

An Evaluation on Employee's Perception Towards Whistle Blowing in Global IT Sector

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Abstract: A whistle-blower is an individual that exposes the misconduct, dishonesty, or illegal activities within the organization. Whistle-blowing refers to an employee's act of informing the public or authorities about unethical or unlawful behaviours of an employer or organization. This study is conducted to better understand employees' perceptions of whistleblowing in the global IT sector. Although laws like Section 1779 of the Companies Act, 2013 in India provide the mechanisms for whistle-blower protection and many employees refrain from reporting due to fear of retaliation. This study aims to analyse employees' mind-sets toward whistleblowing, determine their attitudes, and evaluate their perception of its effectiveness. Primary data has collected through a structured questionnaire using the google forms and while secondary data sources included newspapers, magazines, and journals. The study included 80 respondents from Coimbatore, selected using random sampling. The research employs simple percentage analysis to interpret findings. These results can indicate organizations and it need to create awareness about whistle-blowing policies and develop reward systems to encourage the ethical reporting. And a strong whistle-blower protection law applicable to both private and public sectors is essential to promote transparency and ethical governance in the IT sector.

Keywords: Whistleblowing, Employee Perception, Ethical Reporting, IT Sector, Corporate Governance.

1. Introduction

The Whistle-blowing plays a crucial role in ensuring the ethical conduct and transparency within the organizations. In the global IT sector, the data security and corporate integrity are crucial, employee's perceptions of whistle-blowing mostly it impact their willingness to report the unethical practices. While the whistle-blowing helps to expose the fraud and misconduct many employees hesitate due to concerns over job security, fear of retaliation, or the distrust in corporate policies. This study evaluates employee's perceptions of whistleblowing, focusing on organizational support, ethical climate, and the perceived risks. It aims to determine whether employees feel encouraged or discouraged to report unethical behaviours and how corporate policies shape their decisions. By addressing these concerns, the study seeks to offer insights into strengthening whistleblowing mechanisms and fostering a transparent corporate culture in the IT industry.

2. Statement of the Problem

Whistle-blowing is crucial for holding the integrity in the global IT sector and many employees to remain reluctant to report unethical activities. Despite legal protections, concerns about job security, professional repercussions, and lack of trust in the system prevent employees from coming forward. It enables fraud and unethical practices to persist the harming organizational integrity and employee morale. The core issue tells the gap between the corporate whistle-blowing policies and employee's willingness to use them. Factors such as organisational culture, management support, and legal safeguards shape employee's attitudes towards whistle-blowing. This study aims to identify the key barriers to report the misconduct and the strategies to foster a more accountable workplace.

3. Objectives of the Study

- To analyse employees' attitudes and toward whistle-blowing.
- To determine employees' perceptions of whistle-blowing.
- To evaluate factors that influence employees' willingness to report misconduct.

4. Percentage Analysis

Table 1
Age of respondents

Age Group	Frequency	Percentage
Under 25	42	52.5%
25-35	20	25.0%
36-45	13	16.25%
Above 45	05	6.25%
Total	80	100.0%

From the above table it is inferred that 52.5 per cent of the respondents are under the age group of 25 years, 25 per cent of them are between 25-35 years of age group and 16.25 per cent of them are between 36-45 years and 6.25 per cent of them are Above 45 years. The majority (52.5 per cent) of the respondents are under the age group of 25 years.

From the above table, it is inferred that 43.75 per cent of the respondents are under graduate, 30 per cent of them are Post graduate, 7.5 per cent of them are diploma holders and rest of the 18.75 per cent of them are professionals. Hence, majority

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(43.75 per cent) of the respondents are under graduate.

Table 2
Educational qualification

Qualification	Frequency	Percentage
Undergraduate	35	43.75%
Postgraduate	24	30.0%
Diploma	06	7.5%
Professional	15	18.75%
Total	80	100.0%

Table 3
Perception of whistleblowing

Perception	Frequency	Percentage
Negative	21	26.25%
Neutral	28	35.0%
Positive	31	38.75%
Total	80	100.0%

The above table reveals that 35 per cent of the respondents are perceiving the term whistle blowing neutrally, 38.75 per cent of them are perceiving it positively, and 26.25 per cent of the respondents are perceiving it negatively. Hence, the highest percentage (38.75 per cent) of the respondent's perception towards whistle blowing is positively.

Table 4
Channels used to inform about whistleblowing

Channel	Frequency	Percentage
Employment Handbook	23	28.75%
Induction Training	19	23.75%
Posters/Circulars	12	15.0%
Others (Friends/Web)	26	32.5%
Total	80	100.0%

The above table reveals that 15 per cent of the respondents were informed through regular communication (posters, circulars), 28.75 per cent of them were informed through employment handbook, 23.75 per cent of them were informed through Induction training and 32.5 per cent of them through other sources (Friends/Websites). Hence, the majority (32.5 per cent) of the respondents were informed through others (Friends/Websites).

