales (2010)**\(^{137}\), the authors in their paper examines the dispositional affect on whistle blowing, specifically the affective states of sadness/demoralization, fear, arousal and contentedness/happiness. To achieve the objective, they considered 65 working professionals who have enrolled foe evening MBA degree in two major universities of US. The authors have used experimental method for collecting data by giving instrument consisting 10 ethical scenarios and PANAS scale (Positive Affect Negative Affect Schedule), the McDonald tolerance for ambiguity scale. The findings revealed two negative affect factors (sadness and fear) and two positive affect factors (happiness and arousal) have significant with regards to an employee’s decision to blow the whistle. The authors


finally suggest that companies should focus more attention on curbing retaliation against whistleblowers so that employees will feel more comfortable to come forward.

Deborah L. Seifert, John T. Sweeney, Jeff Joireman, John M. Thornton (2010)\textsuperscript{138}, the authors apply the theory of organizational justice to the design of whistle blowing policies and procedures. The organizational justice comprises three dimensions: distributive, procedural and interactional fairness. The distributive justice focuses on the fairness of outcomes/reward. Procedural justice focuses on fair process, interactional justice focuses on the quality of interpersonal treatment that employees receive from superiors when organizational procedures are implemented. “The employee whistle blowing is likely to increase when organizational whistle blowing procedures, outcomes, and related exchanges with superiors are perceived as fair”, this hypothesis was tested by conducting an experiment involving 447 internal auditors and management accountants. The results revealed that whistle blowing policies and mechanisms incorporating higher levels of procedural justice, distributive justice and interactional justice were perceived to increase the likelihood that an organizational accountant would internally report financial statement fraud. The results also revealed a main effect of gender, with female organizational accountants perceiving a higher likelihood of employee disclosure of financial statement fraud.

Alleyne P. A. (2010)\textsuperscript{139}, the author felt there is a need for a model that addresses auditors' whistle-blowing intentions. The author in his thesis presents a conceptual model on whistle-blowing intentions among external auditors, where individual-led antecedents influence whistle-blowing intentions, but are moderated by isomorphic and issue-specific factors. Survey questionnaires were administered to 226 external auditors, and 18 individual interviews as well as 2 focus groups were conducted in Barbados. Results indicated that individual antecedents (attitudes, perceived behavioral control, independence commitment, personal responsibility for reporting, and personal cost of reporting) were significantly related to internal whistle-blowing, but only perceived behavioral control was significantly related to external whistle-blowing. Partial support was found for the moderating effects of perceived organizational support, moral intensity, team norms and group cohesion on the


\textsuperscript{139} Alleyne P.A (2010), “The influence of individual, team and contextual factors on external auditors whistle blowing intentions in Barbados”.

72
relationships between the majority of the independent variables (attitudes, perceived behavioral control, and independent commitment, personal responsibility for reporting and personal cost of reporting) and internal whistle-blowing. However, partial support was found for the moderating effects of perceived organizational support, moral intensity, team norms and group cohesion on the relationships between fewer independent variables and external whistle-blowing. Overall, respondents preferred anonymous internal channels of reporting, and showed a general reluctance to report externally. The author suggests for an open-door policy, ethics partners, hotline, ongoing training and clearly defined policies which could encourage whistle-blowing.

Mark Keil, Amrit Tiwana, Robert Sainsbury, Sweta Sneha (2010)\(^{140}\), the authors in their study intends to examine and understand the factors that affect bad news reporting that affect bad news reporting in order to rescue information technology (IT) projects when they go awry. The study has identified the research gap i.e., there is no integrative theory that can explain how they influence whistle blowing intentions. The study analyzed the whistle blowing intentions model for perceived benefit to cost differential associated with reporting bad news by taking seven factors such as trust in supervisors, management responsiveness, organizational climate, conduciveness, personal reporting responsibility, reporting anonymity. The study revealed among the seven whistle blowing factors tested, trust in supervisors has by far the largest impact on whistle blowing intention and this is followed by management responsiveness and organizational climate. Responsibility to report, reporting anonymity also has significant effects, but they are comparatively weaker predictors. Ability to hide information was not found to be a significant factor. The study suggested supervisors must be trained and encouraged to establish a trusting relationship with their subordinates and making sure that employees know that they have a personal responsibility to report and creating channels for reporting that allow the whistle blower to maintain his/her anonymity.

