

Whistle Blowing A Necessity

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Abstract:

An employee's whistleblowing is about unlawful, harmful policies and unethical workplace practices constitutes whistleblowing conduct within the company and serves as an efficient means of swiftly correcting unethical behaviour. The paper addresses the decision-making process of whistleblowing behaviour from many theoretical perspectives and examines the study genesis, concept, and measuring techniques of whistleblowing behaviours. The viewpoints, and methodically separates the contributing elements and generating processes of an intention or conduct from several angles. The name 'whistle blower' comes from the German word 'whistle' which denotes revealing wrongdoing in an effort to stop it. Any action within a private or public company that is judged unlawful, unethical, or immoral is referred to as 'whistleblowing,' and the individual who exposes this type of activity is known as a 'whistleblower'. Promoting a culture of public accountability and integrity and protecting the public interest require encouraging whistleblowing on suspected corruption. The research paper tries to study the overview of whistle blowing in today's era.

Keywords: Whistle blowing, Need, Overview.

Introduction:

The act of a current employer or former worker who may have witnessed unethical or unlawful behaviour in any organization is known as whistleblowing. An employee who discloses information to the public or management is known as a whistleblower. This practice is sometimes referred to as internal whistleblowing, and the individual who does so is termed a whistleblower. According to recent occurrences in India, whistleblowing has been shown to be an effective method for identifying and stopping fraud, as evidenced by the past scam. In British India, the first whistleblower was Maharaja Nand Kumar. He worked as a revenue officer for the Bengali Nawab. Nand Kumar revealed that Governor General Hastings had taken bribes from people other than nawabs. Nand Kumar's forgery was overseen by a British court. crime, and he was executed in front of the public on the banks of the Hoogly River, close to Kolkata. This narrative encapsulates the perilous nature of whistling in India. Rapid advancements in the modern organization revolution, according to Borrie and Dehn (2003), are to blame for gradually making it more difficult for an organization to have the necessary checks and controls in place. As a result, it becomes simpler for employers and employees to act in ways that are consistent with their professional honesty. A widespread commitment to ending immoral behaviour in the workplace is required for the fight against it to be effective. According to Khan (2009), the whistleblower appears to act in order to bring an unlawful practice to the public's attention and enable those in positions of power to make the necessary corrections.

Objectives

- To study the conceptual framework of whistle blowing.
- To study the importance of whistle blowing.

Research Methodology

The presents study is exploratory in nature to provide a clear guidance for empirical research. It is also descriptive where the focus is on fact-finding investigation with adequate interpretation. For this purpose, secondary data were collected through newspapers, magazines, books, journals, conference preceding government reports and websites.

Literature Review

The history of whistle blowing lies from centuries ago. It was in existence during the Kaushalya centuries as well. Whistleblowers were another topic Kautilya covered. If any tipster (suchaka) disclosed information on financial misconduct, there existed a reward scheme. A settlement equal to one-sixth of the disputed sum was due to him. In the event that the tipster was a Bhritaka (government servant), he was only to get one-twelfth of the whole payment.¹

Even ancient Greeks have implemented whistle blowing in their century. Speaking against Leokratis, Lyncurgus, an Athenian orator, stressed the need for someone to come forward and expose wrongdoers because laws and courts by themselves cannot produce real results.²

In 1985 Near & Miceli defined Whistleblowing is "the disclosure by members of an organization (former or current) of illegal, immoral, or unlawful practices under the control of their employer, to a person or organization who may be able to take action".³

Steven W. Hays, Philip H. Jos, and Mark E. Tompkins (1989): They surveyed US government workers to find out what happened to whistleblowers inside their companies. They noticed that being shunned is one of the worst outcomes, depriving people of comfort and social support.

A whistle blower is an employee who, upon observing an organizational behavior that they feel to be unlawful or immoral, tries to put an end to it by informing upper management or, in the event that this is not possible, by informing authorities outside the company, according to R.M. Green (1994).

Tranfield, Denyer, & Smart, 2003 this literature study examines if and to what extent internal whistleblowing mechanisms are designed with the potential for repercussions that might endanger an insider who is prepared to come out with information. The goal is to locate, compile, and evaluate the results of many research that have been done on this subject.

