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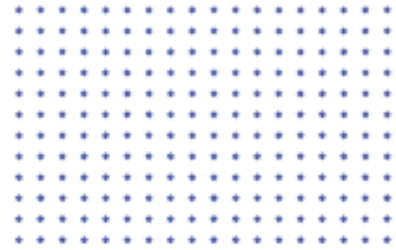
1) WHY IS WHISTLEBLOWING SUCH A HOT TOPIC RIGHT NOW?

Several recent crises and incidents have increased public awareness of whistleblowing. The global financial crisis of 2007-2008 exposed widespread corporate mismanagement in banking institutions, while the Volkswagen Dieselgate incident in 2015 revealed the carmaker unlawfully passing emissions testing in the United States. Both of these incidents cost organizations billions of dollars and are considered as the types of incidents that strong corporate whistleblower rules and channels may have helped avert.

Whistleblowers were increasingly visible in 2017 as a result of the #metoo campaign, which saw Hollywood stars blow the whistle on massive sexual-abuse accusations against Harvey Weinstein. This trend is also said to have resulted in an increase in corporations putting greater protections and mechanisms in place for employees who want to report unlawful or questionable behavior.

In reaction to previous scandals such as Luxleaks, the Panama Papers, and Cambridge Analytica, the EU enacted the Whistleblowing Directive in 2019. When EU nations adopt the regulation, all enterprises with more than 50 workers will be forced to develop a whistleblowing policy and mechanism, and anyone wishing to disclose wrongdoing would be offered legal protection.

2) INTRODUCTION TO WHISTLEBLOWING



What is Whistleblowing?

When an individual reports wrongdoing in an organization, such as financial impropriety or prejudice, this is referred to as **whistleblowing**. This individual is frequently an employee, but it can also be a third party such as a supplier or client.

Internal Whistleblowing

When someone submits a report within an organization, this is referred to as internal whistleblowing. Whistleblowing mechanisms are frequently implemented for this reason so that workers and other stakeholders may speak out if they become aware of misbehavior. Employees can also report to their immediate supervisor.

External Whistleblowing

External whistleblowing occurs when a person openly blows the whistle, either to the media, police, or through social media platforms. People frequently choose to blow the whistle publicly if they have little trust in their organization's investigation or reporting method, if they have tried speaking out internally with little result, or if there is no whistleblowing system in place.

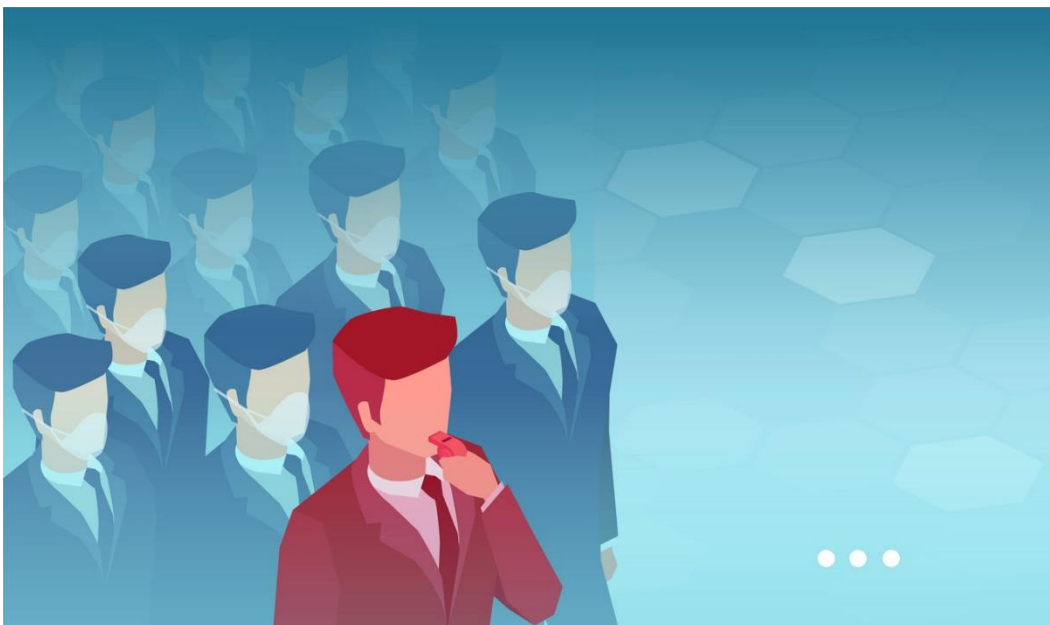


Figure 1:- What is Whistleblowing ?

