

# Effective speak-up arrangements for whistle-blowers

RECOMMENDATIONS  
FOR MANAGERS



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Founded in 1904, ACCA has consistently held unique core values: opportunity, diversity, innovation, integrity and accountability. It believes that accountants bring value to economies in all stages of development and seek to develop capacity in the profession and encourage the adoption of global standards. ACCA's core values are aligned to the needs of employers in all sectors and it ensures that through its range of qualifications, it prepares accountants for business. ACCA seeks to open up the profession to people of all backgrounds and remove artificial barriers, innovating its qualifications and delivery to meet the diverse needs of trainee professionals and their employers. More information is available at: [www.accaglobal.com](http://www.accaglobal.com)

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[www.esrc.ac.uk](http://www.esrc.ac.uk)



For further information:

[www.accaglobal.com/  
whistleblowing](http://www.accaglobal.com/whistleblowing)

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Effective speak-up arrangements involve a combination of different channels and a robust response system that contribute to building trust within organisations.

Whistleblowing practices vary from one organisation to another. The various types of arrangement present different opportunities, challenges and best practices. Employees raising a concern through a speak-up arrangement are often helping today's organisations detect dangerous wrongdoing and dysfunctional behaviour that might otherwise go unnoticed.

Recent ACCA–ESRC research shows that effective speak-up arrangements involve a combination of different channels through which employees can voice a concern, and that these in turn contribute to building trust within the organisation.



As a manager, you are most likely to be the first person with whom employees try to raise a concern about wrongdoing.

The effectiveness of a speak-up arrangement therefore depends on managers at every level of the organisation. Employees expect managers to listen to them and take necessary action in response to concerns raised. When employees think that management is neglecting their concern, they are more likely to consider taking the issue to a regulator or other external parties.

Effective speak-up arrangements, particularly in the early stage, may consist

of different voice channels, internal and external, with different degrees of independence. The research found that when employee trust is developed with one channel, this trust can transfer to other channels. Familiarity and positive experiences with independent external channels can cultivate trust in the organisation's own ability to handle speak-up instances in the future. It is therefore essential that managers operate speak-up procedures and interact with employees in a confident and professional manner.



## RECOMMENDATION 1:

### **Accept that different people prefer different channels for raising a concern.**

When employees come across a matter of concern, they often raise it with their line manager. They often believe that they have seen a mistake or a questionable practice and they do not think that they are formally raising a concern or speaking-up.

In this context, a confident and positive response from their manager is of vital importance. Receiving a negative response from their manager, in contrast, makes employees question the manager's integrity or, worse, that of their organisation. Furthermore, a negative experience may prompt them to contact an outside speak-up channel or a relevant regulator to follow up their concern.

One way of easing this type of pressure on the organisation may be to offer employees a range of channels, internal and external. This may help the organisation to build employee trust in its commitment to handling concerns seriously. Every type of speak-up channel will come with its own barriers, eg concerns about its independence, anonymity, and perceived accessibility, which will be influenced by culture, language and societal context. Having multiple channels may therefore increase accessibility, as the characteristics of one type of channel compensate for the barriers of another.

## RECOMMENDATION 2:

### **Be prepared to accept that concerns received may not appear (or may not actually be) speak-up or whistle-blowing cases.**

While some concerns may initially appear to be individual grievances, or even trivial, some of them may nonetheless help the organisation recognise previously unidentified risks. It is therefore important that as a manager, you consider each concern carefully.

Over half the concerns received by the organisations in the ESRC–ACCA study were not about wrongdoing in the sense of harm to the public interest or breach of regulation/organisational policy.

However, best practice is to give importance to, rather than dismissing, those concerns that may not appear to be speak-up or whistle-blowing cases. These concerns may indicate potential signals of previously unidentified underlying risks of an operational, people management, or compliance nature.

It is important to record such information and make it available for further analysis. The data may help the organisation recognise patterns in concerns raised, which then become useful in improving risk management and internal controls.

In our research, most of the organisations studied reported recorded data to the board, and outcomes of investigations into alleged wrongdoing to senior management. Managers at all levels should find data from the speak-up arrangement useful in understanding working culture and developing responses to related risks in their specific function.

## RECOMMENDATION 3:

### **Responsiveness matters, including visibility of responses**

Making responses visible may not always be possible, but you can support your organisation in exploring ways of achieving it: for example, one organisation involved employees who had raised a concern in developing a solution to the problem. This can contribute to developing collective sense-making and increase trust in the effectiveness of the speak-up arrangement.

One of the key attributes of effective voice systems is credibility, and employees perceive their manager as fair when they provide accounts and explanations for decisions. While giving account and explanation of decisions about concerns raised is not always up to you, a lack of responsiveness can create the perception that speaking up is futile and risky. This can lead to a climate of silence.

The first step that you must take in building a robust response system is to record speak-up events diligently. Once responses are agreed, it is important that you and other managers of different functions (eg compliance, HR and operational specialists) coordinate actions, possibly supported by liaison and oversight mechanisms. Each function should have visible independence from the operational and organisational intervention.

A lack of responsiveness can result from fear of negative feedback and implicit beliefs, such as 'management knows best' and 'unity is good; dissent is bad'. Managers receiving concerns can also feel threatened and might want to avoid awkwardness. It is therefore important that managers receive support from well-embedded speak-up channels in a way that overcomes their potential fears or reluctance leading to denying or neglecting concerns.

One way of doing this seen in the study was by continuously reinforcing the message that responding to voiced concern is part of a manager's job; guidance should also be clearly set out as to what course of action should be taken when a concern has been raised.