Rodney Smith (2010)\(^{141}\), argues that the negative depiction of whistle-blowing is misleading. It is often drawn from a small number of prominent cases of whistle-blowing, which are noteworthy precisely because things have gone badly wrong.


73
When the experiences of a wider range of public sector whistle-blowers, managers and case handlers are explored, a more nuanced picture of whistle-blowing is presented. His paper presented evidence from ‘Whistling While They Work’, a study conducted across 304 public sector agencies in Australia. This evidence identified key factors that lead to good outcomes from whistle blowing and approaches that can make whistle-blowing a normal part of organizations governing well.

Transparency International (2009)\textsuperscript{142}, global civil society organization which is working to fight against corruption has recommended legal and effective measures to provide protection to whistle blowers against retaliation and full compensation for reprisals. It has recommended draft principles for whistle blowing legislation. The national research has been undertaken by this organization and comprehensive report is submitted on the same. The whistle blower protection in 10 European countries has been studied. The report includes the broad framework on cultural and political context, legislation, policies and practice of whistle blower protection laws in Bulgaria, Czech Republic, Estonia, Hungary, Ireland, Italy, Latvia, Lithuania, Romania and Slovakia. The findings of the research revealed that whistle blowing legislation in these countries are fragmented and weakly enforced.

Michael T. Rehg, Marcia P. Miceli, Janet P. Near, James R. Van Scotter (2008)\textsuperscript{143}, their study investigated whether women experienced more retaliation than men by testing propositions derived from theories about gender differences and power variables, and using data from military and civilian employees of a large U.S. base. Being female was correlated with perceived retaliation. Results of structural equation modeling showed significant gender differences in the antecedents and outcomes of retaliation. For men, lack of support from others and low whistle-blowers power were significantly related to retaliation; for women, lack of support from others, serious wrongdoing, and the wrong doings direct effect on the whistle-blowers were significantly associated with retaliation. Retaliation in turn was negatively related to relationships with the supervisor for both men and women and positively related to women’s but not men’s decisions to blow the whistle again, using external channels.


Brent R. MacNab and Reginald Worthley (2008)\(^{144}\), the authors examined the relation of self-efficacy as a predictor of propensity for internal whistle blowing within US and Canada. The study involved 900 participants who were professionals from a total of nine regions in Canada and the US. The results said self-efficacy influence participant reported propensity for internal whistle blowing consistently in both the US and Canada, seasoned participants with greater management and work experience showed higher levels of self-efficacy, gender also found to be influential factor to self-efficacy. These individual traits, although related to self-efficacy, did not directly relate to propensities for internal whistle blowing. The findings demonstrated that self-efficacy could represent an important individual trait for examining whistle blowing issues. Te authors opined internal whistle blowing is becoming an important organizational consideration in many areas of North America, yet there is relatively little research on the topic.

Cynthia Peterson Guthrie (2008)\(^{145}\), the author in his dissertation examines the effects of reputation threats and anonymous whistle-blowing channels on Chief Audit Executives’ (CAEs) decisions to investigate whistle-blowing allegations. Participants were 94 CAEs and Deputy CAEs from publicly traded companies in the eastern half of the United States. Participants received whistle-blowing reports from either an anonymous or a non-anonymous source. The findings of the study revealed that CAEs found anonymous whistle-blowing reports to be significantly less credible than non-anonymous reports, although CAEs assessed lower credibility ratings for the reports alleging wrongdoing by the exploitation of substantial weaknesses in internal controls; they perceived greater personal and departmental responsibility in this condition. CAEs did not, however, perceive a significant reputation threat in either the Exploitation or Circumvention condition. Regardless of report source credibility, perceived reputation threat, or felt responsibility, CAEs’ resource allocation decisions consistently demonstrated a determination to thoroughly investigate the allegations of wrongdoing and uncover the truth.

