SPEAK UP!

Essential Guide to Creating a Speak Up! Culture

Creating a Culture Where
Raising Concerns Matters

The Whistleblower Dilemma

Leaders at all levels are critical to building and sustaining a "speak up" culture — until they're committed, nothing else really matters.

It's a mantra we frequently hear – *"if you see something, say something."* But the question remains whether speaking up about concerns is really valued — or does a whistleblower put their career, or even health or safety, at risk?

Time and again, the whistleblower is in the crosshairs when bringing malfeasance to authority's or the public's attention: illegal polluting of water and air, unfair business practices, financial fraud, the #MeToo movement, political corruption, and so on. Yet, despite the enormous service that whistleblowers perform for organizations and society, they continue to come under attack. It's as if society is hardwired to question a whistleblower's statements and intentions. This idea of "shoot the messenger" first and ask questions later resurfaces time and again. The result: a lingering mindset among many to be careful of telling truth to power if you want to keep your job or avoid retribution.

Yet problems continue to wreak damage to a business when people get away with bad behavior. Unchecked, these violators break laws or policies repeatedly and in increasingly significant ways. Or others engage in misconduct because it's tacitly excused. For example, one study found that unscrupulous financial advisers are more likely to have influence on their rule-following colleagues than the other way around. In the study, 37 percent of advisers with no history of significant customer complaints incurred a complaint shortly after starting work alongside a colleague with a history of similar complaints.[1] Until an organization stops misconduct in its tracks, its customers, employees, investors, and many others will suffer from the damaging misconduct.

In short, we need whistleblowers — ready to voice concerns about questionable conduct. We need people to raise problems. For those unlucky businesses that suffer repeated or widespread misconduct, it's hard to keep focused on pursuing a strategic plan when grappling with significant problems.

This creates the "whistleblower dilemma:" speak up and do the right thing by your organization — and risk others' wrath — or remain silent and watch problems fester.

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[1] "Research: How One Bad Employee Can Corrupt a Whole Team." Stephen Dimmock and William C. Gerken, Harvard Business Review, March 05, 2018. https://hbr.org/2018/03/research-how-one-bad-employee-can-corrupt-a-whole-team

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Resistance to Speaking Up

Is it true that businesses don't listen to their staff? A Gallup poll found that only three in ten employees strongly agree that their opinions count at work. A primary reason that employees do not "speak up" about ethics violations is due to an organization's failure to establish a robust ethics and compliance program and create an environment where employees feel safe and supported when they report questionable or illegal behavior. In some organizations, topdown hierarchies tend to foster a culture that pushes employees to remain silent.

With this information in mind, an organization interested in promoting DE&I goals should seriously consider building and maintaining a DE&I program to keep the organization's attention and prioritization on this important topic.

Another reason for employees' unwillingness to voice bad news may be the prevailing culture, upbringing, and personal experience. People in some cultures favor conformity and loyalty to authority, whether deserved or misplaced. Some social and professional groups call themselves a "family" or "brotherhood," and, as such, discourage and sometimes punish those who publicly speak out against them. We hear these stories in a range of professions; for example, unions, police departments, and the military.

Even language may paint such a negative connotation about speaking out that it deters raising issues of misconduct. As "speak up" expert Lori Tansey Martens writes, "Think of English language words commonly used for someone who reports misconduct: snitch, fink, nark, and tattletale, to name a few. What about positive words? 'Whistleblower' is the least pejorative, but few employees aspire to become one! And it's not just English. This phenomenon is found in virtually every major world language."[2]

2   "Internal Reporting Systems: Why Employees Don't Speak Up - And How to Fix It," Lori Tansey, The Complete Compliance and Ethics Manual, Society for Corporate Compliance and Ethics, Minneapolis, Minnesota, undated.

Benefits of a Speak Up Culture

Businesses are working against their own interests when ignoring problems and the individuals who raise them. Ample evidence exists as to the value of a "speak up" culture.

For one, a "speak up" culture is directly related to ethical decision-making across the organization. According to Notre Dame University's Center for Ethical Leadership, "[E]mployees who make concerns known help organizations thrive by identifying issues and providing opportunities to adapt, innovate, and avoid costly mistakes. This is especially true for ethical behavior. Employees who speak up when they observe misconduct help organizations to reduce risk. The sooner employees speak up, the more quickly the organization can take action to prevent potential issues from developing into major scandals and damaging headlines."[3]
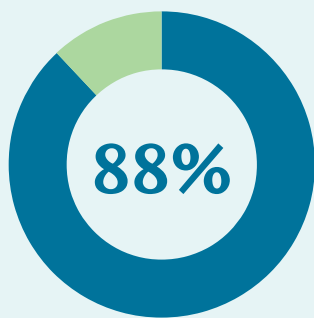
88% Organizations with effective ethics and compliance programs, reporting of wrongdoing to managers increased by 88 percent.

