



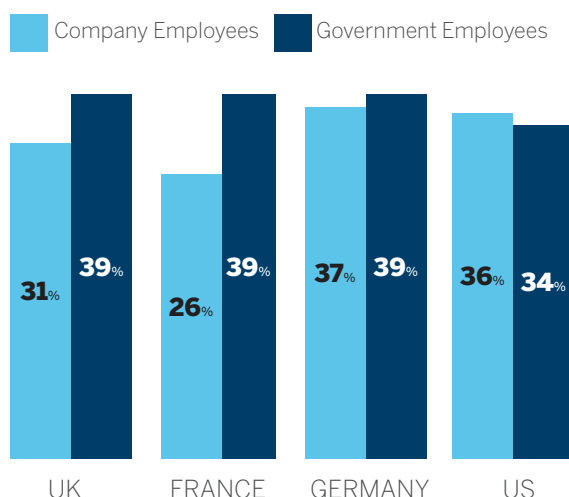
RESEARCH IN UK, US, FRANCE & GERMANY: WHISTLE-BLOWING & WIKILEAKS

Whistle While You Work

Organisations need to review their ethical standards and internal communications policies as governments encourage whistleblowing and around a third of employees say that they would leak unethical behaviour by their employer.

Q What type of information would you leak if you came across it and you couldn't be traced?

'Unethical behaviour by your employer'



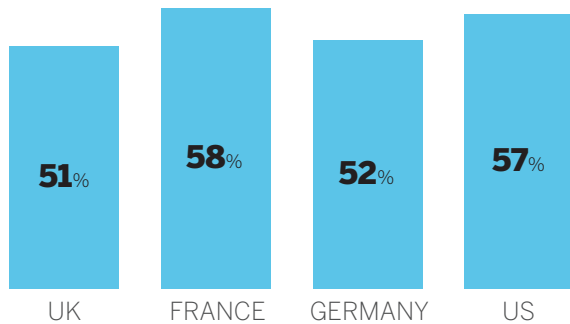
As well as increasing the protection for employees who blow the whistle on their employers if they believe they are acting unethically, governments around the world are actively encouraging them to speak out. The US Supreme Court recently ruled that public employees cannot be dismissed for testifying about corruption they witness in government and that whistleblowers are protected under the First Amendment.

The British government has also made it clear that it wants to support and protect whistleblowers, provided that what they reveal is in the public interest. Meanwhile the WikiLeaks revelations over recent years have prompted public debate about what information governments keep secret and whether they should be forced to make it public.

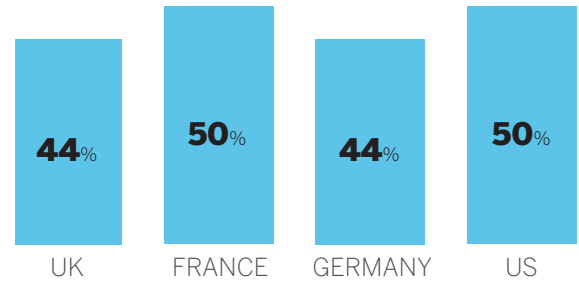
Recent research by FTI Consulting shows that around a third of staff, both employees and managers, of publicly listed and private companies in the US, the UK, France and Germany would leak unethical behaviour by their employers. The figures are noticeably consistent across all four countries, ranging from 31% of staff in the UK to 37% in Germany and 28% of French managers to 39% of those in the US.

Q How strongly do you agree or disagree with the following statements?

'WikiLeaks are right to publish secret information, news leaks and classified media from anonymous sources' (sum: agree)



'WikiLeaks is a force for good' (sum: agree)



In keeping with the current anti-establishment and anti-government mood of the public on both sides of the Atlantic, the research also reveals over half of those asked, ranging from 51% in the UK to 58% in France, believe that "WikiLeaks are right to publish secret information, news leaks and classified media from anonymous sources." Just slightly fewer (44% in the UK and Germany compared with 50% in France and the US) agree with the idea that "WikiLeaks is a force for good."

Whistleblowing is increasing

As governments feel the need to adopt a more open and even proactive approach towards whistleblowers, the survey findings show a higher likelihood of blowing the whistle on unethical activities with 39% of British, French and German public sector employees reporting that they would take such action alongside 34% of their counterparts in the US.

Whistleblowing cases increased in the financial services sector by 276% in the four years to 2013, according to a Freedom of Information Act enquiry by Kroll Advisory Solutions, an investigations firm. FCA figures show that whistleblowing increased by 44% between 2013 and 2014 and it has been suggested that this is being driven in part by the increased focus on personal accountability in the financial services sector by regulators.

Findings published by Public Concern at Work (PCaW), a charity that aims to encourage workplace whistleblowing show that in 2013 there was an increase of 61% cases from the health sector and of 57% in education.

From threat to opportunity

So what should organisations do to prevent a whistleblower from exposing them to regulatory and criminal proceedings as well as the associated financial and reputational damage? It's important to establish and promote a formal policy on whistleblowing and to keep it under review. This should include a clear statement that employees who are aware of possible wrongdoing within the organisation should disclose that information to the appropriate parties.

Specific senior individuals should be responsible for handling such claims through a transparent and impartial investigation process. Those who whistleblow in good faith should be reassured that their concerns will be taken seriously and in addition to the statutory requirements such as the Public Interest Disclosure Act 1998 they will not suffer any adverse treatment at work. Organisations should take professional advice at the earliest possible opportunity.

More generally the growth of whistleblowing emphasises the need within organisations to avoid a "good news only" culture and to encourage an open door mentality among senior managers. Already some organisations offer incentives for whistleblowing.

From the board down, organisations have to make it clear that they will not shoot the messenger but rather listen to the message and regard whistleblowing not as a threat, but rather as an opportunity to improve their corporate governance and reduce associated risks.

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Research Methodology

This research was conducted online by FTI Consulting's Strategy Consulting & Research team in London with n=4,428 respondents representative of the general population in UK (n=1,059), France (n=1,082), Germany (1,056), & USA (n=1,231). Date of research was from 31st October to 2nd November 2016. Please note that the standard convention for rounding has been applied and consequently some totals do not add up to 100%.

About FTI Consulting

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