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Jason M Stansbury & Bart Victor (2008), investigated the perception of young and short tenured employees about whistle blowing.

Yin Xu, Douglas E Ziegenfurs (2008), the authors investigated the issue of whistle-blowing behavior that results from internal auditors discovering company wrongdoing in the process of preparing financial information. They conducted an experiment to examine whether reward systems such as cash incentives or employment contracts have an impact on auditors’ disclosing wrongdoing behavior. The results indicate that internal auditors are more likely to report wrongdoing to higher authorities when incentives are provided, suggesting reward systems have a positive effect on disclosing company’s wrongdoing or even fraud. In addition, the result revealed that internal auditors with lower levels of moral reasoning are more sensitive to cash incentives.

A J Brown (2007), the draft report of Australian Research Council Linkage Project about whistle blowing in American Public Sector observes that the demographic variables such as age, gender, education level, employment status, tenure, income had significant association in blowing the whistle among non-reporters and reporters (role and non-role). Age, tenure, employment status and salary are inter-related and having stronger association in blowing the whistle. The study also found the significant demographic differences between reporters and non-reporters.

Wayne H Decker and Thomas J Calo (2007), the authors in their study have considered the business students to know their impressions on wrongdoers and whistle blowers. The findings of their study said that the impressions of an unethical executive and a whistle blower were influenced by the same variables and in opposite directions. It also identified female respondents judged the unethical executive less favorably and the whistle blower more favorably than did males, and also the executive was rated less favorably and the whistleblower more favorably when the executive sought a small gain than when the goal was a large gain or prevention of a loss of either magnitude.

Steven E Kaplan and Joseph J Schultz (2007)\textsuperscript{150}, the authors in their study explores the extent to which the availability of an anonymous reporting channels influences intended use of non-anonymous reporting channels. The study investigates intended reporting behavior across the different cases. The results showed that the existence of an anonymous channel reduces the likelihood of reporting to non-anonymous channels, the internal audit department quality does not affect reporting to non-anonymous channels.

Sandra Perks and Elroy E Smith (2007)\textsuperscript{151}, in their empirical study investigated the perceptions of 387 South African employees employed in medium and large organizations regarding whistle blowing. They also investigated the consequences of engaging in the act of whistle blowing in the workplace. Their study also identified and recommended organizational practices to minimize wrongdoing in the workplace. The analysis of their study was done by considering the dependant variables such as demographic characteristics of respondents like age, gender, number of dependents, education level, ethnic group, position in organization, length of employment, income level, size of organization and type of employment and independent variables like personal viewpoints of employees about whistle blowing and supportive environment for whistle blowing. The analysis tested the significant relationship between the independent and dependant variables using correlation and analysis of variance. Their study revealed that personal viewpoints of respondents regarding whistle blowing has significant relationship between age, number of dependants, ethnic groups, position, income level. Their study also revealed that there is significant relationship between a supportive environment for whistle blowing and ethnic group, position of respondents in organization, the length of employment and income level. Their study revealed about consequences of whistle blowing that the majority of respondents (86\%) indicated that they are still employed by the same organization and majority of respondents (81\%) were treated fairly by the organization. Only 50\% of respondents received protection from their union against dismissal because of engaging in whistle blowing. Since 1985 there has been a remarkable increase in the reporting of


wrongdoing in South Africa. 77% occurred during 1996-2006 and 16% in 2007. Most of wrong doings were reported to the organization itself while 10% were reported to the press or police services. Most of the respondents (84%) indicated that they were willing to blow the whistle in future if required to do so. Their study suggested organizations can create a whistle blowing culture by having a personal code of ethics, using hotlines, having an ethical committee, engaging in periodic ethics training and doing an annual ethical audit.