3) WHY IS WHISTLEBLOWING BENEFICIAL TO BUSINESSES?

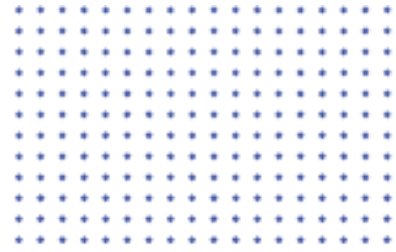
Whistleblowers do an essential service for both their organization and society. Organizations can prevent reputational harm and fines if issues can be handled internally before they become public in the press or on leak platforms. The fine might be rather high. Companies received fines totaling a record US\$2.9 billion in 2019 as a result of enforcement action under **the US Foreign Corrupt Practices Act**.

A whistleblowing mechanism allows for the **anonymous reporting of anomalies**. A whistleblower mechanism also benefits the business line: research reveals that corporations and organizations **lose around 7%** of their yearly revenue due to infractions. Internal reporting can assist in uncovering a major fraction of these incidents, hence minimizing financial harm.



Figure 2:- Why Whistleblowing beneficial for the Community ?

4) WHY ARE COMPANIES AFRAID OF WHISTLEBLOWING? - 5 MYTHS REVEALED UNDER THE MICROSCOPE



There are several fallacies surrounding whistleblowing that make businesses hesitant – or even terrified – of creating a system. Many companies are concerned that **whistleblowers** would harm their reputation, or that their whistleblowing mechanism will be misused by unhappy workers who will **make false complaints**. There is also concern that a whistleblower system may be "overly successful," resulting in a deluge of reports.

If a corporation has a successful internal whistleblowing mechanism, relatively few external reports are ever filed. While there are clearly whistleblowers whose motives are dubious at best, the fact is that most whistleblowers are just attempting to do the right thing. According to studies, businesses receive an average of **52 reports** every year (cf. [Whistleblowing Report 2019](#)). The larger the firm, the more likely it is that issues will be raised, but this may not be a bad thing: it merely indicates that the organization has a robust speak-up culture.

Let's Talk about the Myths about Whistleblowers in modern days.

Myth No. 1: Whistleblowers Endanger the Company's Reputation

Whistleblowers only do harm to firms when they reveal corporate wrongdoing to the general public or the media. As a result, it is critical that businesses encourage whistleblowers to report their concerns within.

Companies should establish internal whistleblowing channels and actively publicize them to workers and other stakeholders. Internal whistleblowing channels allow employees to submit concerns directly to the appropriate department inside the organization, assisting in the identification and resolution of issues at an early stage. This helps to mitigate the danger of reputational harm.

Myth 2: Whistleblowers are prosecuted.

If a whistleblower reveals their concerns to an external organization (such as the media), they may face punishment if they, for example, reveal company secrets.

There are exceptions if the **whistleblower acts in the public interest**. Such exclusions are, for example, entrenched in the new EU Whistleblower Directive's reporting mechanism. All whistleblowers who raise issues through internal business reporting mechanisms, such as a digital whistleblower system, should have nothing to worry.



Figure 3: - Are Whistleblowers prosecuted as Spies?

Myth 3: Employees Use Whistleblower Systems to Send False Reports About Their Coworkers Anonymously.

According to the Whistleblowing Report 2019, which polled over 1,400 firms in Germany, France, the United Kingdom, and Switzerland, **less than 9%** of disclosures received by companies were intended to harm individual employees or the company. According to the survey, half of all complaints refer to compliance-related concerns, while the other reports frequently indicate other flaws in the organization. Nonetheless, while implementing whistleblower mechanisms, it is critical to explicitly emphasize that abusive disclosures will not be allowed.

