The impact of internal whistleblowing mechanisms

A case study in a German enterprise

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Executive summary

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Five key words:	Whistleblowing, compliance, EU-Directive, institutional theory, effectiveness
Purpose:	This thesis explores the effectiveness of internal whistleblowing mechanisms in a German company, examining how they are established, maintained, and influenced by institutional pressures. It aims to identify key factors shaping these systems and provide practical insights for enhancing organizational ethical governance and fostering a speak-up culture.
Methodology:	This study is of a qualitative nature. The authors follow a single case study methodology in which the authors gather the empirical data from employees at a large German agricultural company as well as compliance experts, by conducting semi-constructed interviews.
Theoretical perspectives:	The theoretical framework is based on institutional theory
Empirical foundation:	For its primary empirical data gathering, this thesis conducted six in-depth semi-structured interviews with employees of the case company, as well as experts in whistleblowing.
Conclusions:	An effective whistleblowing system is vital for organizations to detect and address misconduct. Analyzing whistleblowing mechanisms through the lens of institutional theory reveals that coercive, normative, and mimetic isomorphism influence their effectiveness. Alignment between compliance measures and organizational culture is crucial for enhancing internal whistleblowing mechanisms, highlighting the complex interplay between regulatory pressures and internal norms.

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List of Abbreviations

ACFE	Association of Certified Fraud Examiners
ECHR	European Court of Human Right
EU	European Union
GDPR	General Data Protection Regulation
HinSchG	Hinweisgeberschutzgesetz
IOA	International Ombuds Association
ISO	International Organisation for Standardisation
SOA	Sarbanes-Oxley Act of 2002
US	United States

1 Introduction

1.1 Background

According to the Financial Times, aircraft manufacturer Boeing introduced the new 737 Max aircraft in 2017, boasting its improved fuel efficiency. However, within just five months, two 737 Max planes tragically crashed, causing numerous deaths (Skapinker, 2021). In January 2024, BBC News reported that Boeing was put under scrutiny anew after an incident occurred involving an aircraft operated by Alaska Airlines, where the aircraft lost its door during departure, resulting in no further deaths (Espiner, 2024). The New York Times stated that numerous Boeing employees have expressed concerns regarding safety and quality issues for years such as the installation of defective parts in the aircraft, debris being left on planes, and a company culture, in which the reporting of violations is penalized (Kitroeff & Gelles, 2019). Consequently, several employees have filed whistleblower claims and safety complaints with federal regulators, describing the above mentioned safety violations. Additionally, the New York Times revealed that employees who spoke up about these issues faced punishment and harassment within the company (Kitroeff & Gelles, 2019).

As stated in the Washington Post, a former Boeing quality manager, John Barnett, who raised quality-control and safety concerns regarding the company's aircraft production for several years, was found dead in March 2024 (Aratani et al., 2024). His passing occurred during the final day of depositions for a whistleblower case he had filed against Boeing in 2017. His lawsuit claimed that the company had retaliated against him for bringing up concerns about production problems (Aratani et al., 2024).

1.2 Problem definition

Corporate scandals are not exclusive to companies in North America such as Boeing, but also German companies have been implicated in such controversies. A noteworthy recent scandal involves the German fin-tech corporation Wirecard. Despite Wirecard's assertion of having an anonymous whistleblowing system, the public media channel EQS stated that various reports submitted by employees were not investigated thoroughly, but instead served as a tool for management to monitor employees (Homann, 2022).

As a reaction to these scandals, several laws protecting whistleblowers have been enacted. In the United States (US) the Sarbanes-Oxley Act of 2002 (SOA) mandates that audit

committees of public companies create mechanisms for employees to confidentially and anonymously report concerns about questionable accounting or auditing practices with the intention to foster a culture that encourages and safeguards whistleblowers (Zhang et al., 2013).

Not only the US but also the European Union (EU) has implemented safeguarding measures for whistleblowers. In 2019, the EU introduced the Directive 1937/2019, also known as the EU Whistleblower Protection Directive, aimed at protecting individuals who report breaches of Union law from potential retaliation (Directive 1937/2019). This Directive sets out common standards and requirements for protecting whistleblowers across various sectors and mandates the establishment of secure reporting channels, both within organizations and to competent authorities, ensuring that whistleblowers can report concerns safely and confidentially. An overview of the most important standards of this EU Directive is shown in Figure 1. In July 2023, Germany transformed the Directive into national law, known as the "Hinweisgeberschutzgesetz" or HinSchG (HinSchG, 2023).

Cases like Boeing and Wirecard underscore the vital importance of safeguarding whistleblowers, because the latter play a crucial role in uncovering fraudulent behavior within organizations. Without protection, whistleblowers may face retaliation, harassment, or even threats to their safety. If employees fear reprisal for speaking out about safety concerns or unethical practices, critical information may remain hidden, potentially putting the public at risk (Brown et al., 2016).

1.3 Research question and motivation

Despite common portrayals in the media, the whistleblower process is not a simple, one-dimensional concept. It encompasses various possibilities and may not always result in public exposure. In reality, when witnessing wrongdoing, whistleblowers have several choices how to react such as remaining silent, disclosing the wrongdoing within the organization or escalating it externally to the media or relevant authorities (Folks, 2000).

However, the focus of this thesis will be on internal whistleblowing mechanisms, which involve the reporting of wrongdoings within a company. These mechanisms will be investigated through a case study analysis within a German company which will also explore the conditions under which employees are most motivated and comfortable in reporting

fraudulent behavior. Thus, in line with the aforementioned purpose and problem discussion, this thesis aims to answer the following research question:

How do organizations establish and maintain effective internal whistleblowing mechanisms, and what factors influence their efficacy, considering the role of coercive, normative and mimetic isomorphism?

1.4 EU Whistleblower Protection Directive

The EU Whistleblower Protection Directive of 2019 closes a crucial legal gap by protecting whistleblowers in both the private and public sectors across the EU (Abazi, 2020). The Directive builds on global best practice and introduces high standards of protection. With the aim of making the voices of whistleblowers more heard, it improves protection measures through legal frameworks, but also has the intention of promoting a more supportive organizational culture. It establishes uniform standards for safeguarding whistleblowers, which include mandating companies to safeguard the identity of the reporting individual (Abazi, 2020). The most important provisions and the scope of the Whistleblower Protection Directive are listed in Figure 1.

Ensuring the confidentiality of whistleblowers is a fundamental principle of the Directive as it states that "Member States shall ensure that the identity of the reporting person is not disclosed to anyone beyond the authorised staff members competent to receive or follow up on reports, without the explicit consent of that person" (Directive 1937/2019, p. 41).

Protecting whistleblowers' identity shields them from potential reprisals or retaliation, fostering a safe environment for individuals to report wrongdoing without fear of personal or professional consequences, which in turn can lead to the identification and mitigation of misconduct (Uhlmann, 2021). Maintaining anonymity in whistleblowing processes can be challenging as some information may inadvertently reveal the whistleblower's identity, hindering follow-up investigations and leading to quality concerns of reports, as anonymity may incentivize unfounded allegations (Uhlmann, 2021).

Criteria	Description
Affected entities	Public and private companies with 50 employees or more
Who is protected	A person who reports / discloses information about breaches of EU law of which they have become aware in the course of their professional activities
Material Scope of EU law breaches	➢ public procurement, ➢ financial services, products & markets; prevention of money laundering & terrorist financing, ➢ product safety and compliance; transport safety, ➢ protection of the environment, radiation protection and nuclear safety ➢ food and feed safety, animal health and welfare ➢ public health ➢ consumer protection ➢ privacy protection & personal data, security of network & information systems; ➢ breaches affecting financial interests ➢ breaches relating to the internal market
Personal Scope	➢ persons having the status of worker ➢ persons having self-employed status ➢ shareholders and persons belonging to the administrative, management or supervisory body of an undertaking; ➢ persons working under the supervision and direction of contractors, subcontractors and suppliers. ➢ facilitators, third persons who are connected with the reporting persons and who could suffer from retaliation in a work-related context ➢ legal entities that the reporting persons own, work for or are otherwise connected with in a work-related context.
Conditions for protection	➢ the reporting person has reasonable grounds to believe that the information on breaches is true ➢ if the reporting person who reported breaches anonymously and was identified suffers from retaliation
Three-tier reporting structure (Channels)	1. **internal reporting channels** by the organization (mandatory) 2. **external reporting channels** by the relevant national authorities / appropriate EU institutions 3. **public reporting channels** (Media)
Internal Reporting Channels	<u>Design</u> ➢ writing: post, physical complaint boxes or online platform (intranet or internet) ➢ orally: telephone hotline or other voice messaging systems or both <u>Timeframe for acknowledgement of receipt</u> ➢ within 7 days of receipt of reporting breaches <u>Timeframe to provide feedback</u> ➢ within 3 months from the acknowledgement of receipt
External Reporting Channels	<u>Design</u> ➢ independent and autonomous organizations ➢ ensure completeness, integrity and confidentiality of the information ➢ enable durable storage of information to allow further investigation ➢ enable individuals to report in writing or orally <u>Timeframe for acknowledgement of receipt</u> ➢ within 7 days of receipt of reporting breaches <u>Timeframe to provide feedback</u> ➢ within 3 months from the acknowledgement of receipt <u>Communication of the final outcome of the investigations</u>
General duties	➢ Duty of **confidentiality** (identity protection of reporting persons through all channels) ➢ providing **protection measures** for retaliation against reporting persons (e.g. against suspension, withholding of promotion, discrimination, harm) ➢ providing **penalties** for hindering reporting or retaliate against reporting persons

Figure 1: Main Whistleblowing Protection standards of the EU Directive (Directive 1937/2019)

As outlined in Figure 1, the EU Directive obliges European companies with 50 or more workers who operate in the private or public sector to establish internal reporting channels. These reporting channels can be managed internally by a designated individual or department, or they can be outsourced to a third party (Directive 1937/2019).The EU requires European authorities to set up independent external reporting channels for receiving, providing feedback, and following up on reports. Employees can use these channels directly or after using internal ones. Furthermore, under the Directive, there are two deadlines relating to receiving the report and providing feedback to the whistleblower. Organizations are required to acknowledge the reports received from whistleblowers within seven days and must provide feedback to the whistleblower within three months (Directive 1937/2019).

According to Abazi (2020) the EU Directive aligns with Vandekerckhove's (2010) three-tiered whistleblowing reporting model, encompassing internal, external, and public reporting channels, as detailed in Figure 2. Internal reporting relates to the whistleblower's workplace (1.), while external reporting involves relevant authorities beyond the workplace (2.). Public reporting (3.), on the other hand, encompasses the communication within the public domain like the media and hence is the only reporting channel where society is made aware of the wrongdoing. Therefore, the three-tiered model does not directly hold organizations accountable to the broader society for their practices. Instead, it underscores their accountability in adequately addressing raised concerns and the individuals who raise them (Vandekerckhove, 2010).
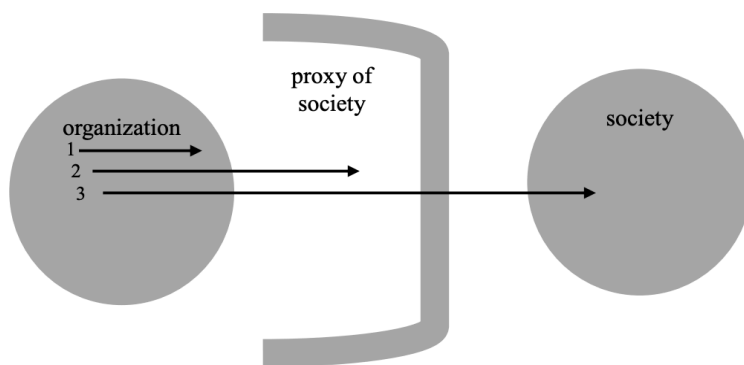
Figure 2: The three-tiered whistleblower protection model (Vandekerckhove, 2010)

Despite the fact that the EU Directive mentions that the reporting person can choose between internal and external channels, it also states that "Member States shall encourage reporting through internal reporting channels before reporting through external reporting channels" (Directive 1937/2019, p. 37) as long as they are deemed effective and pose minimal risk of retaliatory measures. Regarding the prioritization of internal reporting channels, the Directive

offers a somewhat ambiguous stance since it is not clearly stated whether internal or external channels should be used first (Uhlmann, 2021). However, Abazi (2020) notes that the EU Directive encourages whistleblowers to report internally first, allowing employers to address reputational damage. This approach prioritizes protecting the employer's interests and maintaining employee loyalty (Abazi, 2020).

2 Current Literature

The EU Directive recognizes that whistleblowers are essential in preventing harm to the public interest by uncovering corporate fraud (Directive 1937/2019).

According to Quayle (2021), whistleblowers serve the public interest as they promote transparency and accountability by exposing organizational wrongdoing that might otherwise remain hidden. Their actions highlight societal concerns and initiate democratic dialogue about misconduct, playing a crucial role in identifying compliance issues and ensuring accountability in both public and private sectors.

This chapter provides the reader with an overview about the current literature regarding whistleblowing and its mechanisms. Further, it identifies key factors that have an impact on the effectiveness of whistleblowing mechanisms. First, a comprehensive overview of compliance in general and its definition is provided, as well as its significance within organizational settings and how whistleblowing is a crucial component of compliance. In the next step the concept of whistleblowing is explained, along with the complexities of the whistleblowing process from both the employees' and the organization's perspectives. Furthermore, internal and external whistleblowing channels are discussed, followed by an in-depth examination of the effectiveness of internal whistleblowing systems and the key factors that contribute to their success.

