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# Opting to Blow the Whistle or Choosing to Walk Away

By ALINA TUGEND

WHISTLE-BLOWERS have been big news lately — from Chelsea Manning, formerly known as Pfc. Bradley Manning, to Edward J. Snowden. Yet, for most people, the question of whether to expose unethical or illegal activities at work doesn't make headlines or involve state secrets.

But that doesn't make the problem less of a quandary. The question of when to remain quiet and when to speak out — and how to do it — can be extraordinarily difficult no matter what the situation.

And while many think of ethics violations as confined to obviously illegal acts, like financial fraud or safety violations, the line often can be much blurrier and, therefore, more difficult to navigate.

According to the Ethics Resource Center, a nonprofit research organization, the No. 1 misconduct observed — by a third of 4,800 respondents — was misuse of company time. That was closely followed by abusive behavior and lying to employees.

The findings were published in the organization's [2011 National Business Ethics Survey](#), which interviewed, on the phone or online, employees in the commercial sector who were employed at least 20 hours a week. It has been conducted biannually since 1994.

But offensive behavior that creates a hostile work environment, although often not thought of as unethical behavior, is the leading reason people leave their jobs, said Patricia J. Harned, president of the center. "Abusive and intimidating behavior by supervisors and managers creates a toxic work environment."

So does lying to employees. Lester, who asked that I use only his first name to avoid possible legal issues, worked at a global consulting company for about three years, earning high performance ratings. At one point, he said, he accidentally learned that his manager had deliberately lied to deny him a promotion opportunity. Lester spoke to the hiring manager to no avail, and because the company had a strong ethics program — including a specific "no retaliation policy" and a hot line to report ethics complaints — he reported the situation.

An investigation found no wrongdoing, and although Lester appealed the findings, no action was taken against the manager. That is when he says the retaliation began.

"All my direct reports were taken away from me and I was given the most difficult projects with the

least resources,” he said. “A whole series of things happened, which were unlikely to be a coincidence.”

After about eight months of this, he decided to leave.

Lester’s experience may be the reason the misconduct most often seen is not the one most often reported. According to the Ethics Resources Center report, which is sponsored by major corporations like Wal-Mart and Northrop Grumman, less than half of those who observed a boss lying to employees reported it.

On the other hand, while only 12 percent said they had witnessed someone stealing from the company, almost 70 percent of those who saw such activity reported it.

One of the difficulties in cases like Lester’s is that no law has been broken. True whistle-blowing, according to Stephen M. Kohn, a lawyer and executive director of the National Whistleblowers Center, is when people report seeing or experiencing something at their company that is against the law, rather than cases in which employees feel mistreated, but nothing illegal has occurred.

It appears, however, that an increasing number of employees are willing to come forward in both types of cases. More people are using their companies’ ethics procedures to report misconduct, and more people are filing whistle-blower claims.

Mr. Kohn, whose organization refers potential whistle-blowers to lawyers, said there had been a 30 percent increase in the number of people requesting referrals over the last 18 months, which comes to about 1,500 requests a year.

He also said the quality of complaints — with more documentation and from higher-level employees — had increased.

Some of this is because of legislation rewarding whistle-blowers for coming forth and protecting them against retaliation. The most prominent of those is the Dodd-Frank Act, which passed in 2010. Under that act, the Securities and Exchange Commission oversees the [Office of the Whistleblower](#), which in 2012 alone received 3,001 tips.

It may seem counterintuitive that reporting bad behavior would go up during the recession and afterward, when people fear for their jobs. Ms. Harned said, however, that one explanation was that employees were less able to change jobs, so they might be more willing to try to change a negative work culture.

“Historically, when the economy is good, companies take more risks and focus more on the bottom line,” Ms. Harned said. “They’re not talking about ethics as much.”

But, just as reporting is on the rise, so is retaliation. More than one in five employees interviewed

said they experienced some sort of reprisal when they reported misconduct, ranging from being excluded from decision-making activities and getting the cold shoulder from other employees to being passed over for promotion.

That is almost double the number who said they were retaliated against in the 2007 study.

Even more alarming, in 2009, 4 percent of those who said they experienced reprisals for reporting wrongdoing cited physical threats to themselves or their property. In 2011, that rose to 31 percent.

“Whistle-blowing does threaten cultures and individuals, even when companies say they want it and think they want it,” said Kirk O. Hanson, executive director of the Markkula Center for Applied Ethics at Santa Clara University.

And, he said, it’s very easy to rationalize that an action — say, denying a promotion — is not actually payback for reporting misconduct, but because the worker isn’t a team player.

So, while it’s important to expose unethical behavior, it’s also necessary to be very clear why you’re doing it — and how to do it right.

“A good thing to ask yourself is, ‘Why am I doing this? Am I trying to help the company or just get someone in trouble?’ ” said Stuart Sidle, director of the Industrial-Organizational Psychology program at the University of New Haven.

You need to ensure that you’re not talking yourself out of taking an ethical stand, nor talking yourself into reporting something for the wrong reason, Professor Hanson said.

“Have someone you can bounce dilemmas off who has similar values,” he said. “To make sure you’re not rationalizing not doing anything, and to make sure there’s a genuine problem — someone to help you be strong but also to test your realities.”

In general, employees should follow the proper channels, like addressing the issue with the person directly supervising the supposed culprit, said John M. Thornton, a professor of accounting ethics at Azusa Pacific University.

Along the same lines, think very hard before going public.

“I question someone trying to report externally before reporting internally,” Mr. Sidle said. It’s too easy, now, he said, to put up a video of bad behavior on YouTube or lash out on Facebook without ever speaking with the people who might be willing to resolve the problems.

On the other hand, don’t shy away from reporting bad behavior because you don’t want to be seen as that worst elementary school insult — a tattletale.

“You don’t want a culture of tattling, but you do want a culture of telling if something is harming

the company and the community,” Professor Sidle said.

And companies need to be specific in how they talk about ethics, he added.

“It’s useless just to talk about unethical behavior,” he said. “Everyone is against fraud. Everyone is against disrespectful behavior, but how is it defined? Leadership has to give examples. If someone asks you to backdate something because the client asked, it’s unethical, even if it’s commonly done.”

And, finally, whistle-blowers should know that most cases are not settled in their favor. “This may be attributable to injustices in the system, or lack of merit or proof of the alleged wrongdoing,” Professor Thornton said.

For good or for bad, most of us will never face the decisions that Mr. Manning and Mr. Snowden have. But that doesn’t mean our choices — to confront or to ignore — aren’t important.

“Some will always cheat on their expense reports,” Professor Hanson said. “Some will never cheat. Most of us are in the middle. It’s a constant struggle to do the right thing.”

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