**Lucia Peek et al (2007)**\(^{152}\), in their study considered the business students from 3 NAFTA countries. The response was taken from the respondents about possible sexual harassment scenario in one of the Business Ethics program. The wrongdoing reporting behavior of 3 characters explained in the scenario was considered for analyzing the reporting behavior. The authors have considered Hofstede’s cultural dimensions in formulating hypothesis. The study result showed some significant difference among the group, but was not as expected. The study supports the importance of corporation to develop sexual harassment policies and mechanism to report such incidents to higher level.

**Niamh Brennan, John Kelly (2006)**\(^{153}\), investigates some of the factors that influence the propensity or willingness to blow the whistle among trainee auditors. Three categories of factors are examined: audit firm organizational structures, personal characteristics of whistleblowers and situational variables. A survey of 240 final year students of the Institute of Chartered Accountants in Ireland was undertaken. Trainee auditors (just about to sit their finals) were asked about their confidence in internal and external reporting structures in their firms. Using four scenarios, audit trainees were questioned on their willingness to challenge an audit partner’s inappropriate response to concerns raised during the audit. Finally, audit trainees were asked about the influence of legal protection on their likelihood of whistle blowing. Results indicate that where firms have adequate formal structures for reporting wrongdoing, trainee auditors are more likely to report wrongdoing and have greater confidence that this will not adversely affect their careers. Training increases their confidence. Trainee auditors also express a willingness to challenge an audit


partner’s unsatisfactory response to wrongdoing. Significant differences were found in attitudes depending on whether the reports of wrongdoing were internal or external. The willingness to report wrongdoing externally reduces for older (aged over 25) trainees.

Susan Ayers and Steven E Kaplan (2005)\textsuperscript{154}, the authors examine the employees’ reporting intentions. The study results revealed that perception about the seriousness of a wrongdoing, personal costs and personal responsibility related to reporting a wrongdoing and moral equity judgments are significantly associated with reporting intentions for non-anonymous reporting channel and perceptions of seriousness and personal costs are significantly associated with anonymous reporting channel.

Peter Bowden (2005)\textsuperscript{155}, in his paper presented at the conference had compared the Australian legislation with that of US and UK legislation and within the states of Australia for whistle blower protection. The author feels the current best legislation in Australian states for whistle blower protection must be strengthened to achieve its objective. The author argues that the UK and US legislation is different but also ineffective.

Randy K Chiu (2003)\textsuperscript{156}, the author in his study ascertains how Chinese managers decide to blow the whistle in terms of their locus of control and subjective judgment regarding the intention of whistle blowing. The sample of 306 Chinese managers resulted in acceptance of the research hypotheses. The result said individual locus of control influence the relationship between ethical judgment and whistle blowing.

William J Read & DV Rama (2003)\textsuperscript{157}, the authors provided some empirical evidence about the receipt of whistle blowing complaints by internal auditors. Their study aimed at minimizing fraud and ensuring effective system of internal control and of internal auditors in whistle blowing activities. The study revealed that 71% of chief internal auditors had received a whistle blowing complaint within the past two years of the research period. The receipt of a whistle blowing complaint was associated with


the organizational status of the chief internal auditor. The study also revealed that there was a positive association between the role of internal auditing in verifying compliance with the firm’s code of conduct and the receipt of whistle blowing complaints by internal auditing.

Jinyun Zhuang (2002)\textsuperscript{158}, examined the impact of cultural differences on whistle blowing and peer reporting between Canada and China using Graham’s model of principled organizational dissent in conjunction with Hofstede’s culture theory. These countries have been shown, by Hofstede, to differ on important cultural dimensions which are expected to influence ethical decision-making. The study showed that Canadian subjects felt more responsibility for reporting than Chinese subjects. The likelihood of whistle blowing was less than the likelihood of peer reporting for Chinese subjects. The results of the study supported the expectation that culture was related to subjects’ ethical judgments, which has implications for ethics training programs and the internal control system of multinational corporations.

John P Keenan (2000)\textsuperscript{159}, examined the variety of individual, organizational and moral perception variables in likelihood of blowing the whistle on less serious forms of fraud among 725 executives and managers. The major determinants of blowing the whistle on less serious forms of fraud were identified by using multiple regression analysis. Results of the study indicate that, of all the variables examined, organizational propensity as assessed through knowledge and information to report wrongdoing as well as organization encouragement of wrongdoing is the single most powerful influence on the likelihood of blowing the whistle on less serious fraud.