2.1 Compliance and Whistleblowing

Compliance involves meeting legal obligations as well as adhering to formal rules and regulations, such as laws and standards, established at a given time and place (Gottschalk, 2023). Fotaki et al. (2020) highlight that compliance contributes to the enhancement of corporate governance practices because it "serves as a complementary mechanism strengthening the effects of ethical values and creating the conditions by which instrumental values can act in favor of corporate governance (p. 19)". Corporate governance encompasses a range of mechanisms designed to protect and enforce stakeholder rights such as monitoring

executives, ensuring transparency, as well as accountability (Gottschalk, 2023). According to Fotaki et al. (2020) compliance is crucial in shaping the influence of ethical and instrumental values within corporate governance. Best practice codes guide employees, enhancing their understanding of governance standards and fostering active participation in governance matters, thus promoting effective governance within the organization. Compliance also mitigates legal liabilities, ensuring long-term accountability, and is crucial for adherence to governance regulations and standards (Fotaki et al., 2020).

Eaton and Akers (2007) emphasize whistleblower policies as vital components of compliance efforts, providing a mechanism for stakeholders to report evidence of fraudulent activities and violations, thereby supporting compliance with laws, regulations, and ethical standards. According to Boles et al. (2020) whistleblowing mechanisms can enhance compliance policies by identifying weaknesses and fostering an ethical culture where misconduct can be reported without fear of retaliation. As a crucial component of good corporate governance, whistleblowing mechanisms reduce fraud and signal good governance practices to stakeholders (Boles et al., 2020; Eaton & Akers, 2007). Legislative measures like the SOA in the US, contain extended protection for whistleblowers and mandated reporting mechanisms, further reinforcing the link between whistleblowing and governance (Eaton & Akers, 2007).

When new Directives or regulations are introduced, companies encounter challenges as they strive to ensure ongoing compliance while adapting to the changes. The implementation of the General Data Protection Regulation (GDPR) in the EU in 2016 exemplifies the challenges organizations encounter when introducing new Directives or regulations. The GDPR is designed to protect individuals' privacy rights and personal data by regulating how data is collected and processed (Regulation 2016/679). Consequently, this new regulation introduced new challenges to companies as they navigate complex requirements while striving to uphold compliance with evolving data protection standards (Mone & Sivakumar, 2022).

Whistleblowing is closely linked to data protection issues, both in terms of the data being reported as well as whistleblower's personal data (Skrabka, 2021). Within whistleblowing contexts, adherence to data protection rules persists, including under the GDPR, which grants individuals the right to be informed about collected data, even if not self-disclosed (Regulation 2016/679). Stappers (2021) underscores the challenge of reconciling compliance and confidentiality, emphasizing the need to protect whistleblowers while ensuring the rights of accused individuals to a defense.

2.2 The Whistleblowing Process

The Association of Certified Fraud Examiners (ACFE) published in their 2024 occupational fraud report that the most prominent form of reporting fraud is through tips, which accounts for almost half of the cases being revealed as a result of claims made by a whistleblower (ACFE, 2024). Whistleblowing is defined as

> the disclosure by organization members (former or current) of illegal, immoral or illegitimate practices under the control of their employers, to persons or organizations that may be able to effect action (Near & Miceli, 1985, p. 4).

Near and Miceli (1985) emphasize the significance of viewing whistleblowing as a process rather than a singular event. This perspective is crucial because whistleblowing involves various stages and participants, evolving over time (Near & Miceli, 2016). It usually commences with a misconduct being reported internally by an employee, followed by the management's response, and ultimately, the employee's decision regarding further actions, such as going external. Near and Miceli (2016) further highlight that the process of whistleblowing varies in every case, and no two whistleblowing situations are the same. Theft, waste, mismanagement, safety hazards, sexual harassment, discrimination and violations of the law are among the types of misconduct reported by whistleblowers (Near et al., 2004). Schmidt (2022) points out the variability of misconduct across industries, noting that certain types are prevalent in specific sectors. He states that the main types of misconduct in the field of finance and accounting are fraud and theft, whereas the healthcare industry primarily contends with issues related to the quality of care.

The process of whistleblowing contains at least four components, with the whistleblower, the individual reporting the misconduct, being the main part. Being either a present or a former member of the organization, the whistleblower is not in a position to change the activities within the organization, due to a lack of authority (Near & Miceli, 1985). In accordance with ISO 37002, which is the international standard that provides guidance on whistleblowing management systems, a whistleblower is defined as the "person who reports suspected or actual wrongdoing, and has a reasonable belief that the information is true at the time of reporting" (ISO, 2021, p.3). The actual act or complaint of whistleblowing, also referred as blowing the whistle, marks the second element in the process. Defined as the third element, the whistleblowing process entails the involvement of a party receiving the complaint, whereby the accusations are either addressed internally or to an external authority. Finally,

the organization accused of the allegations comprises the fourth component within the whistleblowing process (Near & Miceli, 1985).

The phenomenon of whistleblowing can be viewed from both the perspectives of employees and organizations. While the primary focus lies on exploring whistleblowing mechanisms from the organizational standpoint, it is essential to also consider the employees' perspectives to gain a comprehensive understanding of the whistleblowing process and its productivity, therefore these perspectives are further explained in the following subchapters.

2.2.1 Employees' Perspective on Whistleblowing

Miceli and Near (1992) state that when faced with organizational wrongdoing, members of the organization have three main options to consider: Reporting the wrongdoing, leaving the organization or remaining silent. Folks (2000) also identified three decisions: remaining silent, blowing the whistle internally, or externally, either to the media or to authorities (Folks, 2000). This decision-making process of reporting individuals is illustrated in Figure 3 below.
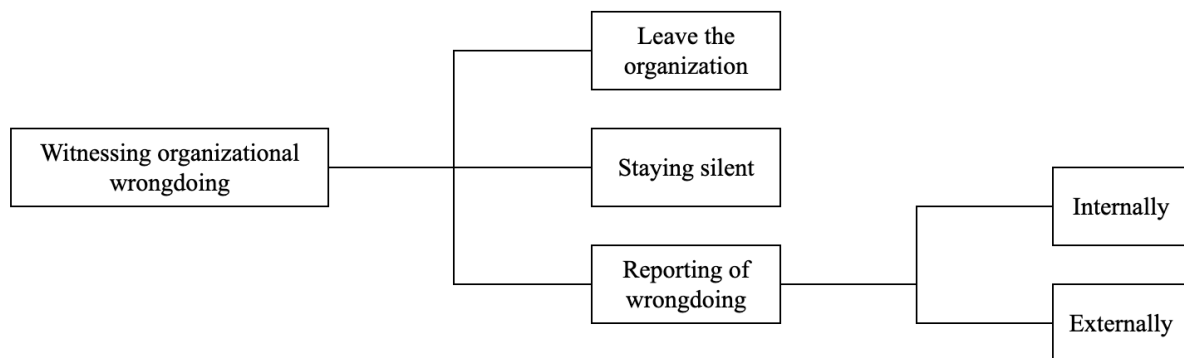
Figure 3: Whistleblowing decision process for organizational members, adapted from Miceli and Near (1992) and Folks (2000)

The intention to engage in whistleblowing is the subjective probability that the individual attributes to the possibility of actually taking action to report fraudulent behavior and blow the whistle. It is contingent upon various factors, such as perceived control, norms and attitudes (Brown et al., 2016).

Research indicates that approximately one-third of employees observe organizational misconduct but less than half decided to report it, which suggests that at least half of potential whistleblowers choose to remain silent, highlighting the necessity for a functional and effective whistleblowing system (Folks, 2000).

2.2.2 Organizations' Perspective on Whistleblowing

Historically, reporting wrongdoing often led to negative responses, with whistleblowers seen as traitors for disclosing private company information (Hall & Brown, 2018). However, attitudes towards whistleblowing have shifted significantly and organizations have become more appreciative towards the reporting of wrongdoing in general. Organizations now appreciate the value of reporting wrongdoing, viewing it as a sign of employee commitment. Management increasingly considered whistleblowing as a sign of commitment from employees, utilizing their information to address and resolve organizational issues and promoting transparency, accountability, and ethical behavior within the organization (Lee & Fargher, 2013; Brough et al., 2022).

Up to 40% of organizational fraud and misconduct is identified by internal whistleblowers, highlighting their crucial role in addressing wrongdoing (Brough et al, 2022; Lee & Fargher, 2013). Brough et al. (2022) state that whistleblowing can have both positive and negative impacts on organizations. On the positive side, effective management of whistleblowing can lead to improved organizational culture, increased levels of employee satisfaction, and the discouragement of malicious or retaliatory complaints. It can also serve as a means of protecting the organization and enhancing its performance. However, negative impacts can occur if whistleblowers experience mistreatment and adverse consequences when reporting wrongdoing. Therefore, organizations need to effectively manage the whistleblowing process to encourage ethical behavior, discourage malicious complaints, and ensure beneficial outcomes for all parties involved (Brough et al., 2022).

According to Near and Miceli (2016) effective management of an internal whistleblowing system is crucial to prevent costly external whistleblowing incidents, which can lead to significant financial, reputational, and regulatory costs. Financial costs include lost revenue or funds, reputational costs involve lawsuits and negative public perception, and regulatory costs stem from increased oversight and regulations. Thus, careful internal investigation and whistleblowing can help mitigate these costs by addressing issues before they become public (Near & Miceli, 2016). Managers preferring internal reports over media disclosures can encourage this by supporting whistleblowers, thoroughly investigating allegations, and sharing investigation results. Avoiding reprisals against whistleblowers further signals that information from employees is valued and that the organization is open to addressing issues internally (Near & Miceli, 2016).

Therefore, internal whistleblowing is important for organizations to detect and address misconduct, promote ethical behavior, comply with legal requirements, and maintain transparency and accountability. Organizations that support whistleblowing and have clear policies in place are more likely to have effective systems for detecting and addressing fraud and misconduct (Lee & Fargher, 2013; Near & Miceli, 2016; Brough et al., 2022). Also, a study conducted by the ACFE indicates that whistleblowing systems significantly contributed to the detection of fraud, with 46% of cases being detected through tips, demonstrating the clear effectiveness of whistleblowing systems and their importance (ACFE, 2024).

2.3 Whistleblowing Channels

While whistleblowers have the option to utilize either internal or external reporting channels, European member states are also encouraged to prioritize internal reporting channels when the wrongdoing can be effectively addressed without risking retaliation against the whistleblower (Directive 1937/2019). The subsequent section provides a detailed description of both internal and external whistleblowing channels.

2.3.1 Internal Whistleblowing Channels

Miceli & Near define internal whistleblowers as individuals "who use channels within the organization" (1984, p. 689).

Internal whistleblowing channels can be designed in various ways. According to Lowry et al. (2013) most internal whistleblowing practices involve informing a supervisor, reaching out to an Ombudsperson, utilizing hotlines or postal mail, but in the past years, online whistleblower reporting systems have become increasingly significant and presently appear to be the prevailing method utilized by organizations for internal control and receipt of such reports. This is in line with findings from a study conducted by KPMG (2022) within German companies that revealed that the principal channels used for the submission of reports in 2020 were internal reporting channels, namely the compliance department and a web-based reporting system. Furthermore, supplementary methods, such as emails, externally managed hotlines, and traditional postal correspondence, were identified as popular channels for individuals to convey concerns (KPMG, 2022). A study conducted by the ACFE supports the above-mentioned findings and historically lists the most prominent internal reporting channels from 2016 until 2024, which are detailed in Figure 4. It shows that email and online reporting have surpassed telephone hotlines as preferred reporting mechanisms. The same

study also revealed that most internal whistleblowing is reported to the direct supervisor, followed by the executive and internal audit (ACFE, 2024).
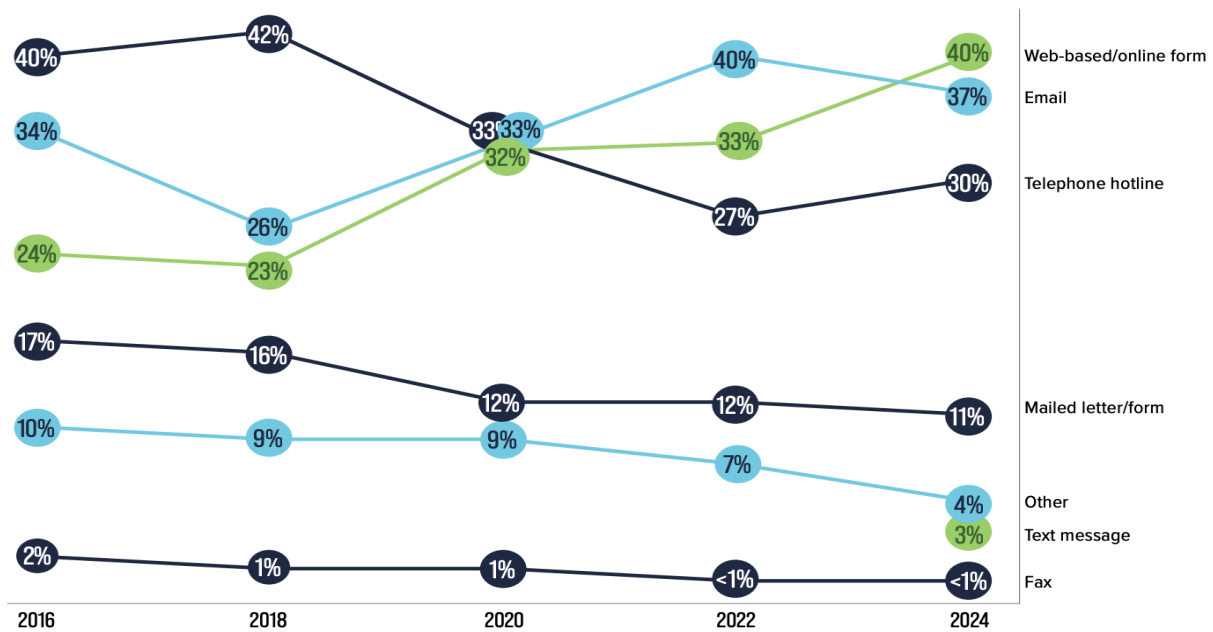
Figure 4: Most prominent reporting mechanisms (ACFE, 2024)

For internal reporting channels, a designated individual or department handles reports, or organizations can appoint an external figure like an Ombudsperson as the primary contact for whistleblowers (Directive 1937/2019).

