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Organisational Culture and Whistleblowing:
Exploring the Connections

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Organisational culture and whistleblowing:

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Organisational culture and whistleblowing: Exploring the connections

Introduction

Since the late 1990s authors have started to raise concerns with regard to the increasing importance of corruption as an impediment to economic and social development. One way of addressing corruption is through the promotion of whistleblowing by employees. Ensuring effective protection of whistleblowers as well as the implementation of confidential reporting processes are generally considered important ways in which to encourage employees to bring ethical and legal violations they are aware of to an internal authority so that action can be taken immediately to resolve the problem; to minimize the organization's exposure to the damage and in so doing to let employees know the organization is serious about adherence to codes of conduct. It is evident that organisational culture plays an important role in influencing whistleblowing behaviour but surprisingly little is written on this issue. Berry identified seven dimensions of organizational culture that contribute towards facilitating or obstructing employee reporting of organizational wrongdoing. The question arises whether the organisational culture creates an environment that empowers employees who suspect wrongdoing to act as organizational citizens promoting the public interest as well as the interests of the organization as a whole, by blowing the whistle, without being victimized by the very organization in whose interest they are acting. This paper analyses the experiences of five South African whistleblowers in order to determine the extent to which South African organisational culture allowed them to demonstrate their organisational citizenship.

The Definition of Whistleblowing

Whistleblowing is generally viewed as taking place when someone with privileged access to information of an organization discloses suspicions about actual or potential organizational wrongdoing to those they believe to be in a position to take action (see Blonder, 2010; Jubb, 1999; Miceli et al, 2008). Organizational wrongdoing refers to illegal, immoral or unethical activities the organization is accountable for and which are under its control. The aim of the disclosure is to prevent, impede or end the wrongdoing (Jubb, 1999: 87-88).

Some authors restrict whistleblowing to unauthorized disclosures where "the employee typically does not have the approval of his or her superior to report the misconduct" (Blonder, 2010: 258). This restriction seems to exclude so-called 'role-prescribed' whistleblowing where making disclosures about perceived wrongdoing is considered part of one's job (Miceli et al, 2008: 139). The distinction between authorized and unauthorized disclosures has become blurred, however, in the sense that supervisors sometimes consider even role-prescribed disclosures to be unauthorized. For the purpose of this article role-prescribed disclosures are considered to be whistleblowing.

A similar blurring has taken place with regard to the distinction between internal and external whistleblowing. Disclosures could occur internally when the whistleblower communicates the message inside the organization (using prescribed or non-prescribed channels) and/or externally when the whistleblower resorts to an external agency, which could include the media. Some authors (like Jubb, 1999: 91) restrict whistleblowing to disclosures external to the organization as "internal disclosure does not breach the organization's confidences, nor violate its proprietary rights to the information released; and it is dubious whether the act is organizational disobedience" (Jubb, 1999: 91). However, some organizations victimize those who make their disclosures internally only, which sometimes force them to go the external route (Uys, 2008). Research has shown that there is little difference in the retaliation experienced by internal and external whistleblowers (Alford, 2001: 129). For our purposes both internal and external disclosures are considered to be whistleblowing.

Response by the Organization

Regardless of whether the disclosure was internal or external or both, or whether it was authorized, unauthorized or role-prescribed, organizations typically regard whistleblowing as illegitimate. The disclosure of information about organizational wrongdoing, especially if it is placed in the public domain is regarded as a form of betrayal and such disclosures usually lead to retaliation by the organization (Uys, 2008).

Organizations victimize whistleblowers in a variety of ways. Cortina and Magley (2003) distinguish between work-related retaliation and social retaliation. Work-related retaliation usually entails attempts to isolate the whistleblower from exercising influence in the workplace. If the whistleblower cannot be fired immediately, processes would be set in motion, which would justify the termination of employment such as abruptly downgrading evaluations of their job performance. Blacklisting, constructive dismissal, transfers to another section, personal harassment, character assassination and the implementation of disciplinary proceedings are forms of work-related retaliation used by organizations to discredit and destroy whistleblowers (Glazer & Glazer 1989; Gummer 1985; Hunt 1995; Mesmer-Magnus & Viswesvaran 2005; Rothschild & Miethe 1994).

Social retaliation entails practices aimed at moving whistleblowers "to the margins: not just of the organization but of society" (Alford, 2001: 131). Colleagues and/or superiors become progressively less friendly and isolate the whistleblower through closing ranks while identifying the whistleblower as a 'troublemaker'. They are excluded from meetings and some "found that they were now avoided even by co-workers whom they had often previously considered friends" (Rothschild, 2008: 890).