Richard G. Brody, John M. Coulter and Summing Lin (1999)\textsuperscript{160}, their study is based, in part, on the work of Hofstede culture. As such it gives consideration to the impact of national culture on ethical decision making. The study had focused on ethical decisions made by U.S and Taiwanese accounting students and examines cross-cultural differences in business-related ethical perceptions. Results indicated significant differences between the ethical perspectives and judgments of U.S and Taiwanese accounting students in a whistle-blowing scenario, particularly with


respect to Hofstede’s individualism dimension. This finding enhances the understanding of cross-cultural ethical differences.

**Randi L Sims and John P Keenan (1998)**<sup>161</sup>, the authors in their study predict the decision to whistle blow using organizational and intrapersonal variables. The study result said the external whistle blowing is significantly related to supervisor support, informal policies, gender and ideal values. And it was not significantly related with formal policies, organizational tenure, age, education, satisfaction and commitment.

**Janet P. Near, Terry Morehead Dworkin (1998)**<sup>162</sup>, the authors conducted a survey and taken the responses from Fortune 1000 firm. They examined whether firms changed their whistle blowing policies to response to changes in state statutes concerning whistle blowing. The authors predicted that firms might have created internal channels for whistle blowing in response to new legislation that increased their vulnerability to whistle blowing claims by employees. The study revealed that very few firms indicated that they had created their policies in responses to legal changes.

**Ming Singer, Sarah Mitchell, Julie Turner (1998)**<sup>163</sup>, the authors conducted two studies and ascertained the contention that ethicality judgments are contingent upon the perceived intensity of the moral issue. The first study extended the validity of the moral intensity notion to whistle blowing behavior. The second study addressed the effect of the individual difference variable, need for cognition, on different utilization of intensity dimensions in the ethical decision process. The scenario approach was used in both the studies. The results of study one showed that felt empathy for potential victims predicted the likelihood of whistle blowing behavior, and that the perceived overall ethicality of a wrong doing predicted felt empathy when potential victims are psychologically and physically close. Results of second study further suggested a greater utilization of issue relevant information by high need for cognition individuals in ethical decision making.

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Brian K. Burton and Janet P. Near (1995)\textsuperscript{164}, the authors used an innovative method, the Randomized Response Technique (RRT), to assess the validity of reported incidences of wrongdoing and whistle blowing. The findings showed that estimates of the whistle blowing incidences did not vary significantly when RRT questionnaire results were compared to other obtained from standard surveys.

Bart Victor, Linda Klebe Trevino and Debra L. Shapiro (1993)\textsuperscript{165}, the authors in their field survey in a fast food restaurant setting tested the hypothesized influences of two social context variables (role responsibility and interests of group members) and justice evaluations (distributive, procedural, and retributive) on respondents' inclination to report theft and their theft reporting behaviour. The results provided mixed support for the hypotheses. Inclination to report a peer for theft was associated with role responsibility, the interests of group members, and procedural justice perceptions. Actual reporting behaviour was associated with the inclination to report and with retributive justice evaluations. Retributive justice refers in this case to employees’ desire to see theft punished and implies acceptance of the rule against employee theft. Distributive justice refers to the fairness of reward outcome distributions, and procedural justice refers to the perceived fairness of the decision making criteria and procedures that are used to determine outcome.

Tim Barnett (1992)\textsuperscript{166}, the author in his study examines the relationship between organization characteristics and perceived level of external whistle blowing by employees in 240 organizations. The results said there is significant relationship between the said variables. The organization characteristics include the organization size (large), organization with trade unions (unionization), and industry group (manufacturing).

Dale L. Flesher, Thomas E. Buttress (1992)\textsuperscript{167}, the authors in their study has examined the existence of whistle blowing hotlines in government and private


\textsuperscript{167} Dale L Flesher and Thomas E Buttress (1992) “Whistle blowing Hotlines”.