Table 5
Organization benefits through whistleblowing

Organization Benefits	Frequency	Percentage
Organizational Transparency	28	35.0%
Positive Effect on Employee Morale	35	43.75%
Good Corporate Image	12	15.0%
Prevention of Losses	05	6.25%
Total	80	100.0%

The above table reveals that 43.75 per cent of the respondents feel that the whistle blowing system gives the benefit of positive effect on employee morale and retention, 35 per cent of them feel the benefit about organisational transparency and 15 per cent of them feel the benefit of good corporate image and 6.25 per cent of them feel the benefit in prevention of losses. Hence, the majority (43.75 per cent) of the respondents feels that whistle blowing gives the benefit of positive effect on employee morale and retention.

The above table reveals that 30 per cent of the respondents

reason for the non-reporting is fear of losing their job, 25 per cent of them feel there is perceived risk, 18.75 per cent of them have lack of knowledge on Whistle Blowing Policy, 13.75 per cent of them feel there might be lack of incentive, 10 per cent of them fear for the punishment and 2.5 per cent of them is because of other reason (depends on the situation). Hence, the majority (30 per cent) of the respondent's reason for the non-reporting is fear of losing their job.

Table 6
Reasons for non-reporting

Reasons for non-reporting	Frequency	Percentage
Lack of incentive	11	13.75
Year of punishment	8	10
Perceived risk	20	25
Fear of losing your job	24	30
Lack of whistle blowing	15	18.75
Others (Depends on the situation)	2	2.5
Total	80	100.0

Table 7
Whistle blowing – corporate culture and ethics

Corporate-Culture and Ethics	Frequency	Percentage
Yes	49	61.25
No	31	38.75
Total	80	100.0

The above table reveals that 61.25 per cent of the respondents feel that whistle blowing forms a corporate culture and ethics and 38.75 per cent of them does not feel so. Hence, the majority (61.25 per cent) of the respondents feel that whistle blowing forms a part of corporate culture and ethics.

Table 8
Person's identity kept confidential or not

Identity Kept	Frequency	Percentage
Yes	65	81.25
No	15	18.75
Total	80	100.0

The above table reveals that 81.25 per cent of the respondent's identity, who has reported a complaint in the organisation are kept confidential and 18.75 per cent of the respondent's identity are not kept confidential. Hence, the majority (81.25 per cent) of the respondent's identity are kept confidential.

5. Chi-Square Analysis

A. Comparison Between Gender and Perception of Whistle Blowing

H_{01} : There exists no significant relationship between gender of the respondents and perception of the term whistle blowing

From the table it is clear that out of 45 male respondents, highest of 44.4 per cent of the respondents are positively perceiving the term Whistle blowing. Out of 35 female respondents, highest of 32 per cent of the respondents are positively perceiving the term Whistle blowing. The chi-square result at 5% level of significance states that with the significant value of 0.058, there exist no significant relationship between gender of the respondents and perception of the term Whistle blowing. Hence, the hypothesis is accepted.

Table 9
Gender and perception towards whistle blowing

Gender		Perception towards Whistle Blowing			Total	Chi-Square Test
		Negatively	Neutral	Positively		
Male	No	10	15	20	45	Value 6.275
	%	22.2 %	33.3%	44.4%	100.0%	
Female	No	13	10	12	35	df 2
	%	37.14%	28.57%	34.29%	100.0%	
Total	No	23	25	32	80	Sig 0.058
	%	28.75%	31.25%	40%	100.0%	

Table 10
Age and perception towards whistle blowing

Age (in years)		Perception towards Whistle Blowing			Total	Chi Square test
		Negatively	Neutral	Positively		
Under 25	No	8	14	20	42	Value 1.413
	%	19.05%	33.33%	47.62%	100.0%	
25-35	No	7	5	8	20	df 6
	%	35%	25%	40%	100.0%	
36-45	No	4	3	6	13	df 6
	%	30.76%	23.07%	46.15%	100.0%	
Above 45	No	0	2	3	5	df 6
	%	0%	40%	60%	100.0%	
Total	No	20	24	36	80	Sig 0.351
	%	25%	30%	45%	100.0%	

B. Comparison Between Age and Perception of Whistle Blowing

H_{02} : There exists no significant relationship between age of the respondents and perception of the term whistle blowing.

From the table it is clear that out of 42 respondents under the age group of 25, highest of 47.62 per cent of the respondents have positively perception regarding Whistle blowing. Out of 20 respondents between the ages group of 25 to 35, highest of 40 per cent of the respondents have positively perception regarding Whistle blowing. Out of 13 respondents between the ages group of 36 to 45, highest of 46.15 per cent of the respondents have positively perception regarding Whistle blowing. Out of 5 respondents above the age group of 45, highest of 60 per cent of the respondents have neutral perception regarding Whistle blowing. The chi- square result at 5% level of significance states that with the significant value of 0.351, there exist no significant relationship between age of the respondents and perception of the term Whistle blowing. Hence, the hypothesis is accepted.

6. Conclusion

To prevent the corporate fraud and unethical practices, the organizations must establish strong whistleblowing mechanisms. Proper whistle-blower policies not only benefit employees but also contribute to overall corporate transparency. While India's Whistle Blower Protection Act-2011 currently applies only to public sectors, expanding legal protections to private organizations is essential. Employees must be encouraged to perceive whistle-blowing as a positive tool for the corporate governance. Companies should implement the incentive-based policies and reinforce trust in whistle-blower protection. A transparent and ethical work culture will enhance the employee confidence in misconduct, there by strengthening accountability and corporate integrity in the global IT sector.

References

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