Myth 4: Anyone who establishes a whistleblower system would be inundated with reports.

According to studies, businesses receive an average of 52 reports every year (cf. [Whistleblowing Report](#)). The larger the firm, the more likely it is that problems will be reported. Receiving many reports, on the other hand, is not always a **bad indicator**. While this might suggest that there are several concerns inside the organization, it could also just show that employees have faith in the whistleblowing procedures and feel safe disclosing them.

Similarly, a limited number of complaints can suggest that there are few problems, but it can also signal that the reporting system isn't working well, that workers don't trust the channel, or that they don't know where to report wrongdoing.

As a result, companies should make their reporting channels and processing processes clear to minimize obstacles to submitting concerns.

Myth 5: Whistleblowers Should Be Afraid of Retaliation from Coworkers

If a whistleblower gives their name while reporting, the employer is required to keep the individual's identity private (as far as possible). If the whistleblower's name is revealed for whatever reason, the employer must safeguard the whistleblower from reprisal. The European Union also specifically incorporates whistleblower protection (including bullying and intimidation) in the Whistleblower Directive, which was enacted in April 2019.

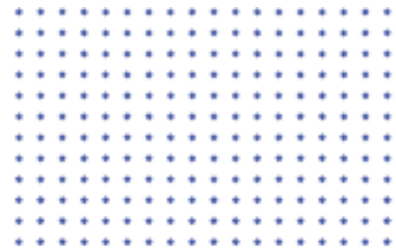
However, low-level bullying is difficult to identify and avoid, and employees may be concerned that their identity may be made public. Allowing anonymous reporting can give an extra layer of protection, making employees feel more comfortable reporting sensitive situations. With contemporary whistleblowing methods, it is also feasible to connect with anonymous whistleblowers in order to get further information.



Figure 4: -

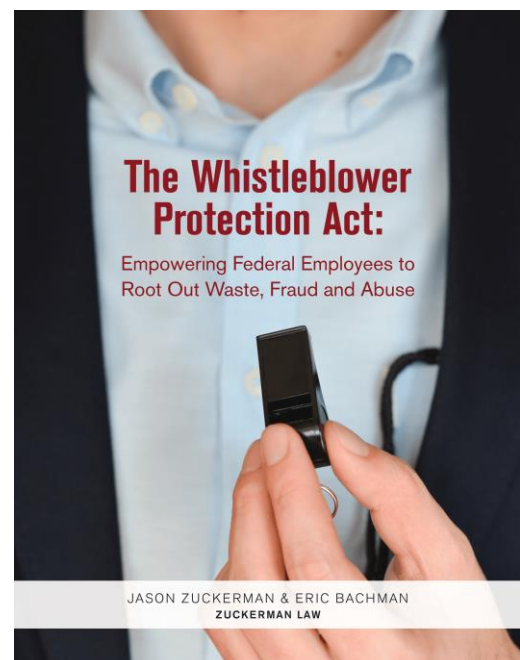
Are Whistleblowers
anonymity can be protected?

5) WHEN IS A WHISTLEBLOWER PROTECTED?



It is a personal choice if an employee chooses to speak out when they notice misconduct. Many whistleblowers are driven by the desire to do the right thing. Even though businesses are banned from attempting retaliation when an employee exposes misconduct, a whistleblower's career may suffer as a result. It is difficult to detect low-level workplace bullying. Whistleblowers are frequently left alone, and individuals they believed they could rely on at work may abandon them in order to preserve their own image. Even if an anonymous whistleblowing system is in place, whistleblowers must have bravery and commitment to reveal misconduct, which may expose colleagues or the organization.

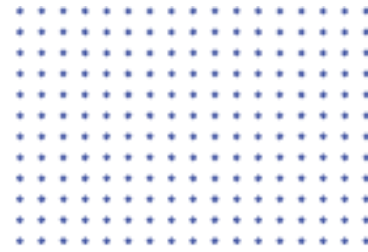
The Directive forbids direct or indirect retribution, such as dismissals, demotions, and other forms of discrimination against current and former workers, applicants, whistleblower supporters, and media. The protection only applies to reporting of irregularities relevant to EU legislation, such as tax fraud, money laundering, or offenses relating to public contracts, product and transportation safety, environmental protection, public health, and consumer and data protection (the EU does, however, encourage national legislators to extend this scope in national law).



