2. The incidence and significance of whistleblowing

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Introduction

As set out in the first chapter, until now, there has been little comprehensive research to establish the overall frequency or importance of whistleblowing in the Australian public sector. Based on anecdotal accounts, even though cases of public whistleblowing can occasionally gain significant media prominence, the fact is that these cases—taken alone—suggest that whistleblowing is relatively rare. At most, Australian federal, state and local governments might each experience a few such cases each year, with occasional outbreaks of additional cases in the event of a major crisis or inquiry. Given that Australian governments employ approximately 1.66 million people (ABS 2007), this low incidence might also suggest that even if it is necessary to have legislation and procedures for managing whistleblowing, it is only in relatively rare or irregular cases that these will need to be used.

If really as low as this, the incidence of whistleblowing would provide little justification for governments or senior public sector managers to think ‘proactively’ about how to manage whistleblowing cases. Instead, such an apparently low incidence could suggest that managers need only ever know how to react to such cases if or when they happen, or when they become problematic. It also supports the assumption that whistleblowing spells ‘trouble’ for an organisation and that, consequently, even when they are correct about what they have observed, whistleblowers are typically still primarily ‘troublemakers’. Public discussion about the adverse outcomes suffered by some whistleblowers contributes to assumptions that even if wrongdoing is widespread, few employees will be reckless enough to blow the whistle on it. In some of the limited representative research conducted before this study, 71 per cent of a sample of 800 NSW public sector respondents agreed that ‘a lot of people who know about corruption don’t report it’ (Zipparo 1999b:87). This all becomes the subject of mutually reinforcing stereotypes. Those who blow the whistle are easily presumed to be relatively abnormal—either simply acting out personal grievances or irrevocably predisposed to fall into conflict with the organisation. If this is the case, it might be logical for the typical public sector manager to assume that little can ever be done to protect whistleblowers, even when they might deserve it.

In fact, none of these common assumptions about the incidence of whistleblowing is correct. This chapter seeks to break the vicious circle created by these stereotypes by filling a major gap in our knowledge about how much whistleblowing occurs and how it is regarded in public sector organisations. It presents basic data from all the project surveys, but especially the employee survey. The first part of the chapter reviews the data indicating how many respondents observed wrongdoing in the two years before the survey and how many went on to report the most serious wrongdoing they observed. At least 61 per cent of respondents indicated that they observed serious wrongdoing, with 28 per cent of respondents indicating that they reported the wrongdoing they observed. The second part of the chapter refines these results to arrive at an estimate of how much of this reporting activity can be categorised accurately as ‘whistleblowing’. The analysis includes discussion of the types of wrongdoing observed and reported and the different organisational roles that reporters of wrongdoing can occupy, both of which are important definitional issues that inform analyses throughout later chapters of the report. The conclusion is an estimate that perhaps 12 per cent of all respondents satisfy the approximate definition of a public interest whistleblower—a substantial figure when extrapolated to the larger public sector, and one at substantial odds with public stereotypes.

The third part of the chapter goes on to review evidence from the surveys about the significance of this whistleblowing activity. Again, contrary to many stereotypes, it becomes clear that whistleblowing plays a pivotal role in current public sector integrity systems and that its value is typically highly recognised in public sector organisations. Questions logically arise about whether all types of whistleblowing are equally highly valued and whether this level of recognition flows through to the way in which whistleblowing is managed. Nevertheless, the results confirm that few if any public sector agencies have reason to ignore the imperatives that exist to try to manage whistleblowing more productively.

The fourth part of the chapter highlights that, notwithstanding this broadly positive picture, major challenges confront many agencies. It moves beyond the broad averages provided when the results across the four jurisdictions are taken together to present data about the amount of observed wrongdoing reported by staff on an agency-by-agency basis. These results show enormous variability in the degree of success that different agencies appear to be having, in all four jurisdictions, in encouraging employees to speak up about wrongdoing they perceive or observe. The analysis uses the employee survey data to identify not only the ‘reporting rate’, but an even more significant performance measure, the ‘inaction rate’, in response to perceived wrongdoing in each agency—a measure against which the success of agency approaches will be judged further in later chapters. Some agencies could boast that less than 10 per cent of employees who observed serious wrongdoing then did nothing about it; but in

at least one organisation in each jurisdiction, more than 50 per cent of staff in the same position neither reported the wrongdoing nor took any other action. These indicators of the varying 'reporting climates' in different agencies reinforce that general barriers to reporting exist across the public sector and suggest that differences in approaches and management culture can have strong, measurable effects at the agency level.

How much whistleblowing goes on in the Australian public sector?

Against stereotypes of whistleblowing as a relatively rare phenomenon, evidence has been emerging that whistleblowing is, in reality, far more frequent or even routine. Since the 1980s, in the United States, studies by the Merit Systems Protection Board have indicated that about half or more of all federal public servants have observed wrongdoing in their organisation, with about 30 per cent of these then going on to report it (see, for example, US Merit Systems Protection Board 1981). While US studies indicate that more observers of wrongdoing tend not to report it than those who do (Miceli and Near 2006), the numbers of those who do report remain substantial.