82
organizations. The authors consider whistle blowing hotlines as a tool for internal auditors to detect fraud. In this light, the authors have tried to examine the attitude and perception of internal auditors about the whistle blowing hotlines. The data has been collected from 121 certified internal auditors through the questionnaire; the study has used 5 point likert scale to measure the response. The study revealed 54% of the employees see whistle blowing hotlines as a positive action designed to help the company to avoid waste and fraud. 48% of the respondents see whistle blowing hotlines mainly as a threat, 90% of the respondent’s reactions to a whistle blowing hotline will depend on the manner in which it is implemented, 51% of the respondents felt whistle blowing hotlines cause more harm than good in terms of lower employee morale. 57% of the respondents opined whistle blowing hotline will cause employees to adopt defensive style which will reduce innovation, 59% of the respondents opined employees will most often use whistle blowing hotlines in an unethical manner e.g. file a dishonest complaint against a co-worker for whom they have a grudge, 46% of the respondents opined most employees are unable to correctly identify waste and fraud and therefore will cause many “wild-goose chases”. 60% of the respondents felt whistles blowing hotlines have more advantages than disadvantages. This study majorly finds majority of internal auditors favor the use of whistle blowing hotlines, as they feel that such hotlines would be beneficial to organizations. However the present study lacks in many ways, it does not consider measurement of successful implementation of whistle blowing hotlines.

Marcia P. Miceli, Janet P. Near & Charles R. Schwenk (1991)\textsuperscript{168}, the authors examined the effects of a number of perceptual variables on internal auditors reporting of wrongdoing by employees and managers in their organizations. They examined the factors associated with whistle blowing by internal auditors. The authors are interested to know the factors that might inhibit or facilitate their reporting of wrongdoing within the organization as well as those that might encourage reporting to parties outside the organization. The survey revealed that out of 653 directors of internal auditing in a variety of both public and private sector organizations across the United States and Canada, who observed what they perceived to be incidents of wrong doing showed that they were less likely to report these incidents when they did

not feel compelled morally or by role prescription to do so, when they evaluated their job performance as below average, or when they were employed by highly bureaucratic organizations. Also, the auditors were more likely to report incidents to external agencies (as opposed to authorities within the organization) when they felt that the public or their co-workers were harmed by the wrongdoing, the wrongdoing involved theft by relatively low-level workers when there were relatively few others observers and when the organization was highly regulated. The study revealed that the persons who observe wrongdoing do not report it when they consider themselves to be relatively poor performers, and they earn somewhat lower salaries than persons who report wrongdoing. They are satisfied with their pay but not highly committed to their organization which they perceive as relatively bureaucratic.

Marcia Parmerlee Miceli and Janet P Near (1984)\textsuperscript{169}, the authors in their study have made an attempt to examine whether persons who report perceived organizational wrongdoing differ from other employees as to their beliefs about organizational conditions and their positions. The author conducted survey by using random sample of 8500 employees. The authors have used discriminant analysis technique. The authors have identified with four different groups based on findings. Who observe wrongdoing and report (active observers), those who observe wrongdoing but not report (inactive observers), active observers those who use internal channel for reporting and those who use both internal and external channel for reporting. The study found there is a relationship between observers of wrongdoing and situations and position of observers.

3.4 CONCLUSION

Most of the studies on whistle blowing have taken in different countries such as United States, European countries, Australia, China, Malaysia and so on. A few studies have taken in India. Most studies concentrates in knowing the individual, situational factors affecting whistle blowing considering and testing with some variables. Most of the individual factors consider the demographic variables only. The studies also concentrated on many large and medium scale firms, public sector. The studies considers employees at different level like supervisors, managers, auditors,

training auditors and even students at higher education level. The study includes empirical and conceptual ones. The empirical papers concentrate mainly on perceptional studies and some studies concentrating on regulatory part of whistle blower protection in different countries. The whistle blowing concept is multidisciplinary and interdisciplinary concept and so many studies have taken place in relation with different subjects and disciplines such as law, education, sociology, psychology, political science, organization behavior, public administration, corporate management, social work.