If an organization chooses to designate an internal individual or department for handling incoming reports, it must establish a channel that offers employees a secure and anonymous method to directly report potential issues. This allows the organization to identify issues that may not be easily discovered through traditional reporting and monitoring methods (Stubben & Welch, 2020). Moreover, as internal whistleblowers have the option to maintain anonymity, this fosters an environment where employees feel empowered to report concerns they may not feel comfortable addressing directly with their supervisors, which is especially relevant if the supervisor is implicated in the concern or if there is a fear of retaliation (Stubben & Welch, 2020).

The second option to provide an internal channel is through an external third party called an Ombudsperson. The International Ombuds Association (IOA), which is a professional organization dedicated to advancing the profession of Ombudspersons, defines the latter as an individual who "operates in a manner to preserve the confidentiality of those seeking services, maintains a neutral/impartial position with respect to the concerns raised, works at

an informal level of the organizational system (compared to more formal channels that are available), and is independent of formal organizational structure" (IOA, 2024). An Ombudsperson plays a vital role in the collaboration between various members of an organization as he or she provides a supportive environment for individuals to freely discuss concerns or issues. Furthermore, the Ombudsperson explores different options and strategies together with the whistleblower on how to move forward and solve the issue. Finally, the Ombudsperson acts as a mediator between the whistleblower and the company, as he or she forwards the problem to the respective department within an organization (IOA, 2024). Generally, an Ombudsperson only passes on information if the whistleblower has explicitly consented to this. However, in specific scenarios where serious harm concerning safety or major embezzlement is involved, and the whistleblower does not want to report, the Ombudsperson still has the responsibility to act, without breaching confidentiality. For these cases, different avenues are accessible in enabling responsible conduct while upholding confidentiality. These avenues encompass educating whistleblowers on applicable rules and policies, encouraging them to act prudently to avert harm, exploring alternative reporting methods like anonymous notes, and securing permission to intervene on behalf of the whistleblower while safeguarding their identity (Rowe, 2011). Hence, an Ombudsperson embodies four principal qualities, namely independence, impartiality, confidentiality, and informality (IOA, 2024).

The EU Directive states that most whistleblowers choose to report internally, because they feel more comfortable to disclose breaches within the organization. At the same time, internal reporting is also seen as the most effective way to communicate information to those who can address risks to the public interest rapidly and efficiently. However, it is essential for the reporting individual to have the flexibility to select the most suitable reporting channel based on the unique circumstances of the case (Directive 1937/2019). Near and Miceli (2016) agree with this by stating that most whistleblowers first report breaches internally, usually to their direct supervisor or other managers, and only report these in the second step externally if the internal reports are deemed inadequate. This and also the fact that managers want to avoid costly external whistleblowing, which is further detailed in section 2.3.2, underscores the importance of a functioning internal whistleblowing system (Near & Miceli, 2016). Therefore, organizations must prioritize building trust in their internal whistleblowing systems, particularly in the individuals or departments tasked with receiving and assessing reports. It is essential to foster organizational justice in various aspects, offer training and

educational initiatives to promote internal whistleblowing, enhance internal communication through formal and informal channels, and contemplate the involvement of an audit committee in implementing an internal reporting system (Mrowiec, 2022).

2.3.2 External Whistleblowing Channels

While the primary emphasis of this thesis is on internal whistleblowing mechanisms, it remains essential to delve into external whistleblowing channels to gain a comprehensive understanding of the whistleblowing landscape. Miceli & Near define external whistleblowers as individuals "who use channels external to the organization in addition to or in lieu of internal channels" (1984, p. 689). These external channels can include national authorities or public domains such as the media (Miceli & Near, 1984).

Besides reporting to national authorities, whistleblowers may also choose to report to the media. According to Folks (2000) whistleblowing to the media significantly lowers the risk of retaliation, when reported anonymously, because the whistleblower relies on a journalist to truthfully and impartially present the allegations while safeguarding the whistleblower's anonymity. When an employee chooses to blow the whistle anonymously to the media as the initial step in reporting organizational misconduct, the employee showcases a commitment to prioritizing the public interest (Folks, 2000). Hence, the media plays a crucial role in bringing the concerns raised by whistleblowers into the public sphere, where they can be subject to democratic debate and dialogue and allows for the public to be informed about the causes, context, and consequences of the wrongdoing (Quayle, 2021).

The EU Directive summarizes this by stating that "it is necessary to protect public disclosures, taking into account democratic principles such as transparency and accountability, and fundamental rights such as freedom of expression and the freedom and pluralism of the media, whilst balancing the interest of employers to manage their organizations and to protect their interests, on the one hand, with the interest of the public to be protected from harm, on the other, in line with the criteria developed in the case law of the ECHR [European Court of Human Rights]" (Directive 1937/2019).

While whistleblowers have the option to utilize internal or external channels, research on whistleblowing reveals that nearly all cases of external whistleblowing occur after the individual has already used internal channels. (Miceli et al., 2008).

Hence, building an internal whistleblowing system within the organization is a crucial measure in order to encourage employees to report wrongdoings within the organization and by that avoiding any of the aforementioned costs.

2.4 Effectiveness of Internal Whistleblowing Systems

The "lack of confidence in the effectiveness of reporting is one of the main factors discouraging potential whistleblowers (...)" (Directive 1937/2019). Hence, it is essential to understand what has an impact on the effectiveness of whistleblowing systems. This section reviews existing literature on the effectiveness of whistleblowing systems and defines key factors influencing these mechanisms. Four key factors are identified to have an essential impact: Design, identity protection, corporate culture and awareness and communication, which are further discussed in detail in the subsequent sections.

2.4.1 Design and Implementation

In numerous instances of whistleblowing systems, it appears that they are implemented ineffectively, often seen as symbolic gestures aimed to be compliant with regulations rather than actively promoting or utilizing them to address wrongdoing (Lee & Fargher, 2013; Stubben & Welch, 2020). Hence, the design of the whistleblower system and the way the information is handled are decisive factors whether a person submits a report or decides to stay silent as stated by Miceli and Near (2002). A whistleblower system that ensures support, responsiveness, and legitimacy can motivate employees to report perceived wrongdoing. This indicates that organizations should strive to make the most of these channels to encourage legitimate whistleblowing (Miceli & Near, 2002)

According to Mrowiec (2022) an effective whistleblowing system should be designed with several key components in order to ensure its success in encouraging employees to report wrongdoing internally. First, clear policies and guidelines that outline the process of reporting wrongdoing including the requirement to report in good faith are required. These guidelines should cover the whistleblowing procedure, the types of situations that warrant reporting, the available reporting channels within the organization, the role of the recipient of the report, the stages of report examination, and the organizational support provided to whistleblowers. Second, in order to ensure that employees are well-informed about their rights and safeguards in place, organizations should offer training on whistleblowing processes, which is further elaborated on in the next chapter. Third, organizations should provide both non-anonymous

as well as anonymous reporting channels to accommodate different preferences and ensure confidentiality for whistleblowers to protect their identity and encourage reporting without fear of retaliation. Lastly, punishment for the failure to report and incentives for whistleblowers, which may not always be monetary, should be considered as a measure to support whistleblowing, but must be analyzed within the cultural context (Mrowiec, 2022).

Slovin (2006) states that organizations that operate globally face different challenges when it comes to the design of a whistleblowing reporting system compared to those operating within a single jurisdiction. The challenges for organizations that operate globally encompass four key areas: legal compliance, cultural nuances, global access and language barriers. It is vital that organizations ensure adherence to relevant whistleblower and privacy laws when designing the reporting system. Furthermore, issues relating to cultural nuances can be avoided when local customs are respected and more importantly, through the involvement of the local management teams in the policy review. The access of the hotline should also be taken into consideration, a toll-free option is decisive for employees to report misconduct. Individuals should be able to report in their spoken language, so whistleblowing systems should cover all spoken languages (Slovin, 2006).

2.4.2 Protection of Identity

Whistleblowers are often afraid that no action will be taken after reporting and therefore decide not to speak up (Nawawi & Salin, 2019). Preserving the confidentiality of whistleblowers is a fundamental principle outlined in the EU Directive on safeguarding whistleblowers, which must be ensured through both internal and external reporting channels (Directive 1937/2019).

But protecting the identity does not necessarily mean that the reporting person remains anonymous to everyone, since anonymity and confidentiality are distinct concepts that require differentiation (Marcum & Young, 2019). While anonymity refers to the non-disclosure of the reporting person's identity, confidentiality involves disclosing the whistleblower's identity to at least one other person but treating the shared information as confidential (Marcum & Young, 2019). In the context of whistleblowing protection, confidentiality includes the protection of the identity of the reporting person and any related information that could potentially reveal his or her identity. This obligation also extends to the professional responsibility for confidentiality and discretion of staff within competent

authorities who handle such reports, ensuring that information is transmitted and handled with the highest level of discretion (Directive 2019/1937).

Offering anonymous whistleblowing channels enables organizations to uncover issues that might be challenging to address through regular reporting channels, particularly when supervisors are implicated in the reported matters themselves and before society becomes aware of them. Also, anonymous reports often contain more information about the alleged activity and are more frequently reviewed by management (Stubben & Welch, 2020).

Kaplan and Schultz (2007) also point out that internal, non-anonymous reporting is crucial from the organization's perspective. They argue that it presents an opportunity to bolster the integrity of reporting and facilitates a more efficient reporting system to address any questionable acts. Moreover, management often favors non-anonymous reporting due to concerns that anonymous systems could weaken organizational culture by substituting in-person discussions with managers and because they take longer to solve (Stubben & Welch, 2020). However, for individuals who report, the potential personal costs such as retaliation, and fear of job loss are likely higher when reported through a non-anonymous channel (Kaplan & Schultz, 2007; Brown et al., 2016). Hence, anonymous reporting systems mitigate the personal risks associated with whistleblowing, including potential sanctions from employers, social isolation from colleagues, verbal intimidation, and negative job assessments (Lee & Fargher, 2013). These findings also explain why individuals tend to prefer anonymous reporting channels over non-anonymous ones when both options are available (Kaplan & Schultz, 2007). Also, a study conducted by Hayes et al. (2021) indicates that anonymous channels are more successful in promoting whistleblowing compared to non-anonymous channels, particularly in situations where organizational leadership lacks strong ethical guidance.

2.4.3 Company Culture

Bussmann et al. (2018) note that corruption is less prevalent in egalitarian societies like Western Europe, North America, and Australia, where there is greater trust in regulatory institutions and a higher willingness to engage in whistleblowing. In contrast, in countries that have more hierarchical structures, such as South and East European nations and some Asian countries, such as those in South and East Europe and some Asian countries, experience more corruption and reluctance to report non-compliance, coupled with greater distrust in national authorities (Bussmann et al., 2018).

Lee & Fargher (2013) state that whistleblowing is more prevalent within organizations exhibiting ethical and transformative leadership styles, alongside a robust ethical culture. Organizations implementing effective whistleblowing procedures stand to gain from enhanced organizational culture and heightened levels of employee job satisfaction. Effective whistleblowing mechanisms therefore contribute to improving organizational culture, but conversely, organizational culture influences the effectiveness of whistleblowing, since the propensity to engage in the report of wrongdoings is contingent upon the prevailing cultural and societal factors (Lee & Fargher, 2013).

A paper published by PwC (2013) highlights that having an effective whistleblowing system in place is one component of an overall speak up strategy, which extends beyond simply reporting misconduct. The aim is to establish a culture of transparency in the long term, where members of the organization feel more comfortable to speak up when they suspect any violations. In order to develop an effective whistleblowing programme, five key steps have been identified: First, the fundamental requirement is the commitment from the top level management, followed by a creation of a whistleblowing policy. The next step is the design of effective reporting mechanisms, which in turn need to be embedded within the whole organization. In the end, all steps need to be reported, monitored and assessed (PwC, 2013).

Effective internal whistleblowing depends on the organizational culture and encompasses two key aspects, as stated by Abazi (2020): the treatment of whistleblowers after the report and the measures taken to resolve the reported misconduct. In order to be effective, whistleblowing must lead to the termination of questionable practices within a reasonable timeframe. In organizations where there is a culture of secrecy or speaking out is not encouraged, compliance with formal regulations such as the whistleblower policy can initiate change, but full compliance requires a culture change (Abazi, 2020). Krügel and Uhl's (2023) findings further indicate that whistleblowing systems are effective in combating misconduct only when accompanied by strict sanctions, underscoring the importance of a zero-tolerance policy to promote effective whistleblowing.

Employees who consider their organization to have a strong ethical climate have a greater sense of belongingness and attachment to the organization, which in turn improves their whistleblowing reporting behavior (Zhou et al., 2018). Therefore, in organizations that culturally support whistleblowing and punish wrongdoers, employees are more likely to align their behavior with institutionalized norms and feel more encouraged to report misconduct (Zhou et al., 2018; Abazi, 2020).

2.4.4 Communication Methods and Employee Awareness

In the context of organizational governance, the effectiveness of a whistleblowing system depends on its use by employees and other relevant stakeholders which underscores the significance of education and training as essential tools for shaping desired attitudes towards whistleblowing (Mrowiec, 2022). Even a well-designed system may prove ineffective if its existence and procedures are not adequately communicated throughout the organization. Therefore, it is critical to proactively engage in communication efforts aimed at raising awareness of these mechanisms. In addition, consistent and ongoing communication serves to reinforce knowledge and ensure that stakeholders remain informed and aware of the whistleblowing procedures in place (Lee & Fargher, 2013). Furthermore, Slovin (2006) argues that raising awareness of workplace ethics reduces the occurrence of fraudulent behavior. According to a report by ACFE (2024), individuals who have undergone fraud awareness training are twice as likely to blow the whistle compared to those who have not received such training.