The whistleblower has the option of initially reporting an issue internally inside the organization or straight to the applicable supervisory authority. If nothing is done in response to such a complaint, or if the whistleblower believes there is a public interest, they can go directly to the public.

“They are safe in all of these situations. Member states have until 2021 to incorporate this directive into their domestic legislation.”

6) CONCERNS ARE ARISED AMONG WHISTLEBLOWERS



6.1) When can Whistleblowers be Prosecuted?

The problem of whistleblowers publicly revealing wrongdoing has sparked a discussion about the necessity for government confidentiality vs the right of the public to know.

For example,

“The US Espionage Act has been used multiple times to punish federal personnel for leaking secret information. To summarize, whistleblowing is frequently unlawful if the leaked information jeopardizes national security.”

6.2) What is the relationship between data protection legislation and whistleblowing?

Following the implementation of the EU General Data Protection Regulation, compliance officers are now expected to adhere to highly precise protocols for processing personal data, notably in the case of whistleblower reports and reporters.

The GPRP

The GDPR has had an immediate impact on the issue of confidentiality in **whistleblowing**. According to GDPR, firms may not collect personal data without informing data subjects about how their data will be treated. This implies that corporations are required to notify suspected individuals of whistleblower allegations made against them.

If GDPR is rigorously applied, the accused would also have the right to know the identity of the whistleblower, destroying confidentiality. This might serve as a disincentive to future whistleblowers, resulting in fewer disclosures.

The use of **whistleblowing technologies** that allow anonymous disclosures is recommended by data protection authorities to guarantee whistleblower identities are kept secret. This is because if a complaint is anonymous, the accused just must be told that a (anonymous) allegation regarding him or her has been received. The whistleblower's name is still safeguarded.

6.3) What are the Ethical Consequences of Whistleblowing?

Whistleblowing ethics may be a difficult issue to navigate. Whistleblowing frequently puts two moral principles at odds: **justice and loyalty**. On the one hand, doing what is fair and right (for example, speaking up against misbehavior) can occasionally clash with loyalty (i.e. having worked for an organization for many years).

Whistleblowing may be regarded as a violation of trust. Many whistleblowers choose to report because they value justice and doing the right thing over loyalty to their organization.

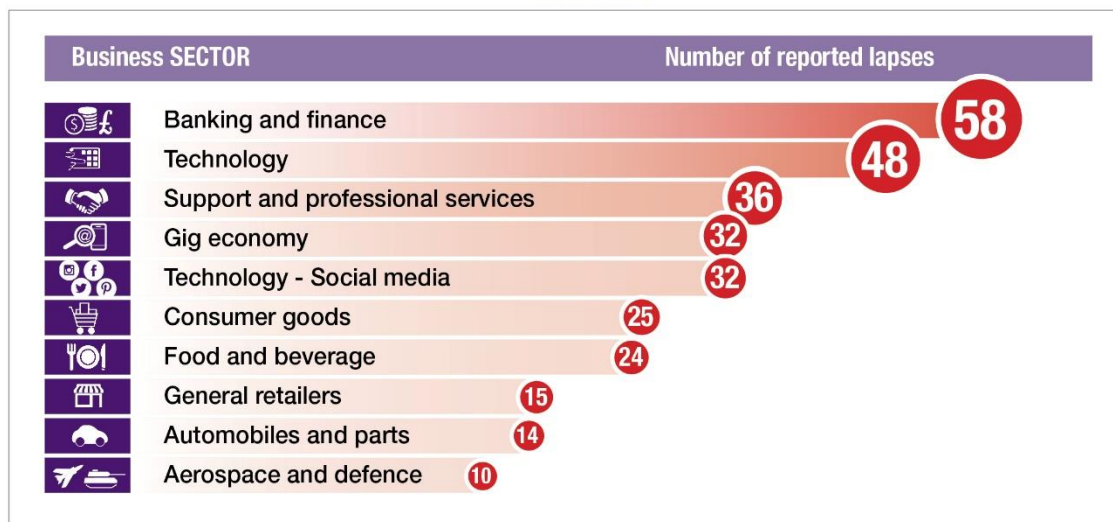
The aim of a whistleblower determines whether they are a "hero" or a "traitor."