Kolbel & Herold, 2010; Mesmer-Magnus & Viswesvaran, 2005 states choosing whether or not to reveal the information is the first stage in the whistleblowing procedure. Situational, human, and organizational aspects and conditions impact this choice.

Vandekerckhove & Phillips, 2019; Zhang, Chiu, & Wei, 2009 viewed that when an employee or other stakeholder notices misbehaviour or maladministration in his company, he or she must go through a procedure before choosing to come out with the information and blow the whistle.

1. Pradeep Kumar Gautam, Saurabh Mishra, et.al. (eds.), Indigenous Historical Knowledge Vol-I.pdf.

2. [https://www.srcc.edu/sites/default/files/B.Com\(hns\)_IIIyrSem6_BCh6.1_A&CG_Week6_Anisha.pdf](https://www.srcc.edu/sites/default/files/B.Com(hns)_IIIyrSem6_BCh6.1_A&CG_Week6_Anisha.pdf) (last visited on May 24,2023) 9 <http://www.legalservicesindia.com/article/1693/Whistleblowers-and-their-Protection-in-India.html> (last visited on May 24, 2023)

3. Scherbarth, S., & Behringer, S. (2021). Whistleblowing systems: A systematic literature review on the design specifications and the consideration of the risk for organizational insiders to blow the whistle. *Corporate Ownership & Control*, 18(2), 60-73. <http://doi.org/10.22495/cocv18i2art5>

Gladys Lee Neil Fargher, 2012, This paper examines the diversity in disclosures made by whistleblowers. The study's findings indicate a favorable correlation between the volume of whistleblowing disclosures and the organization's disclosure, auditing groups, other leadership duties' backing for whistleblowing.

John A. Grey defines a "whistle-blower" as an employee who, acting in good faith, seeks to stop actions that the employer reasonably believes to be against the law and harmful to the public. This can be done internally through internal efforts or by disclosing the illegal activity to the media or law enforcement.

Ms Monika Makhija & Dr Shweta S. Kulshrestha, 2018, The study focuses on how whistleblowing affects an organization's performance. It also goes over the benefits and restrictions of whistleblowing. The study found that laws and policies need to be implemented to safeguard the well-being of informants and promote a reporting culture in the workplace.

According to Alleyne 2017, a desire to blow the whistle and the expenses associated with it, like as threats, retribution, and losses, are significantly correlated negatively, and the examiner's estimated cost is greater. The less purpose there is to blow the whistle

Li Chen 2019, The study covered the idea of whistleblowing and attempted to pinpoint the components that influence whistleblowing intention as well as the decision-making processes associated with whistleblowing behavior. The study presented the Prosocial Organizational Behavior Model, Ethics Behavior Model, and Social Information Processing Model, whereby individual, organizational, and national variables are among those influencing employee whistleblowing. To provide further light on the endurance of whistleblowing behaviors and the psychological shifts experienced by reporters, the authors recommended long-term research.

Behringer & Scherbarth, 2021, The studies looking on the many facets and applications of whistleblowing are significant, particularly when it comes to someone's desire to engage in whistleblowing, both the advantages and dangers associated with coming out with information on fraudulent crimes. As an internal business tool for preventing and identifying infractions of compliance, the whistleblowing system is advised in the literature, both academic and practical.

Discussion

Every company wants its employees to be honest with one another. Honesty enables total commitment to the success and mission of the company. The group encourages open communication and a transparent structure by supporting whistleblowing. The act of whistleblowing is frequently driven by strong ethical convictions in addition to a desire to benefit the organization or the public. In the UK-based case of *Winters v. Houston Chronicle Pub. Co.*, Doggett, J. used the phrase "whistle-blower" for the first time. The origin of the phrase may be found in the custom of "English bobbies (police constables)" who would sound their whistle in the event that they saw criminal activity taking place. Whistleblowing is always motivated by the desire to alert the public and authorities to unlawful activity or crimes, with the ultimate goal of preserving public safety. As a circumstance, whistleblowing appears mysterious, making it a challenging process including both organizational and human components. Rapid advancements in the contemporary organization revolution, according to Borrie and Dehn (2003),

are to blame for gradually making it more difficult for an organization to have the necessary checks and controls in place.