In spite of the fact that many companies may have explicit company values that include honesty, integrity and respect among employees, the very same company may react to whistleblowers in a way that clearly contradict their stated values. Miceli et al (2008: 101-125) have analysed extensive existing research exploring the circumstances when and the reasons why organizations would retaliate against a whistleblower in terms of their model predicting retaliation. They have in particular considered the extent to which a more bureaucratic bureaucratic organizational culture would discourage retaliation and therefore facilitate whistleblowing (Miceli et al, 2008: 117-122).

Organisational culture
According to Greenberg and Baron (2003: 515) organisational culture refers to "a cognitive framework consisting of attitudes, values, behavioural norms, and expectations shared by organization members". They identify three ways in which organisational culture influence behaviour in organisation: it furnishes employees with a sense of identity; it engenders

commitment to the mission of the organisation; and it informs and strengthens organisational norms (Greenberg & Baron, 2003: 518).

There is surprisingly little being written on the role of organizational culture in influencing whistleblowing behaviour. Baucus, Miceli and Near (1985) explored ways in which the organizational culture might affect reports of wrongdoing among employees. Martin (1997) describes corporate culture as 'poison for whistleblowers'. King (2000: 14-15) argues that

> employees that perceive an unethical corporate culture may be less likely to communicate questionable behaviour. An employee may sense that the organization and other co-workers are aware of the wrongdoing, and feeling no personal obligation to report the incident, the employee might conclude that the problem must be trivial to the organization as well as its members

For Miceli et al (2008: 117) the essence of organisational culture has to do with the extent to which an organisational culture prioritises compliance. On the one hand a strong emphasis on compliance should discourage wrongdoing, which reduces the need for whistleblowing, while creating a perception of a receptive attitude towards dealing with complaints, thereby reducing the likelihood of reprisals. On the other hand it could also be argued "emphasis on compliance creates so much bureaucracy or over-controls employees that it undermines the development of ethical values, good decision making and trust in management" (Miceli et al, 2008: 117).

Managers in organizations have many ways available to them to ensure the co-operation and compliance of their subordinates. Since the 1980s, organizations world-wide have been involved in restructuring the workplace. Powell (1998: 165) calls it a 'new managerialism', which entails, amongst other things, the creation of new mindsets amongst employees with regard to the beliefs, attitudes and behaviour, which is believed to increase the productivity and profitability of organizations. The core of these new organizational cultural values and practices relate to the importance given to the terms "corporate culture", "family" and "team". An essential part of the corporate culture is the idea of an overarching loyalty to the organization. While the introduction of these concepts has enabled organizations to

effectively manage the organizational problems of compliance, integration and control, it also leads to a colonisation of employee selves where "[o]vert displays of employee resistance and opposition are virtually eliminated" (Casey 1999: 175).

Berry (2004) provides a conceptual framework by means of which the impact of organizational culture on the regulation of employee whistleblowing behaviour can be understood. She explores seven dimensions of organizational culture in terms of their contribution towards facilitating or obstructing employee reporting of organizational wrongdoing.

- The first is vigilance, which promotes awareness of organization's commitment to integrity, and shared understanding of organizational standards.
- The second is engagement, which refers to organizational and individual factors that contribute to a personal state of authentic involvement in the organization.
- Thirdly, the extent to which employees believe in the espoused ethics and values, determine the credibility of the organisation.
- Accountability is a fourth dimension involving the deliberations of employees with regard to their responsibilities with regard to reporting perceived misconduct.
- A fifth dimension deals with the level of empowerment of employees by the organisational culture, where they are given the authority to make decisions while taking responsibility for the outcomes.
- A further element of the organisational culture is whether it inculcates courage in employees through the perception that the organisation is responsive and fair.
- Finally, the organisational culture should also provide feasible options for raising concerns.

The organisational culture should therefore establish an environment that would facilitate the exchange and probing of ideas that could lead to the disclosure of organisational wrongdoing by employees – that is an environment in which organisational citizenship behaviour could flourish.

Organizational citizenship

Organizational citizenship behaviour (OCB**)** is generally defined as those organizationally beneficial activities that employees engage in voluntarily without the expectation of any explicit sanctions or direct rewards. Employees who engage in OCB are therefore going beyond what can contractually be expected (Becker and O'Hair 2007: 246-249; Cohen and Avrahami 2006: 889-890). Becker and O'Hair (2007: 249) argue that OCB benefits the organization through what was initially known as generalized compliance. It entails complying with informal organizational rules that ensure harmonious relationships; the organisational culture in other words. The resulting increase in productivity, innovation and receptiveness directly impacts on the effectiveness of the organization. OCB benefitting the individual was initially referred to as altruism. These behaviours are aimed at assisting specific individuals or groups within the organization through the development of satisfying interpersonal relationships with other employees and/or clients.