The EU Directive emphasizes the importance of providing clear and accessible information on internal reporting procedures to all stakeholders, which organizations can communicate through their website, and also integrate it in ethics and integrity courses and training seminars (Directive 1937/2019, p. 27). KPMG (2022) highlight in their 2022 compliance report that communicating compliance topics and the associated requirements to the right audience is a basic prerequisite for an effective compliance management system. The management's commitment to compliant behavior is of central importance. In order to successfully communicate these compliance issues, the report mentions two types of communication channels: internal and external communication channels. Some examples of internal communication channels are the intranet, newsletter, employee magazines, e-mails and events, while external channels include the company's website, annual reports and the press (KPMG, 2022).

Miceli and Near (2002) emphasize the importance of regularly reminding employees of the organization's whistleblowing reporting channels. They argue that such reminders not only make employees feel more comfortable reporting potential misconduct but also align with the company's objectives. Additionally, they suggest that regular reminders enhance the effectiveness of reporting channels by ensuring that employees are consistently aware of them (Miceli & Near, 2002).

Mrowiec (2022) proposes that education on whistleblowing not only boosts internal reporting but is also linked to a reduction in retaliation. This is due to the fact that training employees on the whistleblowing procedure, including their rights and protection as whistleblowers, gives them more confidence and empowers them to come forward. Hence, training should be especially delivered to employees with a low level of organizational power, such as those with short tenure. Mentoring is also suggested as an effective method for teaching individuals to speak up in cases of wrongdoing and hence support internal communication (Mrowiec, 2022). Moreover, organizations should cultivate internal communication both formally through structured procedures and informally by fostering communication skills among managers. Additionally, addressing the issue of silencing is crucial during the implementation of a whistleblowing system, encompassing communication factors from all areas (Mrowiec, 2022). Furthermore, KPMG (2022) reports that the willingness to submit reports via internal channels will decrease if the whistleblowers do not know who the recipient of the report is. Therefore, it is not only important to create awareness among organizational members of how to submit a report, but also to inform them about who receives the information and how the process is handled.

3 Theoretical Framework

For this thesis, the theoretical framework chosen is institutional theory. The latter provides a comprehensive perspective on how organizational structures, norms, and external pressures shape the dynamics and outcomes of organizations (Zucker, 1987). This theory is particularly useful in understanding the mechanisms of whistleblowing within organizations.

Institutional Theory

DiMaggio and Powell (1983) describe institutional theory as a sociological perspective that seeks to explain the increasing similarity and homogeneity of organizations. According to Scott's definition "Institutions comprise regulative, normative, and cultural-cognitive elements that, together with associated activities and resources, provide stability and meaning to social life (1995, p. 56)." Given this definition, institutional theory provides a framework in order to understand how institutions, through these three central elements, also known as the three pillars of institutional theory (see Figure 5) have an influence on organizational behavior and how organizations are to gain legitimacy and efficiency (DiMaggio & Powell, 1983).

	Regulative	*Normative*	*Cultural-Cognitive*
Basis of compliance	Expedience	Social obligation	Taken-for-grantedness Shared understanding
Basis of order	Regulative rules	Binding expectations	Constitutive schema
Mechanisms	Coercive	Normative	Mimetic
Logic	Instrumentality	Appropriateness	Orthodoxy
Indicators	Rules Laws Sanctions	Certification Accreditation	Common beliefs Shared logics of action Isomorphism
Affect	Fear Guilt/ Innocence	Shame/Honor	Certainty/Confusion
Basis of legitimacy	Legally sanctioned	Morally governed	Comprehensible Recognizable Culturally supported

Figure 5: Three Pillars of Institutional Theory (Scott, 1995)

The first pillar, regulative pillar, focusses on the formal rules, regulations and laws that govern the behavior within an organization and include policies, industry standards and legal frameworks. Organizations conform to these pressures to avoid penalties or sanctions and to gain legitimacy. The second pillar, normative pillar, emphasizes the importance of social norms, values and cultural beliefs in guiding organizational behavior. In order to gain legitimacy, organizations try to conform to these prevailing norms and values, as non-adherence to these will result in social disapproval. Values are overarching principles guiding social behavior, while norms are specific rules and expectations derived from those values, governing conduct within specific contexts. The role of taken-for-granted and shared understandings are highlighted in the final pillar, the cultural-cognitive pillar. These structures, which are also known as institutional logics, have an influence on how individuals perceive reality and make sense of their organizational environments (Scott, 1995).

Isomorphism

In a study by DiMaggio and Powell (1983) they place their focus on processes of institutional isomorphism, which refers to the process by which organizations within an industry or sector adopt similar structures, practices, and behaviors over time and thus becoming more homogenous. This convergence occurs due to external pressures of political, social, and economic nature. Furthermore, the same authors define three sources of institutional

isomorphic change, which are all attributed to one of the aforementioned pillars: coercive, mimetic, and normative isomorphism, which are driven by political influence, uncertainty, and professionalization, respectively (DiMaggio & Powell, 1983).

Coercive isomorphism, as stated by DiMaggio and Powell (1983) falls under the regulative pillar and stems from political influence and the issue of legitimacy that organizations face in gaining and maintaining acceptance and approval from their stakeholders. This phenomenon involves organizations being compelled by external pressures - both formal and informal - arising through external entities they rely on, as well as from cultural norms within the society in which they operate. Coercive isomorphism especially occurs when powerful bodies exercise authority, for example, by introducing new regulations where organizations in turn have to conform with these standards and consequently becoming more homogeneous within specific domains and increasingly structured around rituals that conform to broader institutional norms (DiMaggio & Powell, 1983).

DiMaggio and Powell (1983) define normative pressures as the second source of isomorphic organizational transition which are primarily originating from the process of professionalization. The latter is part of the normative pillar and driven by the struggle of members of an occupation to define the conditions and methods of their work and to establish a cognitive base and legitimation for their occupational autonomy. Professionalization, formal education, and the growth of professional networks are important sources of normative isomorphism, creating a pool of almost interchangeable individuals who occupy similar positions across a range of organizations and possess a similarity of orientation and disposition that may override variations in tradition and control (DiMaggio & Powell, 1983).

The final source of institutional isomorphic transition, which is attributed to the cultural-cognitive pillar, is mimetic processes. This type of isomorphism does not stem from coercive authority but rather occurs through an uncertain environment in which an organization operates. Within this process, organizations become more similar due to the fact that they model themselves on other organizations that are perceived as more legitimate or successful, rather than specific evidence that the adopted models enhance efficiency. Mimetic isomorphism can be diffused unintentionally, indirectly through employee transfer or turnover, or explicitly by organizations such as consulting firms or industry trade associations (DiMaggio & Powell, 1983).

Zucker (1987) agrees with DiMaggio and Powell (1983) that isomorphism is a consequence of institutionalization and can impact the stability and survival of organizations, as well as their ability to adapt to changes in the environment. When organizations adapt to the institutional environment, they increase the flow of societal resources and adopt legitimate elements thereby improving conformity to the collective normative order. This, in turn, heightens the organization's probability of survival (Zucker, 1987). The three pillars and forms of isomorphism help to explain the dynamics that drive organizational behavior in the realm of ethics and compliance (DiMaggio & Powell, 1983; Zucker, 1987).

4 Research Methodology

The following chapter covers the methodology that was employed for this study. It starts with the discussion of the research strategy, before explaining the research design and method. Subsequently the methods used for data analysis are outlined. The chapter concludes by pointing out the research limitations of the thesis. An overview of the research process the authors followed is illustrated in Figure 6.
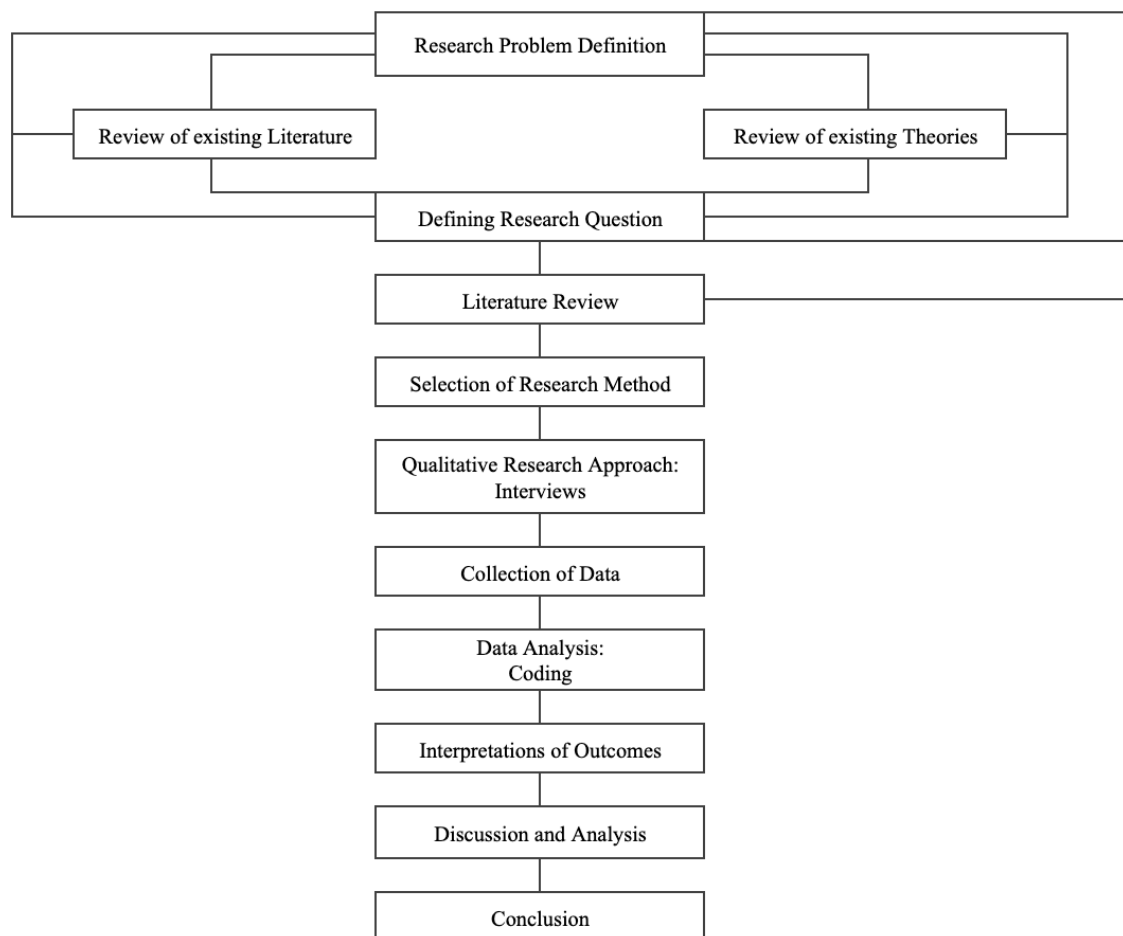

Figure 6: Research Strategy overview (own representation)

4.1 Research Strategy

The central focus of this thesis revolves around examining the internal mechanisms within a company that ensure effective whistleblowing. This defined objective underscores the significance of understanding the organization's perspective on effective whistleblowing mechanisms, which can be accomplished through a qualitative research approach. The latter focuses on understanding words and their meanings, rather than relying on numerical measurements as in quantitative research methods (Bryman & Bell, 2011).

A qualitative research strategy is characterized by three main attributes. First, it provides an inductive rather than a deductive perspective of the relationship between theory and research. An inductive approach entails constructing theory from gathered data and often involves iterative movement between theory and data. In contrast, a deductive approach typically involves conducting quantitative research, starting with a theory-driven hypothesis which researchers aim to confirm or refute through statistical analysis of collected data. Second, qualitative research is interpretive, meaning that it focuses on the comprehension of the social world and how its participants interpret it. Lastly, this research strategy views social properties as products of interactions among individuals, rather than as external phenomena detached from those engaged in their creation (Bryman & Bell, 2011).

The research adopted an interpretive paradigm, emphasizing understanding human actions by examining meanings and intentions. This approach highlights the subjective and social construction of reality, focusing on context and social interaction. Methods include case studies, ethnography, and participant observation to study individuals' daily lives and behaviors (Chua, 1986). This implies that the thesis concentrates on the subjective perceptions and experiences of interviewees, designing internal whistleblowing mechanisms.

By conducting qualitative research, the thesis aims to gather direct insights from organizational members tasked with designing, managing, and handling whistleblowing procedures. Additional interviews were carried out with two experts possessing extensive experience in whistleblowing. The assessment of needs and requirements for internal whistleblowing mechanisms was therefore conducted through qualitative interviews, which enabled a more in-depth discussion of the issue. Moreover, interviews offer the opportunity to delve into novel information, aligning well with the exploratory nature of the thesis and they allow for flexibility and openness to respondents' answers, facilitating the clarification of any points as necessary, a feature not available in quantitative methods (Bryman & Bell, 2011).

4.2 Research Design

The chosen research design for this thesis was an in-depth single case study focussing on one organization. A case study intensively examines the purpose and functioning of one bounded situation or system, with the latter being a community, organization, or individual (Bryman & Bell, 2011). Yin (1981) defines case studies as a measure to describe a situation, such as a case history, or to test explanations for why specific events have occurred. The purpose of case studies is to make causal inferences and examine contemporary phenomena in their real-life context, especially when the boundaries between the phenomenon and its context are not clearly evident (Yin, 1981).When a research question seeks to uncover the rationale behind specific events or phenomena, a case study is well-suited (Bryman & Bell, 2011).

The case study approach was chosen because it allows for identification and understanding of key factors and processes related to internal whistleblowing mechanisms, with the goal of creating a framework of success factors within these mechanisms. Moreover, a case study facilitates a thorough understanding of how to design an internal whistleblowing system effectively to motivate individuals to report concerns.