Environment, which facilitates actions by employers and workers that reflect their professional honesty. A widespread commitment to ending immoral behavior in the workplace is required for the fight against it to be effective. The whistleblower appears to act in order to bring an unlawful practice to the public's attention and enable those in positions of responsibility to address the issue. (Han, 2009).

Channels of Whistle blowing

- **Internal channels**

The majority of whistleblowers are internal corporate employees who use hotlines or other anonymous reporting systems to disclose malfeasance against a coworker or supervisor. In these kinds of scenarios, events and circumstances may prompt someone to denounce the conduct or take immediate action to stop it from being unlawful and undesirable. There are some reasons to think that if an organization has complaint systems that give employees a choice of options for complete confidentiality in addition to options set by the planning and control organization, they will be more inclined to take action regarding unacceptable behavior.

- **External channels**

External whistleblowers alert external parties or individuals to wrongdoing. Whistleblowers in these situations may disclose the wrongdoing to attorneys, the media, law enforcement, watchdog groups, or other local, state, or federal organizations, depending on the details of the information. There are instances where providing financial incentives encourages external whistleblowers.

- **Third-party channels**

Whistleblowing hotlines, or safe and anonymous reporting channels for staff members, are occasionally established by organizations through the employment of outside services. These services are intended to alert those at the top of the organizational pyramid to wrongdoing while still safeguarding the identity of the whistleblower.

The simplest option for a business to encourage compliance or provide a whistleblower policy in the absence of one is frequently to use a third-party solution. A growing number of businesses and government agencies employ third-party services that allow the whistleblower to remain anonymous to the third-party service provider. These services are made feasible via toll-free phone lines, online or app-based solutions that use asymmetric encryption, and/or other technologies.

Models of Whistle Blowing

- Prosocial Organizational Behaviour (POB) Model
- Ethical Behaviour (EB) Model
- Social Information Processing (SIP) Model

The models have their own unique stages of analysis. All the models are alienated in four stages. The Prosocial Organisational Behaviour Model states that the perception of occurrence of misconduct and its effect or harm on individuals caused. If it existed than the cost benefit analysis is to be done based on which judgements are given only if benefit is more than the prevailing cost. In ethical Behaviour Model the ethical perceptions, ethical judgements, ethical incentives and ethical choices to be made play an vital role. As far as social information model is concerned it is evaluated with four stages starting with

misconduct behaviour, Attribution, responsibility judgment and emotional change & making report decisions.

Acts:

Companies Act, 2013

It indicates that feasibility of a whistleblowing policy is contingent only on the organization's intention while establishing and executing it. In addition to providing guidance on how to handle complaints about infractions, such a policy ought to clearly state the outcomes and, in the worst situation, include the inability to report as a breach of the policy. According to Section 177(9) of the businesses Act of 2013, all publicly traded businesses are required to set up a watchful system for top executives and staff. Establishing a whistleblower policy with sufficient and unambiguous safeguards against the victimization of whistleblowers has also become obligatory. A comprehensive framework for inquiry, investigation, and inspection is covered by several provisions of the Companies Act 2013, all included within one chapter of the Act (sections 206 to 229).

Whistle Blower Protection Act, 2014

The first measure protecting whistleblowers was introduced in 199333 by Mr. N. Vittal, the Chief Vigilance Commissioner at the time. The Law Commission delivered its findings on the "Public Interest Disclosure Bill" and the draft legislation to Mr. Arun Jaitley, the then-Minister of Law, Justice, and Public Affairs, in December 2001. The commission urged that corruption be eradicated and that laws protecting whistleblowers be put in place. On February 21, 2014, the Whistle-blowers Protection Act, 2014 was approved by Parliament. On August 5, 2013, after the Bill was approved by the Lok Sabha, several changes were presented to the Rajya Sabha. On May 11, 2015, the Lok Sabha received the Whistle-blowers Protection (Amendment) Bill, 2015, which was subsequently approved on May 13, 2015.