Are they doing it to make things right? Is it to keep the public safe? Is the motivation for the activity self-interest or financial gain? Certain types of whistleblowing are financially rewarded in various nations.

In addition, Hollywood films glorify and romanticize high-profile **whistleblowers** (like **Edward Snowden and Julian Assange**), which may make the technique appealing to people looking to establish a reputation for themselves.

Offering an internal, anonymous conduit for reporting misconduct is one strategy to avoid "unethical" whistleblowing. Because of the existence of such a system, whistleblowers' names are **kept private, and they are less inclined to report externally to the press**, where they may seek to create a reputation for themselves.

Most reported ethical lapses in 2018 by sector



www.ibe.org.uk

Figure 5: -

Reported Ethical
Lapses identified from
Whistleblower in UK
2018

7) WHY IS WHISTLEBLOWING IN THE NEWS RIGHT NOW?

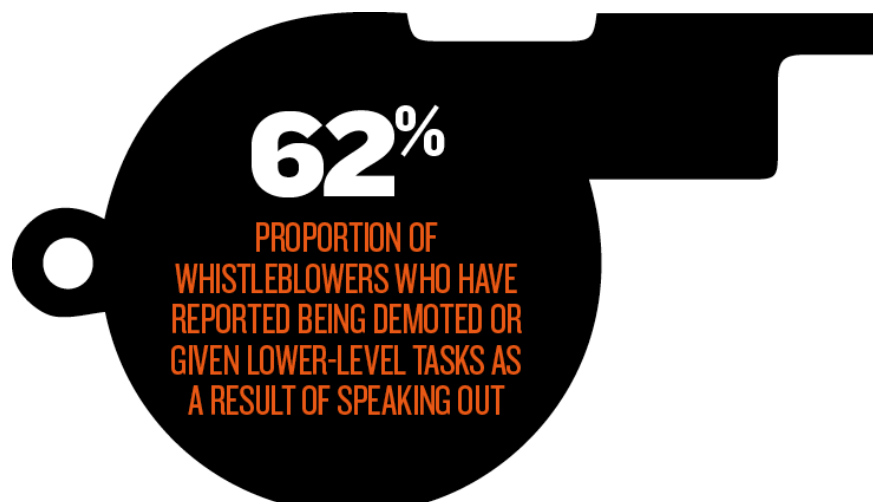


Figure 6: -

Whistleblowers in Europe Privacy Breach made them demoted from current industry position. It's Close to $\frac{3}{4}$ of whistleblowers which is major ethical Crisis

In June 2020, “Watson.ch” reported that the Swiss Federal Audit Office (SFAO government)'s whistleblower reporting office is receiving an increasing number of reports year on year.

Surprisingly, the bulk of these allegations this year came from outsiders rather than workers, such as suppliers, contractors, or subsidy receivers. 148 reports were anonymous, accounting for over 80% of all incidents.

The UK Financial Conduct Authority reported a 61 percent increase in the number of complaints concerning whistleblowing processes at financial services firms in October 2020.

“This increase has been ascribed to increased knowledge of whistleblowing protection and processes, as well as employees finding it more difficult to use their firms' internal whistleblowing channels during the COVID-19 epidemic.”

Whistleblowing has also been a hot topic during the Corona era.

According to the **Süddeutsche Zeitung, Stephan Kohn**, a German Federal Ministry of the Interior staffer, openly labeled the Government's Corona measures as a "false alarm." Disciplinary procedures against Kohn have been initiated, and it is presently being determined if Kohn is guilty of official misconduct.

