

# Corporate Whistleblowing Mechanisms Effectiveness and Conflicts of Interest

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**The examples use mostly open source information; all the other information comes from fully anonymized analysis of observational data.**

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**#1**

# **What are the Corporate Whistleblowing Mechanisms?**





## A WIND OF CHANGE



# Integrity Focus

An Organizational Culture Built around Ethics

## 2<sup>nd</sup> Generation

'Mitigate the Risk' Culture



The focus is changed on ethical business practices & organizational behaviours

*The risks are addressed by dealing with the corrosive or corrupt business practices, not with the whistleblower*



Secure the company by focusing more on ethical leadership (especially at top tier)

## Basic

'Tick the box' Culture



Internal Ethics Hotline/  
Whistleblowing Green Line



Awareness Programs  
(Internal Com, Training,  
Stickers, etc.)



Internal Whistleblowing  
Policy and Procedure



Risk Avoidance / Transfer  
(focused on the whistleblower)



Whistleblowing Risk  
Identification  
and Active Mitigation



External Ethics Hotline/  
Whistleblowing Green Line



Awareness Programs  
(Internal Com, Training,  
Stickers, etc.)



Internal Whistleblowing  
Policy and Procedure

**#2**

## **What Make Corporate Whistleblowing Mechanisms Efficient?**



# #1

## How You Design the CWMs

What kind of CWM do you design & implement?

Who is responsible of handling a whistleblowing situation?

Do you have an effective procedure concerning crisis communication

Do you evaluate the organizational climate and associated risks?

What kind of follow up does your company do post-crisis?

## #2

**What kind of ethical climate does your organization have**

Tone at the top is overrated!

Is your climate built on trust to speak up?

How do you protect the whistleblowers?

Is it more likely to blow the whistle to authorities or internally?



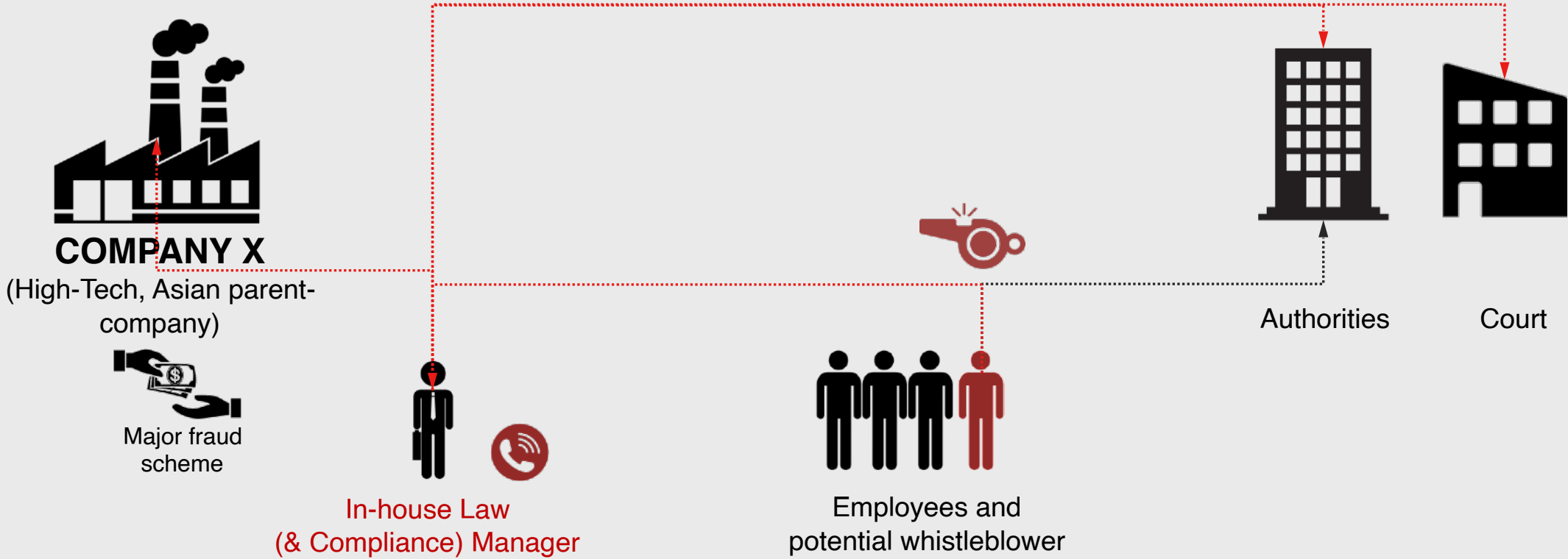
Did your company improved its business practices post-crisis?