4.3 Research Method

To gather a comprehensive understanding of the effectiveness of internal whistleblowing mechanisms, the chosen research method was the collection of primary data via qualitative semi-structured interviews within the chosen case company. The latter were conducted with a total of six individuals, which will further be explained below. This section begins with outlining the selection of the case company for the interviewees, followed by describing the data collection method in a subsequent step.

Selection of the case company and interviewees

For the purpose of the thesis, one of the world's leading manufacturers of agricultural engineering, located in Germany was chosen as a case company. With a workforce exceeding 10,000 employees and a global operational presence, the company's compliance regulations extend across international borders.

As outlined in Figure 7, four of the interview partners were employed in the case company, holding major responsibilities in compliance. The recruitment of both planned and actual interviewees was facilitated with the assistance of Employee A, the head of the legal department. All interviewees who operate within the case company are also part of the

so-called 'Compliance Committee'. The latter is tasked with overseeing the setup and procedures of the system, including the assessment and evaluation of whistleblowing cases within the case company (Interviewee A). Furthermore, Interviewee C plays a crucial role being responsible for receiving whistleblowing complaints. Thus, this method ensured that the company's viewpoint on the efficacy of whistleblowing systems was comprehensively captured and integrated into the analysis. Another group of interviewees consisted of experts with substantial experience in the field of whistleblowing and its mechanisms. The first expert, Interviewee E, is a lawyer, and therefore represents a legal perspective, acting as the Ombudsperson for the case company and providing a range of whistleblowing channels for multiple well-known organizations around the world. The second expert, Interviewee F, is an internal compliance specialist in one of Germany's largest media companies, offering insights into the company's whistleblowing mechanism, including its principles and challenges.

Interviewee	employee/expert	Job Position	Experience
A	employee	Head of Legal Department *Member Compliance Committee*	worked as a lawyer before and has 15 years of corporate compliance experience
B	employee	Labor Law Specialist *Member Compliance Committee*	corporate lawyer and has 10 years of experience
C	employee	Legal Counsel Compliance *Member Compliance Committee*	2 years in this position and is responsible for the management of the internal whistleblowing channels
D	employee	Head of Internal Audit *Member Compliance Committee*	7 years in internal audit
E	expert	Lawyer	has more than 15 years international experience in whistleblowing
F	expert	Internal Compliance Specialist	has almost 20 years international experience

Figure 7: Interview partners (own representation)

Data collection

To successfully address the research question, an insight into the actual perception and use of the whistleblowing system within the case company was investigated, necessitating the assessment of current practices of interaction with the system to comprehend its functionality. Qualitative semi-structured interviews with employees of the case company responsible for whistleblowing systems and two additional experts, served as the method for data collection.

Semi-structured interviews were conducted by using a general interview schedule, but at the same time they offer the flexibility to vary the sequence of questions and ask additional questions to respond to potentially important interviewee responses (Bryman & Bell, 2011). This allowed room for the interviewee to approach topics of particular interest that would otherwise not have been covered and provided the researcher with an intensive, detailed examination of the case (Bryman & Bell, 2011).

The somewhat broad and exploratory interview questions, as outlined in Appendix, were designed to guide the interviews and were tailored to align with the research question. Ethical considerations, as outlined by Bryman and Bell (2011), were taken into account at this stage. The interview questions varied for each employee of the case company due to their distinct roles concerning whistleblowing. Conversely, the two experts were presented with identical sets of questions. All interviewees consented to the interview being tape recorded. The interviews' length varied between 40 and 60 minutes and due to geographical distance were entirely held online via the platform ZOOM. The extracted and summarized data was only used for academic research. No personal nor company names as well as company identifiers were included. The thesis will only contain the anonymized case and anonymized interviewees, which is why the authors refer to them using the neutral form 'they'. All interviews were conducted in German and subsequently transcribed and translated by the authors into English for analysis purposes.

4.4 Data Analysis

For the analysis of the data, grounded theory has been chosen as the main framework, with coding as the tool within this theory (Bryman & Bell, 2011). The first step in the data analysis process was reading through the transcripts to gain a comprehensive understanding of the data. According to Bryman and Bell (2011) this process is essential for establishing a foundation for the subsequent analysis stages. The analysis of the data involved employing a thematic approach to systematically identify topics and patterns within the dataset. Thematic analysis was chosen as it is of iterative nature, facilitating a continuous process of moving back and forth between data and theoretical concepts, enabling a full understanding of the phenomena of whistleblowing (Bryman & Bell, 2011). In the next step, the data was analyzed by identifying themes and patterns through the utilization of coding. The process of coding is defined as data being broken down into different parts and then given names (Bryman & Bell, 2011). For this paper, an open coding approach, which focuses on identifying the topics without preconceived categories (Bryman & Bell, 2011), was employed to systematically

structure the data. The analysis of the interview findings was conducted with reference to the existing literature regarding whistleblowing mechanisms' effectiveness to assess their alignment with the current whistleblowing literature. Following the coding process, the data was reviewed to identify connections between topics, leading to the development of theoretical ideas. This facilitated the integration of findings on the effectiveness of whistleblowing systems with institutional theory. Furthermore, during the data analysis process, direct quotations from the respondents were selected to clarify the findings and articulate their perspectives.

4.5 Research Quality and Limitations

When conducting research on the phenomena of whistleblowing through six explorative interviews, several limitations should be acknowledged to ensure the quality criteria of the conducted qualitative research, which is further elaborated on in the first place.

Bryman and Bell (2011) assert that reliability and validity are crucial quality standards in both quantitative and qualitative research. Reliability ensures consistent and dependable findings that can be replicated under similar conditions, leading to similar interpretations by different researchers. Validity ensures accurate representation of the studied phenomenon, with meaningful and trustworthy conclusions drawn from the data (Bryman & Bell, 2011). Within this thesis, in order to enhance reliability, the interview questions that were asked could be repeated within other companies within different geographical settings. Validity on the other hand can be warranted through employing direct quotes in the empirical findings section which gives a trustworthy representation of the outcomes.

However, several common limitations in qualitative studies are pointed out by Bryman and Bell (2011), limiting the quality of such studies: they are too subjective, difficult to replicate, show problems of generalization, and lack transparency. First, qualitative studies are said to be too subjective, since the researchers bring in their own views and personal relationships with the interviewees, which potentially influences data interpretation, leading to subjective judgments or interpretations. In this thesis, interviews were solely conducted with the case company and two additional experts, representing a subjective viewpoint as the authors did not examine other companies. Moreover, it is important to acknowledge the geographical scope limitations of this study, which focused solely on one German company. Consequently, the findings and conclusions drawn may not be entirely applicable to organizations operating in diverse geographical locations or cultural contexts. Furthermore, Bryman and Bell (2011)

highlight that qualitative research does not follow standardized procedures and hence is highly influenced by the researcher's subjective interpretations, which leads to different prioritizations of areas among individuals. This thesis primarily examines the organizational perspective on whistleblowing processes, with interviews conducted exclusively at the management level rather than with employees at the operational level. Given the research's concentration on whistleblowing systems within corporate environments, the emphasis was directed towards identifying strategies that companies can employ to facilitate the establishment of internal whistleblowing systems. Hence, the focus was put on the four topics that emerged during the literature review - design, protection of identity, company culture, employee awareness and communication methods. Alternative topics could have been selected, potentially offering readers different perspectives on the topic. The third criticism mentioned by Bryman and Bell (2011) is that qualitative studies show a limited scope of their findings, particularly when based on interviews with a limited sample size. A case study is not a representative sample of a defined population after all, therefore the findings may not be generalized to other settings (Bryman & Bell, 2011). Although the interviews aim to provide a rich, in-depth insight into how whistleblowing mechanisms are implemented within an organization, the small sample size of only six interviewees might limit the generalizability of research findings. Therefore, the findings may primarily reflect the perspectives of one company rather than offering a comprehensive insight into what impacts the effectiveness of internal whistleblowing mechanisms in the majority of organizations. Additionally, the interviews predominantly focused on the organizational perspective of whistleblowing, without focussing on the employee viewpoint. Similarly, the geographical applicability of the findings should be considered. While providing valuable insights within the context of the German company, they may not be universally applicable across different geographical regions. Additionally, research of qualitative nature is said to lack transparency compared to quantitative studies, since there is no possibility to observe how researchers are conducting the analysis (Bryman & Bell, 2011). As a last limitation, this study will not explore the legislative dimensions of whistleblowing systems, as these are within the jurisdiction of governmental bodies and intergovernmental unions. However, the EU Directive 1937/2019 will be considered as a vital supplementary resource for analyzing the influence of whistleblowing mechanisms, providing valuable insights into the adoption of such systems.

By acknowledging research limitations, the authors enhance the credibility and transparency of their study and provide insights for future research in the field of whistleblowing.

5 Empirical Findings

This section provides an overview of the empirical findings gathered from the conducted interviews. The results are organized and described according to the previously identified key factors impacting whistleblowing systems.

For a detailed understanding of the development of whistleblowing mechanisms within the case company, which unfolded over several years, Interviewee D provided the authors with the following information: Already in 2015 and 2016, the internal audit team proposed implementing a whistleblowing tool, but it was evident that internal organizational structures were also needed to manage reports effectively. The proposal was put on hold until the end of 2020, when the compliance department, along with labor law and human resources, formed a Compliance Committee to oversee incoming reports. In 2021, the company contracted an Ombudsperson as an additional reporting channel. However, the new system has not been thoroughly communicated due to concerns about false reports and creating an atmosphere of mistrust within the organization (Interviewee D).

5.1 Design and Implementation

The first key factor identified regarding the effectiveness of whistleblowing mechanisms to shape internal whistleblowing mechanisms is the design and implementation of such systems.

System Set-up

The case company has various reporting channels in place for individuals to submit concerns, which are further detailed in the company's Code of Conduct. Interviewee A provided the authors with the following overview: Employees can initially engage in open discussions to prevent misconduct and resolve issues early. If necessary, they can escalate concerns internally to supervisors, management, or relevant departments such as HR or legal. If internal resolution is not feasible, employees have the option to contact the compliance department via hotline or email, ensuring confidentiality and compliance with regulations. Alternatively, they can seek assistance from the impartial Ombudsperson. A newly formed Compliance Committee consisting of six members, serves as a central governance body responsible for the discussion, evaluation and later reconciliation of compliance issues, which also encompass whistleblowing reports (Interviewee B).

"Depending on the scope of the report received, different people are involved in processing the case. For
'smaller' cases a preliminary discussion occurs within a small team comprising three members. 'Larger' cases

such as those involving corruption and sanction violations, are escalated to the Compliance Committee." -
Interviewee A

Besides reporting directly to the Compliance Committee via email or hotline, the case company provides its employees with additional avenues to report irregularities, a practice deemed significant by the interviewed expert, Interviewee E.

"To ensure that the reporting process is as accessible as possible, it is crucial to provide a wide range of channels. Thereby the reporting person can choose the option that best suits them. This results in a more effective reporting experience." - Interviewee E

Regardless of whether a report is received via the Ombudsperson or internal systems, the company is always responsible for the investigation (Interviewee E). At the case company, Interviewee C initially receives all reports, with Interviewee A acting as deputy if Interviewee C is involved in a case. Additionally, alternative contacts at management levels are available if the designated contacts are personally involved.

Moreover, through its diverse channels, the company emphasized the significance of reaching every employee, thereby lowering the threshold for reporting.

"Providing availability of whistleblowing channels around the clock and in various languages is important in order to reach every potential whistleblower."- Interviewee A

"Designing a system that is user-friendly and easily accessible can lower the inhibition threshold to report issues. From past experience, an internal internet-based platform may be preferred by employees as they perceive it to offer greater anonymity and convenience." - Interviewee A

Acknowledging the absence of such a platform, the case company is committed to refining its existing mechanisms. However, the Ombudsperson already provides an internet-based platform for reporting. Such systems directly acknowledge receipt and facilitate monitoring feedback deadlines as required by the EU Directive (Interviewee E).

One expert also mentioned that

"one key aspect of a good whistleblowing system for me is its flexibility in order to adapt to different regulatory environments" - Interviewee F

This is also highly important for the case company because of its international operations comprising different regulation systems.

Considering the regulatory framework and the recent adoption of the EU Directive, followed by its implementation into German law in 2023, the authors were curious about whether this

legislation has impacted the configuration of whistleblowing mechanisms within the case company. Interviewee A stated that

"while there have been some minor enhancements to internal processes, such as the establishment of the compliance committee and updates to the Code of Conduct, the predominant trend is towards embracing "best practices". There is a sense of obligation to adhere to these standards irrespective of existing regulations, largely because it is expected by the employees" - Interviewee A

Ombudsperson

As stated above, another reporting channel is the service of the Ombudsperson, Interviewee E, who provided the authors with the general process of these services. The Ombudsperson offers multiple reporting channels in over 40 languages, including hotline, email, fax, web-based systems, and an "Integrity App" for certain clients.

The process is as follows: Upon receipt of a report, the Ombudsperson provides direct feedback, ensuring acknowledgment within the same day. Subsequently, an initial assessment is conducted. Approval or consent from the whistleblower is obtained before forwarding the report to the company's internal contact person, adhering to the agreed format. The company then investigates according to internal policy, with findings reported back to the Ombudsperson. Following assessment, the Ombudsperson provides feedback to the whistleblower, tailored to the specifics of the case to protect the interests of both parties. Finally, the report is documented in compliance with data protection regulations (Interviewee E). The decision of the case company to implement another channel was because

"having an additional external Ombudsperson provides whistleblowers with a neutral avenue for reporting concerns. This can increase confidence in reporting wrongdoing and reduces fears of internal repercussions and ensures a more impartial process. Also, with an internal system, there may be a greater fear that information may also be passed on internally." - Employee A

Also, the Ombudsperson agrees with this and again highlights the independence with the following statement.

"I have the advantage of being a neutral body, since I am not part of the organization. My first statement of independence is my neutral email address. This is especially crucial in cases involving sensitive matters like sexual harassment, where conflicts of interest in an organization can complicate resolution." - Interviewee E

Furthermore, the case company can benefit from the Ombudsperson's experience, as they serve many international companies with their services regarding whistleblowing systems.