8) OUR WHISTLEBLOWING DEMO APPLICATION

For this issue we came up with a simple web-based solution for the organizations,

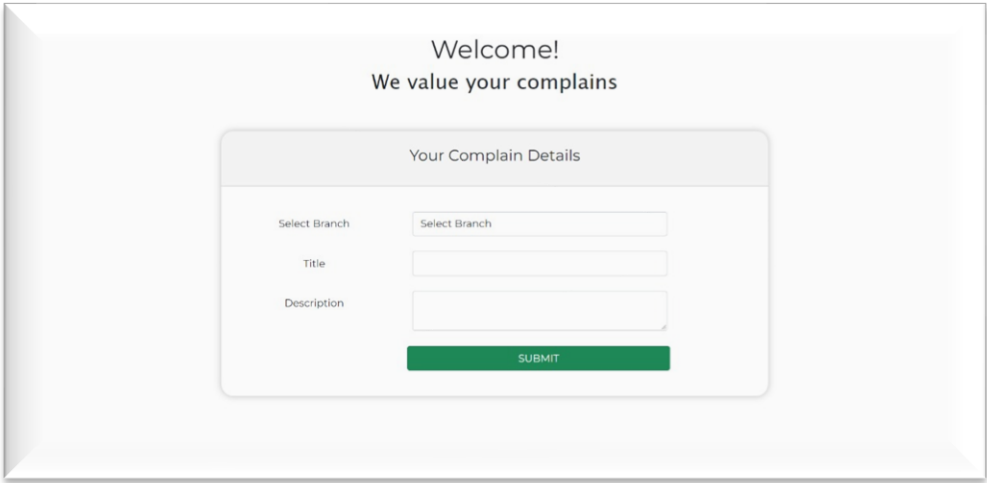


Figure 7: - Dashboard of Whistleblowing System

When we first go to the system it provides the user a simple interface to enter any problems they have. User can select the branch of the organization where the problem resides in. Then the user can give a title and the description of the problem.

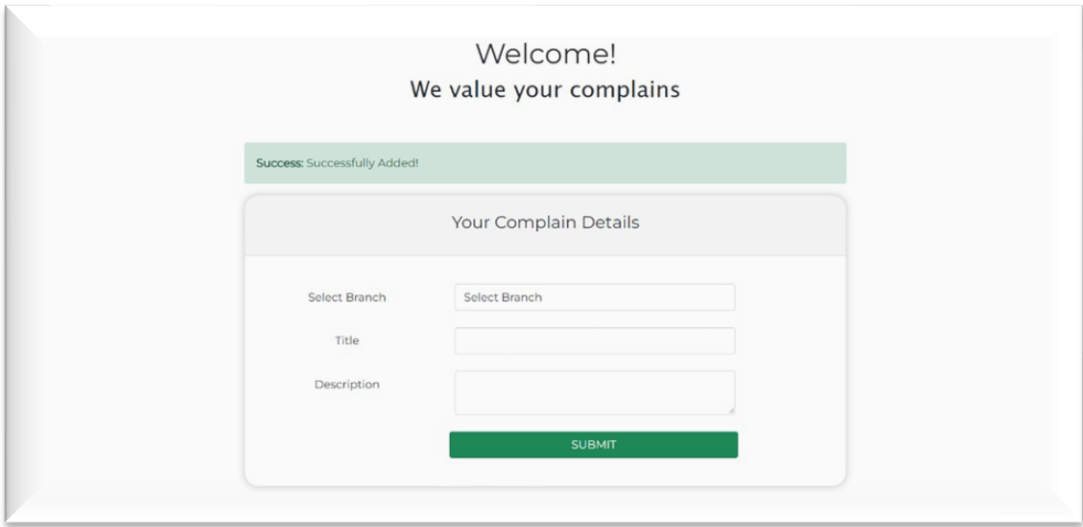


Figure 8: - Complain Dashboard

This system doesn't expose the users who posted the problem, so it keeps the user's privacy. Therefore, anyone can post any problems without any fear.

Then the admins of the organization can log in to the system and see all the problems in the organization in each department and take necessary actions.