“The act establishes a mechanism to receive complaints related to disclosure of allegations of corruption or wilful misuse of power or discretion, against any public servant, and to inquire or cause an inquiry into such disclosure. The act also provides adequate safeguards against victimization of the person making such complaints. It allows any person, including a public servant, to make a public interest disclosure before a Competent Authority. The law has elaborately defined various competent authorities. The maximum time period for making a complaint is seven years.

Exemptions: The act is not applicable to the Special Protection Group (SPG) personnel and officers, constituted under the Special Protection Group Act, 1988. Court of Appeal: Any person aggrieved by any order of the Competent Authority can make an appeal to the concerned High Court within a period of sixty days from the date of the order. Penalty: Any person who negligently or mala-fidely reveals the identity of a complainant will be punishable with imprisonment for a term extending up to 3 years and a fine which may extend up to Rs 50,000.

If the disclosure is done mala-fidely and knowingly that it was incorrect or false or misleading, the person will be punishable with imprisonment for a term extending up to 2 years and a fine extending up to Rs. 30,000.”⁴

Indian Context

By raising the alarm, the worker gives voice to their concerns; if they choose to keep silent out of loyalty or carelessness, they can also leave the company. Blowing the whistle on an organization frequently results in responses and perhaps retaliation from other members. Some academics stress that the freedom of speech and the right of a person to voice criticism are the fundamental issues surrounding whistleblowing. When considering whistleblowing from a wider angle, one might see it as a way to encourage responsibility by enabling anybody to provide knowledge about wrongdoing while protecting them from any kind of reprisal.

4. [Whistleblowers Protection Act - Drishti IAS](#) News Analysis, 23 Oct 2019.

The majority of whistleblowers are internal, which means they expose wrongdoing carried out by subordinates or superiors in their own organization. One fascinating subject about internal whistleblowers is why and under what conditions people decide to either disclose or immediately intervene to halt unlawful or inappropriate behavior. It is thought that having complaint processes in place inside an organization, with a variety of alternatives available, including complete secrecy, might encourage people to take action against inappropriate behavior.

There are various scams which has urged to make the whistle blowing act to be enacted in India. Incidents and scams talking about Harshad Mehta Scam in year 1992 which was exposed by Suchita Dalal stating the unethical affairs done in banking sector. Uttar Pradesh foodgrain scam by Mulayam Singh Yadav exposed by Vishwanath Chaturvedi in year 2003. 2g Spectrum Scam of Andimuthu Raja exposed by Aseervatham Achary in year 2011-12. Maharashtra scholarship scam of Many officials of State Government by Anjali Damani in year 2017. Electrol bonds scam, taxes scam ,AI powered scam etc in 2023-24.

Suggestion & Conclusion

The finding should promote study and practice to solve this issue since organizations have a self-interest in producing and disseminating as much information as possible through their internal whistleblowing system. Companies themselves ought to be motivated to establish effective whistleblower mechanisms as a matter of management practice. Organizations where actions are taken against any misconduct or incorrect activities should provide a moral and ethical atmosphere. A person need to be motivated to express their ethical concerns, either through internal or external channels .The risk factors for the whistle blower should be given due consideration as there is a life risk. If whistle blowing policy is properly framed can help to society to be motivated at work and also there are chances of less scam in India. The protection of whistle blower. Whistle blower protection, sanction of law, confidentiality are the most important concerns. It is necessary to utilize independent channels, such as the Corporate Whistle Blower Initiative, to motivate staff members and other stakeholders to disclose problems. Most businesses believe that accepting anonymous complaints might lead to a deluge of baseless, naughty, and malicious complaints that would be challenging to handle. This firm may publish a list of actions that lead to unfair and unethical practices in order to address the problem; only those issues may be resolved through the whistleblower complaint system. Most people would say that humans are risk averse by nature. Many people will have a "why and what for self" mentality when it comes to reporting problems at work. They will also ask themselves, "What will I get by reporting the issue?" They fear that by exposing the continued unethical behaviors, they would instead cause issues. It's critical to

provide whistleblowers with financial or non-financial incentives to complete the assignment. Businesses may want to consider implementing a rewards program to incentivize employees who disclose problems.

Conflict Of Interest:

The authors declare no conflict of interest.

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