"Since I am a lawyer, I can strictly adhere to legal frameworks and ensure compliance with data protection regulations. My expertise in navigating legal intricacies ensures a robust and secure process for all parties involved. " - Interviewee E

Also the Ombudsperson assures effectiveness of their provided systems by

"(..) establishing defined processes, utilizing technical systems, adhering to agreed timeframes, implementing emergency protocols, and ensuring diligent case management to enhance efficiency, clarity, promptness, and quality in handling reports." - Interviewee E

By utilizing the services of the Ombudsperson, the organization can effectively balance the need for timely resolution of whistleblowing reports with the imperative for thoroughness and accuracy in the investigative process and can therefore focus on their daily business.

However, the case company states that

"utilizing the services of the Ombudsperson should ideally be a last resort, with the anticipation that all matters will be resolved within the company prior to seeking external assistance." - Interviewee D

5.2 Protection of Identity

The second key factor identified concerning the efficacy of whistleblowing mechanisms is ensuring the protection of the whistleblower's identity.

Providing anonymous reporting

Within the case company, individuals reporting breaches are provided with the option to remain anonymous if they so desire.

"We support employees who come forward with their concerns by ensuring anonymity through the whistleblowing hotline. If they contact us via mail, they can use an anonymous mail address." - Interviewee B

Maintaining the guarantee of identity protection relies on a critical condition, as emphasized by the Ombudsperson:

"Whistleblowers are only safeguarded if their reports are made in good faith." - Interviewee E

Hence, if a report is made in good faith, the whistleblower can expect to be safeguarded, whereas false or malicious reports may not receive the same level of protection.

Further, Interviewee F elaborates that

"Anonymous reporting does not only protect the anonymity of the reporting person but also the anonymity of the accused party" - Interviewee F

In order to safeguard the confidentiality and anonymity of whistleblowers, the case company employs several measures. Upon receiving the report, the initial responsibility for reviewing it falls on a single individual, Interviewee C.

"I, as a receiver of the internal reports, am the only person who is informed about them in the first place and it goes without saying that I protect the identity of the person providing the report." - Interviewee C

When discussing and clarifying reports, a small group of individuals, typically consisting of only three people, or as mentioned in section 5.1, six people for more complex cases, is engaged in the consultation process.

"In our company, the "need-to-know" principle is strictly adhered to. Only a limited circle of individuals is involved in discussing the whistleblowing cases."- Interviewee A

This adherence to the "need-to-know" principle ensures that information is restricted to those directly involved in addressing the issue, minimizing the risk of unauthorized disclosure.

Another avenue for addressing wrongdoing in the case company is through random checks conducted by the internal audit, overseen by Interviewee D. By integrating reports into routine audits, employees feel assured that their concerns will be addressed discreetly, minimizing the risk of unnecessary attention or potential repercussions.

"When a report falls under the purview of Internal Audit, it is not openly investigated. Instead, it is incorporated into a routine audit to avoid causing disruption within the organization. Employees perceive it as a regular audit, while the whistleblower remains anonymous." - Interviewee D

Also the services provided by the Ombudsperson are crucial for individuals who wish to maintain anonymity, as emphasized by the Ombudsperson as follows

"My lawyer's office is protected from seizure and provides a secure setting for confidential discussions as part of my work as an Ombudsperson." - Interviewee E

This provision ensures that whistleblowers can safely disclose sensitive information without fear of legal repercussions or breaches of confidentiality. Another crucial factor influencing the protection of whistleblowers' identities is

"a clear communication about the system's security, to ensure that whistleblowers feel protected and can remain anonymous if they choose." - Interviewee F

This implies that clear and transparent communication about the security measures of the whistleblowing system is an essential measure.

Challenges of maintaining anonymity

Interviewee F states that clarifying the facts in whistleblowing cases typically poses a significant challenge during the processing of such cases. Employee E and B state:

"When whistleblowers choose to remain anonymous, engaging in personal conversations to clarify details or ask follow-up questions becomes challenging. However, queries can be directed to anonymous whistleblowers through the system, although direct personal communication could enhance the clarification of reported issues."
- Interviewee E

"It is more difficult to resolve reports when the reporting person remains anonymous, because some issues are easier to solve by just talking to the reporting person and follow-up questions are much easier." - Interviewee B

These statements imply that while maintaining anonymity protects whistleblowers, it can also hinder the process of clarifying reported issues due to lack of direct personal communication.

Another noted challenge mentioned by Interviewee F is:

"Anonymous reporting channels pose a challenge when the reporting individual submits initial information via a web-based system but fails to log in again. Consequently, the organization cannot follow up." - Interviewee F

This can lead to unresolved issues and stalled investigations due to the inability to contact the reporting person.

Lastly, the company assumes that the implementation of an internet-based system where reporting persons can remain anonymous could lead to many false tips (Interviewee A). However, the interviewee suggests that in practice, the incidence of such behavior may be minimal.

5.3 Company Culture

The third significant factor regarding the efficacy of whistleblowing mechanisms is the role of corporate culture in encouraging internal whistleblowing.

Attitude towards whistleblowing

The case company stated that the whistleblower system was initially poorly communicated due to management's concerns about employee reactions. They feared it might be perceived as a tool of distrust (Interviewee D) and foster a culture of grievance (Interviewee A).

"Employees might think that they can now complain about other colleagues." - Interviewee A

However, Interviewee D stressed that this fear was not confirmed when the system was communicated, which according to the interviewee can be attributed to a positive corporate culture towards whistleblowing.

"If you have a good corporate climate, you do not have to worry." - Interviewee D

Interviewee E emphasized the need to shift the meaning of the word whistleblower from a negative connotation to a positive one.

"The term whistleblowing is still very negatively perceived in Germany. Many immediately think of whistleblowers as traitors. That is why emphasis is placed on trust attorneys and reporting management. An open dialogue is demanded, with guidance for employees rather than 'you are obligated to report violations'. The goal is to frame everything positively to strengthen openness in the corporate culture." - Interviewee E

Clear communication of company values is vital to encourage employees to utilize whistleblowing as a method to uncover potential wrongdoing.

"Communicating the company values, what the spirit of the company is." - Interviewee F

Governance practices

Furthermore, several interviewees point out that the tone from top must be right.

"It is crucial for management to communicate that compliance violations should be reported, ensuring the right tone from the top, while also ensuring that they support and understand the importance of these reporting channels beyond legal obligations." Interviewee A

"Maintaining a whistleblowing system depends on the interests of the management. Tone from the top must be given, which means management needs to communicate the openness to reports and that this is something positive." - Interviewee C

"Tone from the top is crucial, but it could be communicated more internally." - Interviewee D

"In general, the wording 'it is expressly desired to address problematic cases' is important and highlighting that negative consequences for whistleblowers are prohibited. It is essential that this is repeated several times in various places, including when the CEO or Management Board comments on compliance issues."
- Interviewee F

The case company has several instruments in place that are essential for promoting a whistleblowing culture within the company.

"The Code of Conduct, together with the whistleblower hotline, the corporate values and the Compliance Committee, are all instruments that are essential for a good corporate culture and help to strengthen the corporate culture. The whistleblower hotline makes it possible for employees to report irregularities anonymously. These tools strengthen the company's reputation." - Interviewee B

The distribution of the Code of Conduct underscores efforts by each interviewee to foster a culture of integrity and transparency. Compliance with the principles outlined in the Code of Conduct is emphasized as crucial by all interviewees.

Providing employees with multiple avenues to voice their concerns can significantly enhance their confidence and willingness to come forward.

"Employees may feel more confident that there is a channel - they do not feel left alone, since they know they have the opportunity to submit reports via different channels." - Interviewee D

Feedback

Individuals expect feedback when submitting a report, but many interviewees revealed challenges, such as privacy and data protection rights.

"Whistleblowers do not get any special insight and details of what happens in the investigation process. This creates a 'gap', as you cannot say too much and you do not want to say too little - it is important to find a balance here in terms of what feedback you give to the whistleblower." - Interviewee C

"Feedback will be given to the whistleblower. This usually includes statements such as 'it has been investigated and action has been taken', but no specific information about the process may be passed on due to data protection." - Interviewee D

"Whistleblowers usually want to know all the steps that are taken in the investigation process, but this is not allowed for data protection reasons. Whistleblowers often feel unsatisfied as a result. For this reason, whistleblowers must be given the confidence that their report is being followed up." - Interviewee F

5.4 Communication Methods and Employee Awareness

The last aspect that has an impact on the effectiveness of whistleblowing systems is how the company effectively communicates these internally and raises awareness.

Communication Methods

When questioned about communication methods for informing employees about the available channels, it was mentioned that they are posted on the intranet and website. However, interviewees emphasized that the main method is the Code of Conduct.

"We are currently in the process of distributing the Code of Conduct as a hard copy via Mail to employees around the world, including those working in production. This approach aims to guarantee that all employees are well-informed about compliance rules and the availability of the whistleblowing hotline." - Interviewee B

"The Code of Conduct is designed in a compact way, which includes only relevant topics regarding compliance within the company." - Interviewee C

For new employees, it is planned that they will receive the Code of Conduct as a hard copy at the start of their contract.

"New employees will receive the Code of Conduct on their first day of work." - Interviewee C

Alternative ways to effectively communicate the reporting channels were pointed out by Interviewee F.

"Every office must display posters, and digital screens are used to display adverts." - Interviewee F

Interviewee E and F emphasized the importance of the Ombudsperson to build up trust by an introduction either personally or via video, which is posted on the company website.

"I, as an external Ombudsperson, personally go to my client companies and introduce myself in order to build trust - This ensures that all employees know the receiver of their potential report and feel more empowered to report wrongdoing." - Interviewee E

"An effective method in communicating compliance themes and also the whistleblowing mechanisms is through Videos of the Ombudspersons - Since they introduce themselves in a video and explain the whistleblowing channels and processes. This makes it easier for employees to understand the process." - Interviewee F

However, for companies that operate internationally, communication barriers may arise, making it challenging to effectively convey the existence and importance of the reporting channels to all employees.

"As employees are located farther away from the head office, it becomes increasingly difficult to ensure that they are aware of and have access to the whistleblowing system." - Interviewee A

Employee Awareness

As the distribution of the Code of Conduct is still ongoing, the case company lacks full information regarding the current awareness of the reporting channels.

"Having so few reports is rather a sign of a low level of awareness as every company with more than 10,000 employees working internationally should have more reports of compliance topics" - Interviewee A

"In the next year, after the Code of Conduct has reached all the employees, the company starts its first evaluation, which will measure how many employees know about the reporting channels." - Interviewee C

Concerning training on compliance issues, Interviewee B explained that the company currently works on a comprehensive training concept and the Code of Conduct.

"Training is important to explain laws and rules regarding compliance repeatedly so that this becomes manifest. In addition, managers should also be trained in how to behave in situations where they are made aware of issues." - Interviewee B

Furthermore, the company intends to periodically distribute an evaluation form to monitor the level of awareness (Interviewee A).

"To raise awareness of the available whistleblowing mechanisms, the message must be conveyed to employees that reports should be communicated through the whistleblowing channels" - Interviewee C

When the authors asked whether the interviewees are satisfied with the level of awareness and about there being any suggestions for improvements, one respondent noted:

"Improvements could include launching campaigns to raise awareness, and adopting a positive approach by expressing gratitude to whistleblowers and communicating the benefits of whistleblowing." - Interviewee D

6 Discussion and Analysis

The following chapter analyzes empirical findings by comparing interview responses with literature, first examining key factors influencing whistleblowing mechanisms and then contextualizing them within institutional theory. This framework elucidates how organizations respond to external pressures and shape their behavior accordingly, exploring how institutional norms influence organizational responses and their implications for whistleblowing policies and practices.

6.1 Design and Implementation

The EU Directive requires companies with over 50 workers to establish an internal whistleblowing system, but it grants flexibility to each company in determining how to structure this system, as long as it ensures confidentiality (Directive 1937/2019). Given the significance attributed to whistleblowing system design in literature, this section examines whether the design and its implementation also influences the efficacy of the case company's whistleblowing mechanisms, and whether institutional pressures drive this influence.

Whistleblowing systems are frequently implemented without achieving the desired effectiveness, often seen as symbolic gestures rather than impactful mechanisms (Lee & Fargher, 2013). A deficient system can lead individuals to witness wrongdoing but choose to stay silent. However, contrary to this trend, the case company is actively enhancing its mechanisms by continuously embracing best practices (Interviewee A), ensuring that its whistleblowing system is not merely symbolic but functional and responsive.

Establishing clear policies and guidelines for whistleblowing systems is essential in order to make them more effective. Additionally, organizations should uphold ethical standards by implementing ethical codes, which delineates a set of values, and also promote adherence to these values (Mrowiec, 2022). In line with these recommendations, the case company has established detailed procedures for its whistleblowing mechanisms and many more

compliance standards that hold within the organization outlined in its Code of Conduct (Interviewees A, B, C & D).

Organizations should provide both anonymous and non-anonymous channels for reporting, as recommended in the literature (Mrowiec, 2022). Interviewee E concurs with this perspective, emphasizing the importance of offering a diverse range of channels to enhance effectiveness and accommodate individual preferences. The case company aligns with this recommendation by offering various reporting mechanisms, as confirmed by Interviewee A.

While the case company recognizes the significance of an internal internet-based platform in facilitating reporting and reducing barriers (Interviewee A), its absence indicates a potential gap in meeting the evolving needs of employees in the digital age, as these systems are the most commonly favored reporting methods (ACFE, 2024; KPMG, 2022; Lowry et al., 2013). The popularity of internet-based systems arises because they offer the reporting person to remain completely anonymous, which is preferred by most whistleblowers (Kaplan & Schultz, 2007). However, it is worth noting that the case company offers an internet-based system through the Ombudsperson. The Ombudsperson's role as a neutral and independent entity outside of the organization may further motivate employees to come forward with their concerns (Interviewee A & E).