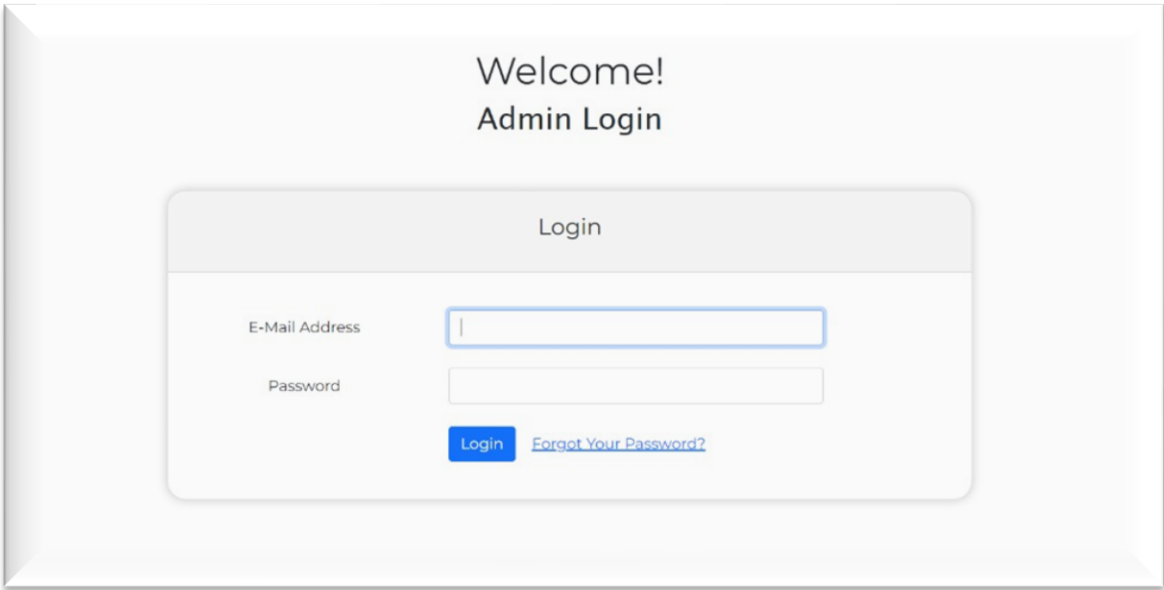


Figure 9: - Admin Login

We used the Laravel framework for the development, Laravel framework provides security features therefore the system makes sure no one outside can access the system data.