Engaging in different forms of OCB leads to the establishment of a social contract aimed at achieving organizational goals and ensuring cohesive relationships. Bolino et al (2002: 507) argue that 'the willingness of employees to exceed their formal job requirements in order to help each other, to subordinate their individual interests for the good of the organization, and to take a genuine interest in the organization's activities and overall mission' would facilitate the creation of social capital in the organization and thereby enhance organizational performance.

Three forms of organizational citizenship have been distinguished. First, is obedience, which relates to the keenness of employees to comply with the rules and procedures of the organization beyond minimum role requirements. Second, organizational citizenship is expressed in the form of loyalty, which refers to the willingness of employees to promote the interests of the organization even when they conflict with their own. An example could be where employees are prepared to accept conditions that are not ideal without complaining about it. Third, organizational citizenship behaviour entails participation or involvement in all facets of the life of an organization (Graham 1991; Bolino et al 2002: 508; Fahr et al 2004: 242).

Participation can also take three forms. The first is social participation where employees are actively involved in organizational affairs, including attending non-obligatory meetings or social functions. The second is functional participation, with employees being prepared to perform additional duties or special assignments above and beyond those required by their role obligations. Lastly, and most important for whistleblowing, is advocacy participation where employees are willing 'to be controversial in order to improve the organization by making suggestions, innovating, and encouraging other employees to speak up' (Bolino et al 2002: 508).

The following five cases of whistleblowing clearly demonstrate the organisational citizenship behaviour of South African whistleblowers while also revealing the absence of an organisational culture facilitating the disclosure of wrongdoing.

South African whistleblowing cases

Keith was employed as a Safety and Security Manager at a company manufacturing explosives. Together with a group of employees he submitted a report to his employer's board of directors alleging misconduct on the part of a senior employee. Three days later he was suspended and a disciplinary hearing was called. Keith approached the Labour Court on an urgent basis for an order against the employer not to continue with the disciplinary action until a determination had been made whether the employer had committed an unfair labour practice in terms of the PDA 2000 when suspending him. The interdict was granted and Keith was re-instated. His employer then called in consultants to investigate all his work. As a result of this investigation he was called before a disciplinary hearing and found guilty of insolence and insubordination. The Chairman concluded that there was an irretrievable breakdown of trust and he was discharged.

As a compliance officer working at a financial institution responsible for monitoring the statutory, regulatory and supervisory compliance of her employer with regard to its financial trading business, Allison was compelled by law to disclose any concerns she had about irregular trading. This is an example of 'role-prescribed' whistleblowing[i] (Miceli & Near 1992: 21-25). When she discovered that certain members of staff, some of them senior

managers, were involved in irregular trading of shares she reported the matter to her immediate supervisor as well as to other persons in the group's compliance structures. A little over a month later she was informed that her position would become redundant due to operational requirements. The workload associated with her position supposedly required somebody who could work a full day. They indicated that she was welcome to re-apply for the full-time position, while knowing full well that she could not do so due to a back injury. After four months of negotiations about possible restructuring of her position or redeployment in another position she was retrenched. She filed an unfair dismissal claim with the Commission for Conciliation, Mediation and Arbitration, which culminated in proceedings being instituted at the Labour Court under the PDA 2000 a year later.

One of Mike's responsibilities as managing director of a business unit in the Department of Justice, was to oversee the appointment of liquidators. When he refused to approve the appointment of a friend of the Minister, he was removed from his position. After unsuccessfully raising his concerns with the Public Protector and the Auditor-General, amongst others, he turned to the media. This led to his suspension and a disciplinary hearing which found in his favour. However, the Director-General refused to reinstate him, claiming an irretrievable breakdown of trust. After years of negotiation a settlement was reached resulting in the termination of his employment.

As a senior legal advisor working for a City Council in South Africa Vicky was responsible for monitoring the public response to a proposal by the mayor that some street names in the city should be changed. She was instructed to treat the matter as very confidential. When she began to realise that the mayor was misrepresenting the extent and nature of the public response and that her immediate boss was generating fake letters of support for the name changes, she raised her concerns with the deputy mayor. A public investigation followed after which her boss was re-assigned to another post. She was increasingly ostracized by her colleagues and eventually decided to resign in order to look after her baby fulltime.

Paul was employed in a part-time position as a doctor at Pollsmoor prison. He raised concerns about the prison's unsatisfactory healthcare system to governmental authorities. He was suspended, sued for defamation and brought before a disciplinary hearing. He

successfully challenged his suspension. When he returned to work he was told to transfer to the Community Health Centre at Lotus River. He took the case to the Labour Court but the parties settled the case while awaiting the judgement.