According to Miceli and Near (2002) an effective whistleblowing system, characterized by support, responsiveness, and legitimacy, can incentivize employees to report instances of perceived wrongdoing. Responsiveness is also a factor mentioned in the EU Directive, as this states that "A reasonable timeframe for informing a reporting person should not exceed three months." (Directive 1937/2019, p. 26). Also, whistleblowing mechanisms have to provide the whistleblower with an acknowledgement of receipt within 7 days after reporting (Directive 1937/2019). Internet-based systems facilitate the monitoring of these deadlines and enable the escalation of reports that require feedback (Interviewee E).

With regulations concerning whistleblowing mechanisms subject to change over time, as exemplified by the introduction of the EU Directive, the Ombudsperson plays a critical role in ensuring the compliance of these mechanisms with evolving regulations and maintaining their currency (Interviewee E). While it is essential for the organization to consistently adhere to these rules, the ombudsperson can significantly assist the company in this regard providing valuable guidance and assistance, especially because it operates globally within different regulatory frameworks (Interviewee A). Designing a whistleblowing system for global

organizations poses significant challenges, primarily stemming from legal compliance, cultural nuances, global access, and language barriers (Slovin, 2006). Hence, providing availability of whistleblowing channels round-the-clock and in multiple languages is highly valued by the organization, as stated by Interviewee A.

However, the implementation of channels in response to the EU Directive was not the primary motivation for the case company. Instead, it stemmed from their adherence to best practices and the employees' expectations (Interviewee A). This indicates that the case company is not merely reacting to regulatory changes but is proactively striving to meet or exceed industry standards and expectations. The case company's proactive approach to designing whistleblowing mechanisms - by embracing best practices, providing diverse reporting channels, and establishing clear, ethical policies - demonstrates that fostering a culture of integrity and accountability significantly enhances the system's effectiveness and encourages whistleblowers to come forward.

Coercive isomorphism

Interviews revealed that coercive pressures significantly influenced the case company's design of its whistleblowing mechanisms. The findings of the interviews and literature emphasize supportive structures such as the Code of Conduct, Whistleblower Hotlines, and Compliance Committee in the case company, which are crucial regulatory tools supporting whistleblowing by designing clear rules and guidelines. Furthermore, the availability of multiple reporting channels, maintain confidentiality and global accessibility align with the requirements by the EU Directive for comprehensive reporting mechanisms, reflecting coercive pressures to be in compliance with legal standards and societal expectations.

However, since the company had established whistleblowing mechanisms prior to the translation of the EU Directive into German law, it can be assumed that they were not solely implemented and designed in response to regulatory pressure. Social norms and expectations, which stem from coercive pressures, also impact the implementation and design of whistleblowing mechanisms. The case company underscores the perception that whistleblowing systems are regarded positively, primarily from the employees' viewpoint, highlighting the critical importance of addressing employees' needs. This indicates that external informal pressures have an impact on designing whistleblowing mechanisms within the case company. While the design and implementation of whistleblowing mechanisms by companies, such as the case company, in response to regulative external pressures such as the

EU Directive is evident, it does not necessarily guarantee their effectiveness. However, coercive isomorphism has a significant influence through social norms on shaping the whistleblowing mechanisms within the case company, highlighting the contemporary reality where companies increasingly face pressure not only from regulations but also from societal expectations.

Normative isomorphism

The IOA serves as a professional association or network within the context of normative isomorphism which creates a pool of Ombudspersons operating for a wide range of organizations and provide the latter with orientation within the landscape of whistleblowing mechanisms. When designing whistleblowing mechanisms and selecting an external third party like an Ombudsperson, normative isomorphism can lead organizations to adopt similar norms and practices, significantly influencing the effectiveness of their whistleblowing mechanisms. Many companies use the services of the Ombudsperson, since they provide extensive expertise in the set-up and the management of whistleblowing systems and ensure compliance with regulations, providing valuable guidance and assistance in this regard. Also the case company gains numerous advantages from the assistance of the Ombudsperson. The latter offers a 'full package' of the whistleblowing mechanism, providing the systems (web-based platform, hotline, email-address, fax), examining and filtering incoming reports for the company, giving feedback to the whistleblower once the case is solved. The Ombudsperson further serves as a contact point for whistleblowers, who may choose to remain anonymous, and acts as a mediator between whistleblowers and the organization. Utilizing the Ombudsperson's services helps the company to save resources, as they alleviate the burden of managing their own whistleblowing systems, allowing them to focus on core activities. To conclude, normative isomorphism signifies the professionalization of designing whistleblowing mechanisms and improves whistleblowing practices within the case company.

Mimetic isomorphism

The impact of the design and implementation of whistleblowing mechanisms on the system's effectiveness can be related to mimetic isomorphism. The case company's proactive approach to embracing best practices and providing a diverse range of reporting channels reflects a mimetic process of adopting practices that are seen as successful in other organizations. This approach, driven by the uncertainty surrounding the recently introduced EU Directive, demonstrates the company's effort to align with industry standards and mitigate potential

risks regarding the design of such mechanisms. This proactive stance indicates that the case company is not merely reacting to regulatory changes but is actively aiming to meet industry standards and expectations, aligning with the mimetic process of adopting successful practices. The emphasis on establishing clear policies, promoting ethical standards, and ensuring responsiveness and legitimacy reflects the impact of mimetic isomorphism on the case company's design and implementation of whistleblowing mechanisms.

6.2 Protection of Identity

The literature underscores the pivotal role of protecting identity in the effectiveness of whistleblowing mechanisms. Individuals are more likely to come forward with claims of wrongdoing when they have the option to remain anonymous. This anonymity reduces their potential personal costs, such as the fear of retaliation and job loss. (Kaplan & Schultz, 2007; Brown et al., 2016). The EU Directive mandates that companies ensure confidentiality when implementing whistleblowing systems (Directive 1937/2019). All interviewees affirmed that safeguarding identities is a core value within their organization, and their whistleblowing systems offer anonymity options, thus aligning with existing literature and meeting regulatory mandates (Interviewee A, B, C & D).

Firstly, they offer anonymous reporting channels, including a hotline and an email address, where individuals can submit reports using an anonymous mail address (Interviewee B). Secondly, the ombudsman acts as an additional mechanism, assuming an external and neutral role in the whistleblowing process. This arrangement can help minimize concerns about internal repercussions and ensure that internally reported information remains confidential within the boundaries of the organization (Interviewee E). Additionally, the case company follows the "need-to-know" principle, limiting the involvement of personnel to a minimum when addressing whistleblowing cases (Interviewee A). The same holds for the services of the ombudsperson, since they require the reporting individual's consent to forward the case to the company, allowing them to choose to remain anonymous. These values are reinforced by the EU Directive, which mandates that the identity of whistleblowers must be kept confidential and can only be disclosed to authorized staff members with the whistleblower's explicit consent (Directive 1937/2019). Finally, the company offers individuals the option to request a "random" check conducted by the internal audit department, presenting it as a routine procedure to maintain the appearance of a standard random check.

Another crucial step for the case company to consider is effectively communicating the security measures of the whistleblowing system, as mentioned by Interviewee F. This can reinforce employees' confidence in the protection of their identity, ensuring that it remains safeguarded against potential risks such as data leaks.

However, the findings alongside existing literature underscore the organizational preference for non-anonymous reporting (Kaplan & Schultz, 2007). First, this approach facilitates direct resolution of issues by enabling direct communication with the reporting individual compared to anonymous reporting (Interviewee B & E). This aligns with findings in the literature, as it suggests that managers worry that anonymous reporting might undermine the organizational culture by replacing it with face-to-face discussions (Stubben & Welch, 2020). Also, the case company states in their Code of Conduct, that initially before using whistleblowing systems, individuals are called upon to try and solve issues by way of an open discussion or talking to supervisors (Interviewee E). Additionally, with anonymous reporting systems requiring individuals to log in for follow-ups, there is a risk that unresolved issues may arise if individuals fail to log in again (Interviewee F). This lack of engagement can lead to inaccuracies in problem identification, leaving the company uncertain about how to address the case effectively. Lastly, anonymous systems may incentivize individuals to over-report, leading to an increased risk of receiving numerous false or unsubstantiated tips (Interviewee A). False or unsubstantiated reports can consume valuable organizational resources and can detract from addressing genuine concerns and core business operations.

While anonymity in whistleblowing lowers barriers for individuals to report and reduces the possibility for whistleblowers to remain silent, it presents several challenges for the case company. Therefore, its effectiveness is contingent upon addressing the challenges it poses for companies, such as potential risks of undermining organizational culture.

Coercive isomorphism

Within the case company, management prefers non-anonymous reporting over anonymous reporting because it facilitates easier resolution of cases and makes the process more effective. However, the company still offers employees the option to remain anonymous. This approach can be explained by coercive pressures: Firstly, regulations like the EU Directive mandate that companies must protect the identity of whistleblowers. The adherence to these regulations demonstrates compliance with legal mandates, which arises through regulatory pressures. Secondly, social norms play a role, as employees often prefer anonymous systems

and expect their employer to have such mechanisms in place. Thus, the way the company protects the identity of whistleblowers can be influenced by the desire to maintain legitimacy in the eyes of stakeholders and the broader institutional environment. Therefore coercive isomorphism led to the implementation of anonymous reporting channels within the case company, which enhanced the willingness to report misconduct by ensuring that individuals feel protected and do not have to fear negative consequences.

Normative isomorphism

The professional role of the Ombudsperson significantly impacts identity protection as it enhances the reporting person's confidence in remaining anonymous. The Ombudsperson's responsibilities include being independent, impartial, confidential, and informal, thereby ensuring a fair and secure environment for whistleblowers to come forward with their concerns, regardless whether they reveal their identity. In addition to adhering to professional norms, the Ombudsperson must comply with the regulatory framework, such as the EU Directive, which includes providing anonymous reporting channels as part of their duties. Hence, normative isomorphism shows the alignment with professional norms that emphasize the importance of protecting whistleblowers' identities. Within the case company this type of isomorphism has positively influenced the organization's implementation of anonymous whistleblowing channels.

Mimetic isomorphism

Within the institutional environment, the protection of whistleblowers' identities may be taken-for-granted as a fundamental aspect of ethical and legal compliance. Safeguarding identities is not only expected but also essential for maintaining organizational legitimacy and trust. Failure to protect whistleblowers' identities could lead to reputational damage, legal consequences, and a loss of stakeholder confidence, all of which are undesirable outcomes within the institutional context. While there is no evident mimicry of measures for identity protection by the case company specifically, in general, through mimetic isomorphism, companies may adopt practices and policies to protect whistleblowers' identities. This is not only to comply with the EU Directive but also to meet the taken-for-granted expectations of ethical conduct and compliance within their institutional environment.

6.3 Company Culture

As highlighted in the literature and in the interviews, corporate culture is elemental for fostering an effective whistleblowing system (Lee & Fargher, 2013). A strong and positive ethical climate towards whistleblowing, as emphasized by Zhou et al. (2018), increases the likelihood of employees reporting misconduct in organizations that culturally support whistleblowing.

The belief that a strong ethical climate improves whistleblowing intention as stated by Zhou et al. (2018) is in line with the findings of the interviews, which underline the importance of fostering a supportive corporate culture in order to increase the effectiveness of whistleblowing systems (Interviewee A & E). This aligns with Near and Miceli's (2016) assertion that employees should feel safe without fearing reprisals, indicating the organization's value for employee input and openness to addressing internal issues. Also, the study by PwC (2013) advocates the establishment of a culture of transparency to encourage whistleblowing. Interviewee D further supported this notion by highlighting the importance of providing multiple channels for reporting, which can foster a sense of safety and inclusivity among employees. This is in line with the recommendation to design effective reporting mechanisms that are embedded within the organization (PwC, 2013).

The case company has various tools in place, such as the Code of Conduct, Whistleblowing Hotline, and the Compliance Committee, which not only contribute to strengthening the company culture towards whistleblowing (Interviewee A), but also enable employees to report wrongdoings, either openly or anonymously. By facilitating various reporting channels and upholding ethical standards, these instruments ultimately enhance the company's reputation by demonstrating that it responsibly addresses misconduct within its own walls. Maintaining ongoing communication with the whistleblower after a report has been filed is essential to ensure they feel valued and informed throughout the process, fostering trust in the mechanisms and preventing feelings of futility. Furthermore, providing feedback is essential for maintaining transparency (PwC, 2013). This has been recognized by the case company, and is done in accordance to the EU Directive by adhering to the given deadlines of receiving reports and providing feedback to the person, who submits the report (Directive 1937/2019).

However, providing feedback presents challenges for the case company because it must balance transparency with whistleblowers' expectations while protecting privacy and adhering to data protection laws such as GDPR. This often results in limited information

being shared, leading to dissatisfaction among whistleblowers who desire detailed updates on the investigation process (Interviewee C, D & F).

Fostering a supportive corporate culture is crucial for the effectiveness of whistleblowing mechanisms within the case company, as it encourages employees to report wrongdoing and promotes transparency and accountability within the organization.

Coercive isomorphism

As emphasized by the case company, employees expect from their employer that whistleblowing mechanisms are in place because this signals that the company promotes a speak-up culture and a channel where employees and other stakeholders can address their concerns. If companies do not implement such measures, employees might seek opportunities at competing firms that prioritize fostering an environment where concerns are openly addressed. This shows the impact of social norms, of forming an organizational culture where concerns can be openly addressed without fear of retaliation. Social norms can be attributed to informal external pressures of coercive nature. Hence, the impact of coercive isomorphism is evident as the case company feels compelled to foster a speak-up culture which promotes whistleblowing mechanisms due to informal external pressures.