Further research shows that in organizations with effective ethics and compliance programs, reporting of wrongdoing to managers increased by 88 percent. This statistic supports the notion that a "speak up" culture is essential to preventing an organization from potential or real misconduct and reputational damage while demonstrating the organization's commitment to a civil, respectful, and productive workplace.[4]

The Gallup study mentioned earlier found that, for those businesses that are "moving the [speak up] ratio to six in 10 employees, organizations could realize a 27 percent reduction in [employee] turnover, a 40 percent reduction in safety incidents, and a 12 percent increase in productivity."[5] It's safe to assume that an organization with employees who believe coworkers and management have no interest in their concerns will be disinterested in a "speak up" culture.

This notion is further supported by the Ethics Resource Center's National Business Ethics Survey, which found:

- High rates of reporting give companies a chance to identify and root out systemic problems. Low rates of retaliation tend to boost reporting because workers feel it is safe to report what they see. In combination, high reporting levels and low retaliation rates can create a virtuous cycle that reduces future misconduct and organizational risk.

- Employees report misdeeds 71 percent of the time when they believe top management is committed to ethics and 69 percent of the time when supervisors are committed to ethics, compared to 56 percent when ethics appears to be a lower priority.

- Only about one in 20 employees suffer from retaliation in companies where senior leaders share credit with their subordinates, are perceived as doing the right thing, or treat all employees well. But retaliation rates climb to nearly 50 percent in instances when any of those behaviors are absent.[6]

3 "Create a "Speak Up" Culture," Notre Dame Center for Ethical Leadership, University of Notre Dame, website article, undated. https://ethicalleadership.nd.edu/news/create-a-speak-up-culture/
4 "Before the Whistle Blows: Creating a Speak-up Culture at Work," Matthew Pachman, Workforce.com, Aug. 15, 2016. https://www.workforce.com/2016/08/15/before-the-whistle-blows-creating-a-speak-up-culture-at-work/
5 "How to Create a Culture of Psychological Safety," Jake Herway, Workplace, Gallup, Inc., December 7, 2017. https://www.gallup.com/workplace/236198/create-culture-psychological-safety.aspx
6 Increasing Employee Reporting Free from Retaliation: A Research Report from the National Business Ethics Survey, Ethics Research Center, Vienna, Virginia, 2013.

What Makes a Speak Up Culture

Of course, fostering an improved workplace culture is easier said than done. Several factors are essential for a business to build and sustain a "speak up" culture. One key of a "speak up" culture is establishing and fostering open communication, when employees feel "psychologically safe" to address issues and concerns and know that fellow employees and management will respond appropriately and effectively. Professor Edmondson explains that what she calls a "fearless organization" is one that provides psychological safety: the belief that the environment is safe for interpersonal risk-taking. People feel able to "speak up" when needed about misconduct, safety concerns, new ideas, and constructive criticism without being shut down or acted against.[7]

If leaders want to unleash individual and collective talent, they must foster a "speak up" climate where employees feel free to report mistakes. Getting to this environment takes time, commitment, and training. It involves organizations and work teams coming together to ask questions like:

- What are our expectations of one another?
- What does our organization expect of us, and what is it doing to help us meet its expectations?
- What should we expect from leadership, both individually and as representatives of the organization?
- What do we need to do differently to engender an authentic "speak up" environment?
- How can each of us contribute to a civil and respectful workplace that encourages and facilitates a "speak up" culture?

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According to Jake Herway at Gallup, "Managers don't have to wait. They can foster psychological safety [and] create an environment where people are safe to engage, safe to address the elephant in the room, and safe to put their whole selves into their work."[8] Put another way, a "speak up" culture encourages ethical participation where employees are ready to address ethical concerns, seek guidance, and report violations.

Building Speak Up Culture

Every organization is different yet, among experts, a consensus emerges about how to create and foster a "speak up" culture. For those organizations and their leaders serious about building and maintaining a "speak up" culture, they need to consider the following essential factors.

✓ Leaders as Role Models

Ethical improvements begin with leadership and humility. Team leaders and managers need to be open to feedback and constructive criticism about themselves. Further, they need to talk openly about ethical issues, discussing both positive and negative examples and their related effects. A consistent focus on ethics shows that proper and positive behavior is a priority and makes for a civil and respectful workplace where everyone is valued, and everyone contributes to success.

✓ Training for Employees — and Leaders

Employees need to know where to go with concerns and how to raise them, as well as leadership's commitment to open communications and doing the right thing. Training employees should focus on skills that include knowing what is considered misconduct, how to identify it, and how to prevent, stop, or "speak up" about it.

Foremost, organizations need to train managers. Leaders throughout the organization need to build several competencies. They need skills with:

- Communicating they are open to hearing about difficult issues and concerns
- Receiving employees' concerns with due care, and affirming the importance of raising concerns
- Understanding the process for addressing an employee's concern, including working with other resources during investigations and following back up with the employee who raised the concern
- Monitoring the workplace for signs of retaliation or bullying against someone who raises a concern or provides information to an investigation; addressing any suspected retaliation when it occurs

Until leaders at all levels build these skills to promote a "speak up" culture and react appropriately when concerns are raised, then simply exhorting or training employees to speak up is fruitless. Because the first time an employee raises a concern and is met with indifference or, worse, antipathy or hostility, it shuts down any encouragement the organization fostered for speaking up.