Whistleblowers and organisational citizenship

The organizational citizenship of the whistleblower is expressed most clearly in the form of advocacy participation.   Through giving voice and exposing wrongdoing whistleblowers display positive social behaviour that is intended to benefit others.   In this sense whistleblowing can be seen as pro-social behaviour or as Berry (2004: 1) puts it: 'Whistleblowing is the voice of conscience'. It is therefore often considered to be something to be promoted to enhance corporate governance. In the South African context the King II report (King 2002) on corporate governance strongly encourages whistleblowing as an important component in creating a socially responsible workplace.

It is clear from the whistleblowing cases described above that there is a contradictory relationship between the different forms of organizational citizenship when it comes to whistleblowing.   Organisations tend to consider the disclosure of organizational wrongdoing, especially if it is done publically, to be an act of organisational disobedience that does not comply with the informal expectations reflected in the organisational culture.

Employees are expected to demonstrate their organisational loyalty through acting in good faith and in the best interests of the corporation. This entails that they should keep corporate information confidential and that work product should be considered the property of the employer. While the whistleblower usually believes, at least at the outset, that he or she is being loyal to the company by raising concerns about perceived wrongdoing, the organisation often takes the opposite view and considers the actions of the whistleblower a form of betrayal.   The motives of the whistleblower in making the disclosures are often questioned with the focus being placed on the messenger rather than the message. In acting as an organisational citizen the whistleblower therefore faces the ethical dilemma of balancing conflicting loyalties, obligations and values. Loyalty towards the organisation and especially the issue of confidentiality has to be weighed against one's

ethical obligations to one's colleagues in the organisation, one's profession, one's family, oneself, the general public and core values of society.

The whistleblower's actions and the resulting retaliation impacts two other dimensions of organisational citizenship negatively, namely that of social and functional participation. At the very least the disclosures harm collegial relationships and the organization's reputation, which leads to whistleblowing being viewed as a breach of trust and as disloyalty. One could perhaps argue that the act of whistleblowing necessarily leads to a conflict between two forms of organizational citizenship behaviour, that of loyalty and that of advocacy participation. This is perhaps why Greenberg and Baron (2003: 408-411) distinguishes between organisational citizenship behaviour as two forms of pro-social behaviour.

Conclusion

An analysis of whistleblowing as organisational citizenship behaviour reveals a contradictory relationship between whistleblowing as advocacy participation and the other forms of organisational citizenship behaviour, in particular organisational obedience and organisational loyalty. The whistleblower is perceived not to comply with demands of organisational obedience and organisational loyalty. The demands of organisational participation in the form of social and functional participation are also severely compromised as a result of the whistleblower's actions and the subsequent retaliation. On the other hand, in articulating principled organisational dissent, whistleblowing should be viewed as an important expression of advocacy participation.

This paper argues that whistleblowers should be enabled to 'speak truth to power' through acknowledging their organizational citizenship role and strengthening the legislation that protects whistleblowers. This could perhaps be achieved by approaching the legislation from a different point of departure where the focus is on the ultimate goal of creating an ethical workplace. The appropriate role of legislation in achieving this goal should be considered. Research should focus on the social and cultural context of the legislation. Whistleblowers will only be allowed to act as organizational citizens if an organizational

culture is established which encourages the reporting of 'bad news' within an environment that takes cultural responsiveness into account.

Whistleblowers should also be allowed to act as organisational citizens through a redefinition of organisational loyalty as rational loyalty (Vandekerckhove and Commers 2004). It is of particular importance to explore the possibility of instilling an appreciation of organizational loyalty as rational loyalty. If organizational loyalty implies being loyal to the explicit values and norms of the organization, that is rational loyalty, then perceiving organizational wrongdoing would compel the loyal employee to blow the whistle.

Organisations should therefore be restructured in order to facilitate the disclosure of bad news by implementing 'whistleblowing' procedures, or in other words authorising the disclosure of information about irregularities in particular ways to particular bodies or officials. This means that the communication channels of the organisation should be opened up so that nobody is in a position to prevent bad news from filtering through to the highest structures. These highest structures should be required to deal with the bad news instead of just sweeping it under the rug.

In order to facilitate whistleblowers in their role as corporate citizens their position should be protected and regulated. Conditions should be created which pre-empt the necessity of blowing the whistle through making unauthorised disclosures. This requires the implementation of confidential reporting systems in organisations where organisational wrongdoing can be exposed internally with the assurance that the reports will be investigated and dealt with in other words, the institutionalisation of whistleblowing in the form of the authorised disclosure of information.

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