ABSTRACT

A healthy organization is one which is free from unhealthy practices. The long term success of an organization depends not only on its strategic management practices but also with better corporate governance practices. “Corporate governance is not one time practice, but practice for life time”. The organizations having values in their practice will stand with courage and confidence to face the external threats. The best corporate governance practice is one which tries to balance individual goals with that of organizational goals.

The scope of the study includes Karnataka State Public Enterprises. The company who’s 51% or more shares held by state or central government or both are considered as public sector in India. The public sector enterprises include government undertakings, statutory corporations, and government companies. It is further classified into central and state public sector enterprises. The state level public enterprises are owned and managed by the state government. Many cases of whistle blowers have been identified who have been murdered for fighting against the corruption both in central and state level public enterprises. Some of the noted whistle blowers include Satyendra Dubey, Shanmugham Manjunath, S P Mahanthesh and so on. Whistle blowing plays a vital role in curbing corrupt practices in organizations both public and private. Whistle blowing is the act of employee reporting illegal, immoral and illegitimate practices by their employers to those in authority seeking for action.

The corporate scandals across the world have made the employees in recognizing themselves in whistle blowers position. But the fact is that the whistle blowers face severe retaliation from their employers. The ethical dilemma and ethical conflict to blow or not to blow is the severe brain hammering question that comes to employee.

The study aims to know the respondent’s level of awareness on whistle blowing, to examine the demographic factors and organization factors having influence on whistle blowing; examine the respondent’s perception about whistle blowing. The perception of the employees with respect to whistle blowing
mechanism, need for training on whistle blowing, nature of protection measures adopted to protect whistle blowers were mainly considered.

The study considers 524 employees across 18 Karnataka State level Public Enterprises. The data obtained from respondents through personal interview with schedules was coded using SPSS software. The sample included from different sectors namely agriculture and allied, service, power, infrastructure, finance, and manufacturing.

The findings revealed that the level of awareness among employees in Karnataka State Public Enterprises is low. The demographic factors are uncontrollable factors affecting whistle blowing nature, organization factors are controllable factors affecting whistle blowing. There is absence of formal whistle blowing mechanism. In absence of formal mechanism employees follow the informal system in the formal hierarchical organization structure by reporting to immediate superiors and by using anonymous letters. The study also revealed the employees feel the need for training programmes on whistle blowing to be arranged, which can provide safety for whistle blowers and ensures effectiveness of such training programmes. Where, presently the employees in Karnataka State Public Enterprises are not getting any such training programmes on whistle blowing. The training is also essential which fills the gap that exists between employee practice and law. The law mainly relating to whistle blower protection law for Karnataka State Public Enterprises. Though the vigilance commission exists, it is not found in the state. The study also revealed there is need for protection measure to protect whistleblowers by State enterprises. Presently there is no protection measure adopted to protect whistle blowers in Karnataka State Public Enterprises. The employees opine there is lack of organization support, top management support, peer group support and trade union support for blowing the whistle. The employees consider precautionary measures to protect themselves on one side and there are in agreement that there is need for institutionalization of whistle blowing practice as a protection measure on other side.

The study is concluded by saying whistle blowing principles are very essential for success stories of whistle blowing by employees in any organization. In the present scenario of Public Sector Enterprises the present study contribute to curb corrupt practices if any by creating win-win situation. By adopting whistle blowing
principles it is possible to encourage good and discourage bad. The whistle blowing with mechanism solves most problems arising out of whistle blowing without mechanism. The effective combination of whistle blowing policy, whistle blowing procedure (mechanism), and principles to be considered while blowing the whistle provides the required protection to safeguard the interest of all.