**#3**

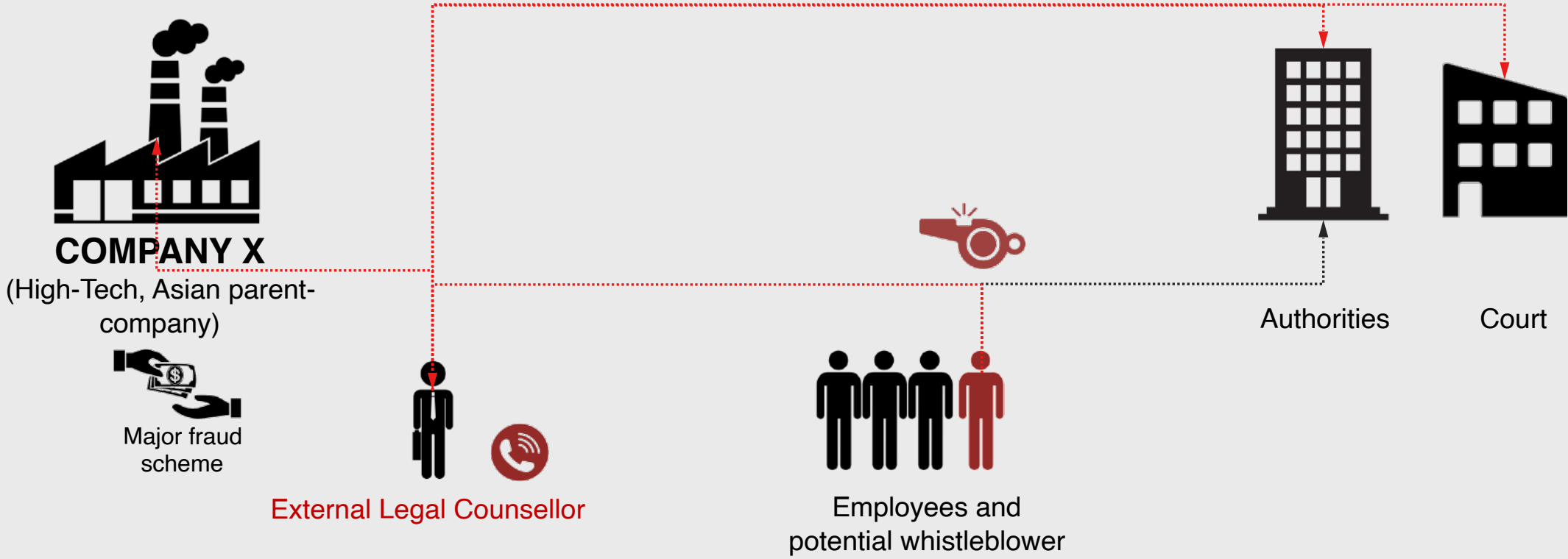
# **Conflicts of Interest and Whistleblowing Mechanisms**



# SITUATION 1a



# SITUATION 1b



# CONFLICT OF INTEREST

**The in-house lawyer/legal counsellor  
is confronted with a conflict in duties**

To represent the whistleblower's interests in relation to the company

**versus**

To protect the company's interests in relation to authorities

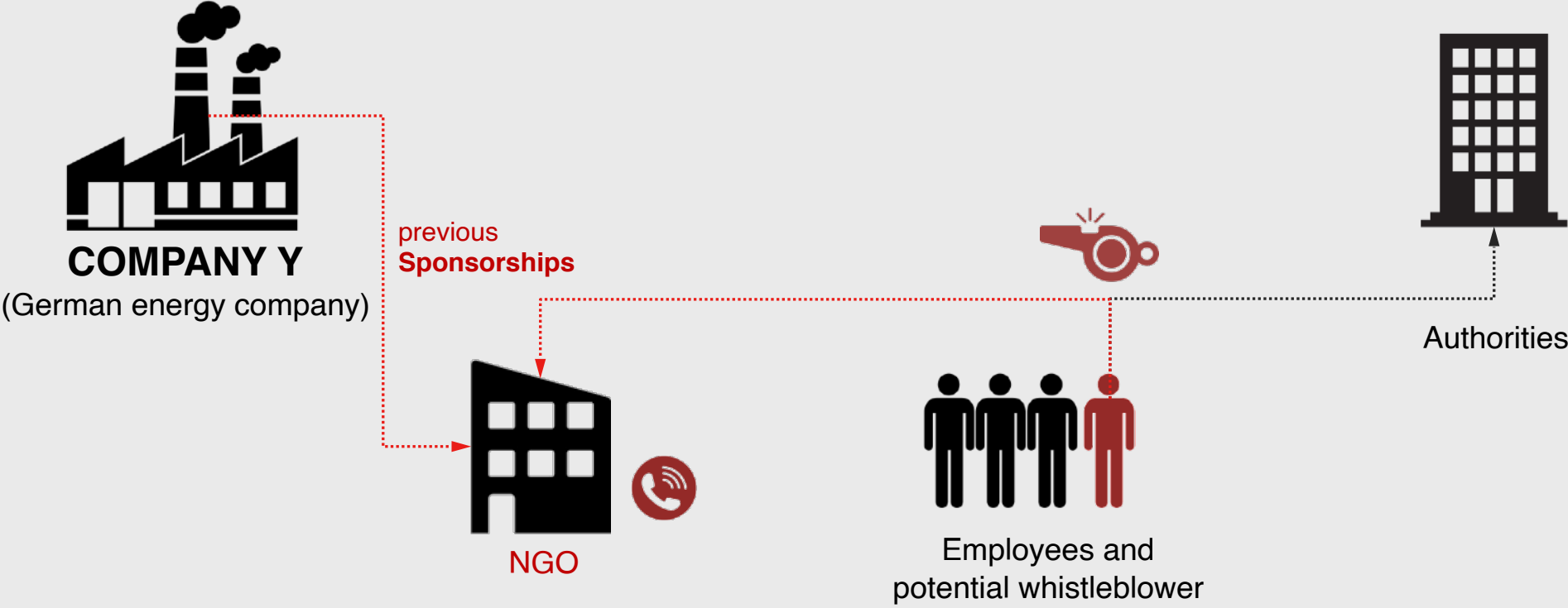
To represent the company in court

# SITUATION 2a





# SITUATION 2a



# CONFLICT OF INTEREST

**The NGO  
is confronted with a conflict in duties**

To represent the whistleblower's interests in relation to the company

**versus**

To protect its former dealings with the company

# Integrity is not a cost nor an investment, but an excellence of character



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