

THE WAY STUFF GETS DONE AROUND HERE



What happens to employees who speak out against company culture? **Rebecca Pardon** reports

The CBI business lobby group hit headlines this year after reports by The Guardian newspaper revealed several allegations of misconduct and forced the group to suspend its operations. Cases such as this, and the years-long speculation over sexual harassment at hedge fund Odey Asset Management, raise the contentious issue of employees' freedom to speak up when faced with misconduct in the workplace. Reports of misconduct at Crispin Odey's fund reach as far back as the 80's, and yet it took until this year for an investigation to finally be launched. In the most serious of cases, people often fear for their livelihoods when speaking out, and HR departments offer little consolation.

According to research published by the Institute of Business Ethics (IBE) in May, almost half of the companies on the UK's FTSE 350 index do not have a publicly available code of ethics. Additionally, the research also raises concerns about the quality of some of the codes, with the institute grading only 57% of the documents as "good". Furthermore, only half of FTSE 100 businesses give publicly accessible written assurances that staff will not face retaliation if they report concerns about unethical behaviour.

In many companies, outspokenness or 'free-flowing' communication is explicitly encouraged and, in any case, the move to hybrid working means many of the traditional workplace structures have been dismantled. While being outspoken may be fine when making suggestions towards a project or on where to re-locate the office plant, raising your head above the parapet to address less palatable topics can make you a 'whistleblower'.

The act of whistleblowing typically holds negative connotations, with those who dare to speak out about sensitive or controversial issues not always being praised for their bravery, but often ostracised instead. This feels particularly pertinent following the Chartered Institute of Internal Auditors' forewarning of a "post-Covid organisational culture crisis". Ian

Peters, director at the IBE, which advises businesses on good practice, avoids the term 'whistleblowing' altogether and prefers not to distinguish between acts of speaking out based on their sensitivity. "Whistleblowing, or speaking up, is something that companies shouldn't be afraid of - quite the opposite.

"They should promote and encourage speaking up because it provides management with real intelligence, knowledge and understanding of what's happening on the ground in the organisation. It's a key element of running a business ethically."

Cases of people speaking up and then afterwards falling into employment disputes are abundant, and almost always end badly. When researchers at the University of Greenwich analysed employment tribunal decisions, they found that just 12% of whistleblowers who had brought a detriment claim were successful, and those who represented themselves did worst. In any company, many employees have issues and concerns which they don't voice, and often this is because of a fear of punishment or the perceived futility of speaking out. As a result, the voices that ought to be listened to are silenced.

“The biggest barrier to speaking out is often the problem itself, or a fear that nothing will be done; in other words, ‘I’m not going to speak up because it’s a waste of time,’” says Peters.

With this silence, a vast amount of knowledge goes to waste. “You not only can promote the right behaviour but, through the speaking up ‘process’, you can identify the risks of bad behaviour so that they can be targeted and dealt with.”

Despite the stigma that still clouds the act of whistleblowing, the process of doing so has never been so accessible. Following the pandemic’s workplace health concerns, record unemployment and the compliance problems of staff working

from home, Deloitte warned of a

new “whistleblower environment” percolating within companies. Last year, whistleblower cases asserting unprofessional standards in financial services climbed by 35%. The tension between employers and their dispersed workforce has fuelled paranoia. “Speaking up lends itself well to remote working; you can just make a telephone call or write an email,” Peters says.

“For employers, the negative side is that it’s not as easy to build and maintain an ethical

culture because if you’re sitting at home, you’re no longer getting cues from other people - maybe people who’ve been around longer than you - as you would in an office.” With remote working, employees can dial a whistleblower hotline from the comfort of their sofas and no longer need to speak

in hushed tones. Employers’ distrust, however, extends beyond just loyalty, but also to performance. “Some employers are worried that when people work from home, they can’t trust them,” Peters explains.

“There are other ways of measuring performance than actually keeping an eye on somebody across the office.”

With the rise in remote work has followed a surge in workplace monitoring. A 2021 study from internet-security tool ExpressVPN of 2,000 employers and 2,000 employees working remotely, or on a hybrid schedule, showed that close to 80% of bosses use monitoring software to capture things like tone of voice, which can indicate a worker’s level of engagement. Some monitoring programs record keystrokes or track computer activity by taking periodic screenshots, while other software records calls or meetings, even accessing employees’ webcams.

There is mounting evidence that electronic surveillance can, in some cases, do more harm than good: persistent surveillance can lead to stress, cause employees to quit and even make workers do their job worse, deliberately. Some organisations are addressing this with tech tools such as Vault Platform’s Go Together app, which allows employees to log anonymous complaints that will surface when other complainants come forward. Other useful mechanisms include scanning the free-text elements of employee engagement surveys and Glassdoor, the jobs review site.

However, amid the rise in remote working, Microsoft’s 2022 Work Trend Index survey showed that 85% of leaders have trouble believing their workers are being productive. The most startling takeaway is that most employees (87%) think they are being productive at work. Meanwhile, only 12% of leaders say that they have “full confidence” that their team is being productive.

Companies would do better concentrating on listening to whistleblowers rather than trying to shut them up. Telling the truth shouldn’t be an exceptional act of courage. Instead of more enforcement, a better investment is to teach worried executives how to speak up constructively, and bosses how to listen with an open mind. “The most common definition of company culture is ‘the way that things get done around here,’” Peters solemnly observes. “Well, we’re not around here anymore. We’re dispersed.” ■

