Marked increase in whistle blowers

It is crucial to provide employers and employees with a trustworthy means to identify and report crime.

Lorna Charles | 27 March 2014

Dale Horne of Whistle Blowers proudly displays the company’s renewed certification from the Ethics Institute of South Africa.

DURBAN-based international whistle blowing service provider, Whistle Blowers, is bucking trends – while crime surveys indicate a general decrease in the use of external hot lines, the average number of calls received by Whistle Blowers clients has increased over the last 18 months.

Dale Horne, operations director of Whistle Blowers, said the PriceWaterhouseCoopers (PWC) Global Economic Crime Survey which is published every two years shows just how crucial it is to provide both employers and employees with a trustworthy and effective means of identifying and reporting commercial crime. The 2014 survey indicated that economic crime remained a serious challenge to business leaders, government officials and private individuals in South Africa with 69 per cent experiencing some form of economic crime in the last 24 months. It also showed one of the most disturbing increases in this sort of crime in South Africa since 2009.

Horne understands how the survey got the finding that whistle blowing may be under threat in South Africa with a suggested steady decline in the effectiveness of whistle blowing systems and internal tip off systems. The survey also indicated there was a definite indication that senior management was committing more fraud and that employees were possibly less willing to blow the whistle if the fraudster was more senior than they were.

He said that, in his experience, it did not seem there was an increase in the number of senior managers committing crimes. However, where senior management was involved, the value of crimes appeared to be higher. He would not be surprised if this was the situation at companies that did not implement this program correctly.

“This is where education and training comes in. An employee would naturally be afraid to report the boss. But this fear will no longer be there if they are comfortable that the external service provider will protect their identity and they can get trustworthy assistance,” he said. A potential whistle blower will take the brave step of making the call a lot easier if he knew and trusted the process prior to making the call.