

# Put out the welcome mat for workplace whistle blowers

## Management issue paper

“I thought the Finance Manager was up to something,” says the accounts payable clerk for a manufacturing company. She adds, “There was a lot of surplus computer equipment being sold with no record of the money received, but I had no proof.” Looking back at this difficult time, she reflects, “I didn’t know what to do or how to report it, so I just kept quiet.”

If her company would have made available a confidential, anonymous ‘whistle blower’ hotline at the time of this incident, this clerk would have known just what to do. And the company might have been able to recoup their sizable losses.

As of 2004, Canadian securities legislation requires all publicly-listed companies to provide an anonymous, confidential reporting service to their employees. (The deadline for implementation will be staged over the next year based on the company’s annual meeting date.) Many private companies, while not required by law to do so, have just as much need for such a system.

In addition, recent amendments to the Criminal Code mean that senior company officers now can be considered personally and criminally responsible for workplace injuries or fraud where there has been negligence or a lack of care. This means management must pay attention to comments and reports issued by employees and health and safety committees.

Grant Thornton offers companies a program called CARE (Confidential Anonymous Reporting for Employees). It’s a service that provides a safe arena for staff to raise concerns of wrongdoing or workplace health and safety issues. The employee can call the CARE hotline or visit its secure website.

“This isn’t a voice mailbox or answering service,” says David Ray, Senior Practice Leader, Security and Investigations. “It is a support mechanism for all issues that may be related to a potential call.” He adds, “Grant Thornton will maintain the confidentiality of the individual, yet provide accurate information to the right level in the company.”

CARE personnel, who receive the calls from employees, are trained in the investigation and analysis of all types of corporate risks. They are also available to assist with a follow-up inquiry.

“With a confidential reporting system in place, your company can show that it took steps to provide employees with a means to communicate problems to management,” says Ray. “It is also a proactive measure that management can provide that may save money and legal hassles down the road.”

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