✔ *Open Communications*

Without a spirit of open communications, no one is likely to raise concerns. Managers should let employees know that mistakes happen and make them a "learning moment." Managers also should formally and informally invite employees to ask questions and voice their concerns, showing that the leaders are open to receiving feedback. For example, at the start of meetings, leaders can begin by soliciting ethical issues and concerns to be shared and discussed.

✔ *Avoiding the Leader Bubble*

It's a credible adage that successful managers are "walk-around" managers. They don't isolate themselves behind a closed door and desk, assuming that employees will come to them if a situation is dire. They do not fall back on formal performance reviews; instead, they make themselves present and provide regular and consistent constructive feedback to employees. They encourage respectful exchange within the organization, regardless of one's position or authority.

Speak Up Channels

Further, a high-quality ethics and compliance program has multiple methods for raising concerns. These may include:

- Helping employees have thoughtful, civil discussions with one another about minor problems that arise. Such problems are inevitable in any workplace. The sooner that employees build skills at talking and working with one another to resolve them, the more constructive the workplace.

- Providing employees with multiple ways to raise greater concerns: one's manager, another manager or leader in the business, human resources, compliance, health and safety, legal, internal audit, to name some common resources.

- Assuring employees that any issue or report of misconduct is treated seriously and confidentially by management or other appropriate representatives.

- Offering employees the use of a reporting "hotline" or reporting websites. Hotlines and reporting websites can go a long way toward encouraging employees who are most comfortable reporting anonymously.[9]

The 4 P's

Promote
thoughtful and civil discussion

Put Forward
multiple ways to raise more severe concerns

Promise
that reports are treated seriously

Provide
employees with reporting channels

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9   "Before the Whistle Blows: Creating a Speak-up Culture at Work," Matthew Pachman, Workforce.com, Aug. 15, 2016. https://www.workforce.com/2016/08/15/before-the-whistle-blows-creating-a-speak-up-culture-at-work/

Intolerance of Retaliation

Managers must make clear the prohibition of retaliation against anyone who raises a concern or assists in an investigation of it. Then, they must immediately and appropriately deal with reprisals in any form that seek to punish or silence employees who speak up. It's paramount to find out what happened and investigate to show an anti-retaliatory commitment and related actions. Also, managers need to make it clear to employees that there are multiple channels to raise concerns and that they are free to contact another manager or someone else in authority within the organization.

Following Up

A manager who checks back with an employee who raises a concern lets them know that the organization takes their issues seriously and is taking action, which includes following an investigation through its outcome. Regular communication from managers will reinforce the importance of speaking up and prevent a sense of anxious isolation among employees who speak up. Part of this regular communication with staff should include inquiring whether an employee has suffered retaliation.

Making a Difference Through "Speak Up"

An organization can have a fantastically designed ethics and compliance program. It can have a highly supportive Board of Directors and CEO. It can empower employees who care about solving business problems. But if it lacks a culture where employees are not only encouraged to discuss difficult issues and raise concerns but also feel it their duty to do so, the rest doesn't matter. And that's because the organization cannot count on problems surfacing before they metastasize into major scandals that can severely hobble a business — if not bring it down for good.

A business will thrive when its leadership cares about identifying and addressing emerging problems, providing training and encouragement to its employees to raise problems, and recognizing whistleblowers who only want to protect and improve the organization.
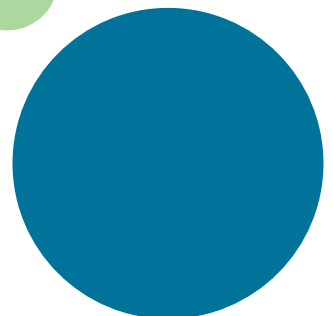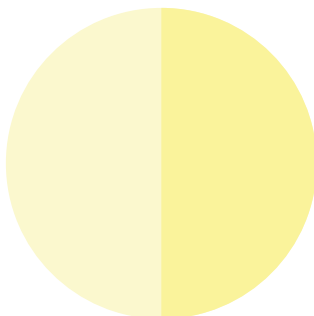
Lori Tansey Martins

Lori Tansey Martens is a leading authority on international business ethics and has been recognized as a contemporary American opinion leader. Active in the field of business ethics for more than 25 years, Ms. Tansey Martens frequently travels the world speaking on matters of business ethics and has been quoted in publications, and has also appeared on broadcast news programs. She has conducted ethics training programs throughout multiple continents.

As founder and chief executive officer of the International Business Ethics Institute, Ms. Tansey Martens is responsible for overall management of the Institute. Ms. Tansey Martens was Director of Advisory Services at the Ethics Resource Center in Washington DC. Ms. Tansey Martens created and initiated the National Business Ethics Survey.

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[9] "Before the Whistle Blows: Creating a Speak-up Culture at Work," Matthew Pachman, Workforce.com, Aug. 15, 2016. https://www.workforce.com/2016/08/15/before-the-whistle-blows-creating-a-speak-up-culture-at-work/

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