Normative isomorphism

The services of the Ombudsperson provide an externally managed channel, where the whistleblower can remain completely anonymous to the organization. The implementation of these channels however does not suit the case company's culture, because the latter emphasizes a speak-up culture, where direct conversations and open discussions are preferred over anonymous submission of tips. Also, the company states that utilizing the services of the Ombudsperson should ideally be a final option after trying to solve issues internally. These findings show that although the profession and expertise of the Ombudsperson can positively influence the set-up and design of whistleblowing systems, these systems still need to align with the company culture. Therefore, normative isomorphism negatively impacts the case company's culture by imposing systems that do not fit the company's preferred approach. However, given that whistleblowing regulations are relatively new in Germany, the case company likely sought out experienced professionals for guidance on whistleblowing mechanisms without fully recognizing the need for these systems to fit the company culture.

Mimetic isomorphism

Adhering to "best practices" by promoting transparency and accountability can be attributed to mimetic isomorphism. Observing how other organizations successfully implement and embed their best practices regarding whistleblowing mechanisms likely influenced this change. By mimicking these practices, the company may aim to align with industry standards and reduce uncertainty regarding legal and ethical compliance. Additionally, adopting these best practices can foster a positive company culture that values integrity and open communication. This cultural shift encourages employees to view whistleblowing as a constructive and protected activity, thereby enhancing trust within the organization and ensuring that ethical concerns are promptly and effectively addressed. By integrating these elements, the company strengthens its internal ethical framework and overall organizational health. Therefore, mimetic isomorphism has positively influenced the case company's culture towards whistleblowing by fostering an environment of transparency, accountability and ethical behavior.

6.4 Communication Methods and Employee Awareness

The findings emphasize the critical importance of effective communication methods and employee awareness in fostering a culture of whistleblowing within the company.

As noted in a report published by KPMG (2022), the need for organizations to have various communication channels implemented that remind individuals of the need to report wrongdoings is essential. Within the case company, the Code of Conduct serves as the primary communication tool of whistleblowing mechanisms. Other communication channels include the intranet for employees and internet website for external stakeholders (Interviewees B & C). Furthermore, the ombudsperson places significant emphasis on initiatives such as a personal introduction at client companies and explaining the mechanisms through which employees can report (Interviewee E). Another communication channel planned for implementation by the case company involves informative videos about compliance, which will be presented by the CEO (Interviewee A).

Miceli and Near (2002) stress the significance of regularly reinforcing awareness among employees of which whistleblowing reporting channels are available, asserting that these reminders foster a culture of reporting and support organizational objectives while enhancing the effectiveness of such channels. This is also highlighted in the ACFE report (2024), which

indicates that individuals who have participated in fraud awareness training are twice as likely to report misconduct compared to those without such training. Due to the fact that the case company has not finished distributing the Code of Conduct at the time of the interviews (Interviewee A), it is difficult to assess whether they have an effective training program implemented and if this strengthens the awareness among organizational members. The lack of comprehensive training strategies and awareness evaluation highlights areas for improvement, which, according to Interviewee D, is already acknowledged and worked on. Hence, suggestions for future strategies include introducing campaigns to raise awareness and ensuring clear communication of reporting channels to all employees.

The Interviewees suggested that the volume of reports does not only serve as an indicator for the amount of existing compliance issues, but also reflects insufficient awareness levels (Interviewee A). However, the case company has acknowledged this issue and is currently making efforts to improve it, which include the implementation of regular assessments in order to measure awareness. In addition, a targeted compliance campaign focusing on whistleblowing is planned to help raise awareness to the issue (Interviewee D).

The findings underscore the crucial role of effective communication methods and employee awareness in fostering a strong culture of whistleblowing within the case company, as this has an impact on the effectiveness of whistleblowing mechanisms. Implementing various communication channels ensures that employees are regularly made aware and reminded of the available reporting mechanisms, thereby enhancing the likelihood of reporting misconduct.

Coercive isomorphism

The communication of internal whistleblowing channels is not mandated by the EU Directive, which aligns with the finding that the case company so far has not prioritized communication of their systems in place. However, the company has recently intensified their communication efforts. Regulatory pressures that lead to coercive isomorphism do not influence the communication of these mechanisms in place. However, social pressures play a significant role, as stakeholders, such as employees may seek clarity on where to report concerns. Also, the company's reputation increases when these measures are not only in place but also communicated. The case company plans to inform new employees about compliance policies, including whistleblowing channels, through their Code of Conduct. This reflects social pressures driving enhanced communication efforts of the case company.

Normative isomorphism

The Ombudsperson's personal introduction at the client companies serves as a direct communication channel to inform employees about the whistleblowing process, how to report issues, and the protections in place. By having a channel managed by a professional with years of experience, the company demonstrates its commitment to adopting established best practices and norms in the field, thereby aligning itself with normative isomorphism as it seeks to conform to professional standards. This proactive communication method helps building trust and encouraging employees to use these mechanisms. Normative isomorphism thereby enhances whistleblowing communication methods, professionalizing the process within the case company.

Mimetic isomorphism

It is unclear whether the case company adopted its communication methods due to mimetic isomorphism, as there is insufficient information on whether they followed the practices of other companies. Nonetheless, when new regulations, such as the EU Directive, are introduced and companies remain uncertain about how to communicate these measures, they can consider mimicking the communication methods of peers that are seen as more legitimate. However, it is vital that companies adapting their structures through imitation ensure that these best practices fit into their organizational culture. For example, the organization Interviewee F works at, has already developed a comprehensive strategy for communicating whistleblowing channels. Thus, the case company could use this organization as a role model for establishing their own whistleblowing communication methods. Mimetic isomorphism hence could also improve the communication process within the case company.

7 Conclusion

The case of Boeing and the series of incidents illustrate the critical importance of whistleblowing and maintaining compliance within organizations. Encouraging whistleblowing is essential, yet only half of the employees who observe misconduct report it. Therefore, having an effective whistleblowing system is crucial for organizations, providing employees with a channel to raise concerns and allowing the detection of wrongdoing before it becomes publicly known. Further, organizations must ensure these systems comply with new EU Directives and regulations. In order to address this matter and to understand what

influences whistleblowing systems' effectiveness, the research question was framed as follows:

How do organizations establish and maintain effective internal whistleblowing mechanisms, and what factors influence their efficacy, considering the role of coercive, normative and mimetic isomorphism?

Organizations establish and maintain effective internal whistleblowing mechanisms by designing comprehensive policies, ensuring robust protection measures for whistleblowers, fostering a supportive organizational culture, and creating awareness among organizational members. The design of whistleblowing mechanisms impacts the effectiveness of such systems as they directly influence the ease of reporting, confidentiality protection, organizational responsiveness, and overall trust in the whistleblowing process. A well-designed and properly implemented whistleblowing mechanism enhances transparency, encourages reporting, and fosters a supportive environment for whistleblowers, ultimately leading to more effective detection and prevention of wrongdoing within organizations. Protecting the identity of whistleblowers not only reduces personal costs and encourages individuals to report claims of wrongdoing, it also aligns with regulatory requirements and organizational values. However, often organizations' preference for non-anonymous reporting suggests a balance is needed to facilitate direct resolution of issues and mitigate risks such as false reports and lack of engagement. A supportive corporate culture, including a robust speak-up environment and tone from the top, is crucial for effective whistleblowing systems, as it encourages employees to report misconduct openly and without fear of retaliation. Communication methods and employee awareness are crucial to the promotion of a whistleblowing culture within the company. The use of various communication channels, such as compliance policies, the intranet and the company webpage, can strengthen reporting mechanisms and raise awareness, ultimately increasing the effectiveness of whistleblowing systems.

The efficacy of these mechanisms were further viewed through the lens of institutional theory, respectively of coercive, normative, and mimetic isomorphism and revealed the following. Coercive isomorphism can significantly influence internal whistleblowing mechanisms. While regulatory pressures, such as aligning with the EU Directive, shape whistleblowing mechanisms, companies also face social pressures such as employees' expectations, indicating that both formal and informal pressures impact the effectiveness of internal whistleblowing mechanisms. While coercive pressures can lead a company to

implement clear rules and guidelines, they can be ineffective if they do not align with the company culture. For instance, although providing anonymous reporting channels might be legally required, they may not be effective in a company that promotes a speak-up culture.

The findings further revealed that normative isomorphism can positively and negatively affect whistleblowing mechanisms. It manifests through the Ombudsperson within the IOA network, guiding organizations as a professional in developing whistleblowing systems. Positive impacts include professionalizing these systems, improving practices, and aligning with norms and regulations. However, negative effects occur when imposed systems do not align with company culture, potentially reducing their effectiveness. Furthermore, mimetic isomorphism is present in uncertain environments. When this is evident, companies adhere to best practices by mimicking peers. This mimicry can have a positive effect on whistleblowing mechanisms when organizations adopt clear policies, promoting ethical standards, ensuring responsiveness and legitimacy.

To conclude, all forms of institutional isomorphism have an impact on the effectiveness of whistleblowing systems, with coercive pressures being the most prominent one as there is a newly introduced EU Directive. When compliance measures, adapted through isomorphism, align with company culture, core values, and norms, they positively impact the effectiveness of whistleblowing mechanisms. However, if they do not align, these measures may negatively affect the mechanism's effectiveness.

This thesis offers several important contributions to the whistleblowing literature. First, it identifies critical factors influencing the effectiveness of whistleblowing systems, guiding organizations in their establishment. Second, viewing the findings through the lens of institutional theory provides a framework for understanding how institutional pressures and normative expectations shape organizational behavior regarding whistleblowing. Furthermore, it addresses the gap in understanding the multiple influences on the design and implementation of whistleblowing mechanisms, highlighting the interplay between regulatory pressures, professional norms and industry practices. Additionally, this research emphasizes the importance of a supportive corporate culture and effective communication channels in fostering a positive environment for whistleblowing. Lastly, it highlights the critical role of anonymity and protection in encouraging whistleblowers to come forward.

Future research should explore the long-term impacts of these mechanisms on organizational culture and employee behavior. Investigating the specific challenges faced by different

industries in implementing whistleblowing systems and the role of emerging technologies in enhancing these mechanisms would provide valuable insights. Furthermore, comparative studies across various regulatory environments can offer a deeper understanding of how legal frameworks influence the efficacy of whistleblowing systems globally. Such studies could inform multinational corporations on tailoring effective whistleblowing policies to specific cultural contexts, thereby enhancing organizational integrity globally.

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Appendix: Interview questions

German	English
Bitte stellen Sie sich kurz vor und erzählen uns, wie lange Sie bereits im Unternehmen sind.	Please introduce yourself and tell us how long you've been in the company.
Bitte leiten Sie uns durch das aktuelle Hinweisgebersystem.	Please guide us through the current Whistleblowing system in place.
Was sind die Hauptkomponenten in Ihrer Hinweisgeber Richtlinie und Abläufe? Können Sie uns bitte durch den allgemeinen Prozess nach Einreichung einer Meldung erläutern?	What are the main components of your whistleblowing policy and procedures? Can you please walk us through the general process after a report is submitted?
Was war der Grund für die Einrichtung eines zusätzlichen Kanals über die Ombudsperson?	What was the reason for implementing an additional channel via the Ombudsperson?
Was sind die größten Herausforderungen bei der Bearbeitung von Whistleblowing Fällen?	What are the biggest challenges in handling whistleblowing cases?
Was war die Motivation, das Compliance Committee zu gründen?	What was the motivation behind creating the Compliance Committee?
Was macht für Sie ein gutes Hinweisgebersystem aus?	What do you think makes a good whistleblowing system?
Glauben Sie, dass das Design eines Hinweisgebersystems eine wichtige Rolle dabei spielt, Mitarbeitende zu motivieren, sich mit ihren Bedenken zu melden?	Do you believe that the design of a whistleblowing system plays an important role in motivating employees to come forward with their concerns?
Welche Herausforderungen treten bei der Aufrechterhaltung des Hinweisgebersystems auf und wie wurden diese bewältigt?	What challenges arise in maintaining the whistleblower system and how have these been overcome?
Gibt es irgendwelche Änderungen seit der Einführung der EU-Richtlinie 1937/2019?	Have there been any changes since the introduction of EU Directive 1937/2019?
Wie wird Anonymität versichert?	How is anonymity assured?
Welche Maßnahmen gibt es zum Schutz von Hinweisgebern vor Vergeltung und Bestrafung?	What measures are in place to protect whistleblowers from retaliation and punishment?
Geben Sie den Hinweisgebern eine Rückmeldung, welche Schritte im Rahmen der Untersuchung eingeleitet werden?	Do you provide feedback to whistleblowers as to what steps will be taken as part of the investigation?
Welche Rolle spielt die Unternehmenskultur in Bezug auf das Whistleblowing Verhalten?	What role does corporate culture play in relation to whistleblowing behavior?
Wie fördert das Unternehmen eine Kultur, die Whistleblowing als Mittel zur Aufdeckung von	How does the company promote a culture that supports and encourages whistleblowing as a

Fehlverhalten unterstützt und ermutigt?	means of exposing misconduct?
Können Sie Beispiele für Kommunikationsmethoden nennen, die eingesetzt werden, um das Bewusstsein der Mitarbeitenden in Bezug auf das Hinweisgebersystem zu stärken?	Can you give examples of communication methods used to raise employee awareness of the whistleblowing system?
Welche Schulungsinitiativen gibt es, um die Mitarbeitenden über das Thema Whistleblowing zu informieren?	What training initiatives are in place to inform employees about whistleblowing?
Sind Sie mit dem Bekanntheitsgrad des Systems innerhalb des Unternehmens zufrieden?	Are you satisfied with the level of awareness of the system within the company?
Welche Maßnahmen werden ergriffen, um sicherzustellen, dass die Mitarbeitenden mit dem System vertraut sind?	What measures are taken to ensure that employees are familiar with the system?
Gibt es geplante Verbesserungen oder Änderungen des Hinweisgebersystems?	Are there any planned improvements or adaptations of the current whistleblowing system?