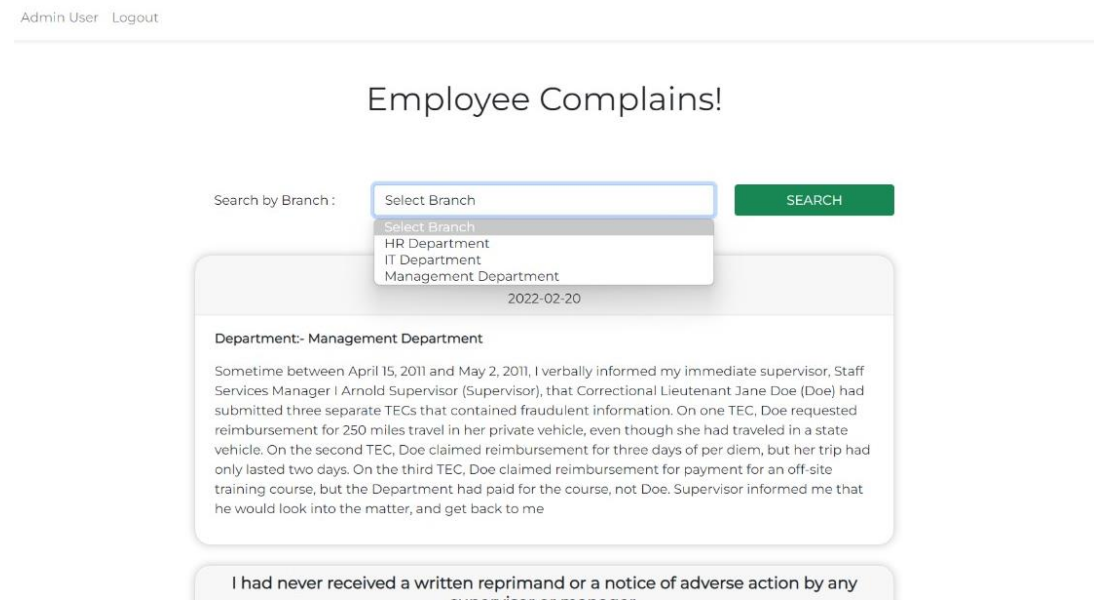


Figure 10: - Employee Complaints Dashboard

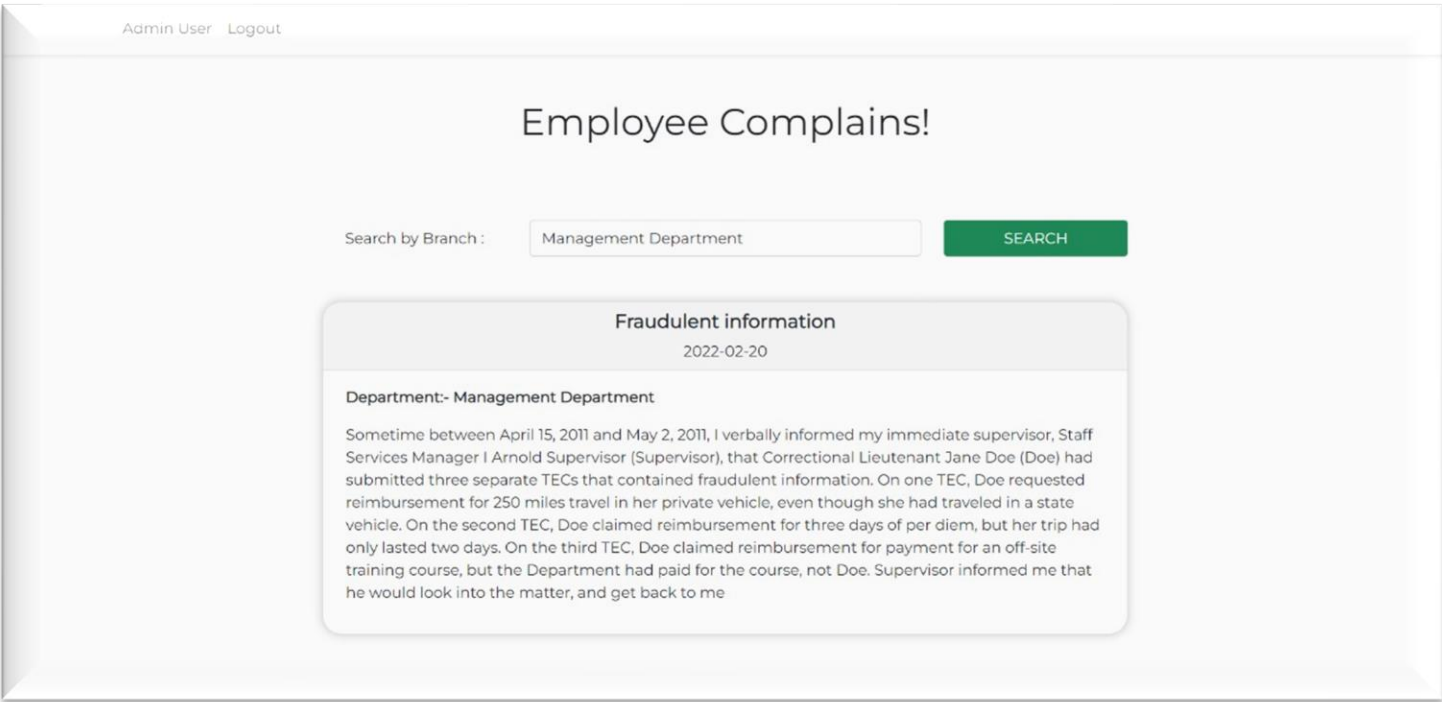


Figure 11: - Employee Complains Dashboard Department Basis

In Our application, we have created three branches with no login credentials needed by the users but can only access via **Company Virtual Network** certified devices.

Branches are,

- Management Department
- HR Department
- IT Department

We have given the employers anonymously use this portal to log and whistle blow for caution the companies unethical employers to be backdown.

From this hierarchy we can initiate the whistleblowers across the community to stop bullying , injustice work and unethical circumstances.

Hope this project of us will be a benchmark to promote humanity across the community.

TEAM GROUP 5 – COLLABORATERS



Pandula



Dinuka



Rajitha



Janith

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