Recent Australian research has tended in the same direction. An estimate of the number of Queensland public servants reporting serious wrongdoing in any one year, as of 2000–01, was a minimum of 1.8 per cent of all employees based simply on the internal investigation case load of large agencies (Brown et al. 2004). In 2003–04, the Australian Public Service Commission (APSC) first surveyed a cross-section of employees from Australian public service agencies about whether they had 'witnessed another Australian Public Service [APS] employee engaging in...a serious breach' of their statutory code of conduct in the previous 12 months and whether they had then reported it (APSC 2004:111). Examples given of a 'serious breach' were 'fraud, theft, misusing clients' personal information, sexual harassment [and] leaking classified documentation'. In this and the next annual survey (APSC 2005), 11 per cent of respondents indicated that they had witnessed such a breach, with about 50 per cent of these (about 5–6 per cent of all respondents) saying they had also reported it. While these indications were lower than in the US research, they nevertheless amounted to a substantial number.

In the present research, the employee survey was the primary means for establishing a comprehensive picture of the current incidence of whistleblowing in the four jurisdictions studied. This was to learn how this whistleblowing was then managed but also, for the above reasons, to establish a more accurate overall picture to start with. In a manner broadly consistent with the larger US surveys, respondents were asked to indicate which of the 38 types of wrongdoing listed in Appendix 2 they had 'direct evidence of having occurred' in their current organisation in the previous two years. Direct evidence was defined as 'something

that you personally observed, experienced or was formally reported to you'. The responses for the four participating jurisdictions are set out in Table 2.1. Overall, 5473 of the 7663 respondents, or 71 per cent, observed at least one of the nominated types of wrongdoing.

This rate of observation was larger than expected based on prior estimates and surveys. For Commonwealth agencies, methodological differences would certainly account for some differences with the APSC survey results. These include the fact that the employee survey included a wide range of Commonwealth agencies not covered by the Commonwealth *Public Service Act 1999* and therefore not covered by the APSC surveys, given that APS agencies employ only a little more than half of all Commonwealth Government employees. Further, the employee survey used different sampling and stratification, asked respondents for experience from the previous two years rather than a single year and offered respondents 38 different examples of wrongdoing from which to choose—compared with the five examples offered by the APSC surveys. In addition, the APSC surveys tested for 'serious' misconduct, whereas not all of the wrongdoing perceived by respondents in the present study would qualify as 'serious'.

Accordingly, the proportion of respondents who observed 'serious' wrongdoing is estimated in Table 2.2. The employee survey asked respondents to nominate which of any observed activities they felt to be the 'most serious' and then how serious they felt it to be on a five-point Likert scale. This time, the table shows how many respondents observed any of the nominated activities, grouped in the broad categories introduced in Chapter 1 and set out in Appendix 2. It also shows how many respondents regarded each activity as the 'most serious' they observed and how many also felt the activity was at least 'somewhat serious'. The result is conservative, given that some respondents might have observed more than one type of wrongdoing that they considered serious. At least 61 per cent of respondents observed wrongdoing that was, in their view, at least somewhat serious in the previous two years.

Table 2.1 Proportion of public employees with direct evidence of wrongdoing (per cent)

Wrongdoing type	Cth ^a (n = 2 307)	NSW (n = 2 561)	Qld (n = 1 729)	WA (n = 1 007)	Total ^b (n = 7 663)
Covering-up poor performance	30.9	30.0	30.7	24.2	29.6
Bullying of staff	29.0	29.6	33.4	24.0	29.5
Favouritism in selection or promotion	32.0	25.7	28.5	25.6	28.3
Incompetent or negligent decision making	27.7	26.4	25.6	21.4	26.0
Improper private use of agency facilities/resources	27.0	22.5	24.3	23.2	24.3
Rorting overtime or leave provisions	22.2	20.7	20.3	19.2	20.9
Inadequate record keeping	19.5	18.7	17.6	16.2	18.4
Failure to follow correct staff-selection procedures	18.2	16.0	19.7	14.9	17.4
Waste of work funds	17.5	16.2	18.5	16.1	17.1
Theft of property	13.7	14.1	15.5	15.5	14.5
Drunk or under the influence of illegal drugs at work	15.3	12.8	12.1	13.3	13.4
Using official position for personal services/favours	10.1	13.4	12.4	11.1	11.9
Failure to correct serious mistakes	12.3	11.3	11.7	8.9	11.4
Misuse of confidential information	10.1	10.9	13.4	9.1	11.0
Acting against organisational policy, regulations or laws	10.4	10.6	10.9	9.4	10.5
Giving unfair advantage to contractor, etc.	6.8	8.7	10.5	10.3	8.8
Allowing dangerous or harmful working conditions	7.1	9.5	9.9	7.8	8.7
Sexual harassment	10.2	7.4	8.3	8.1	8.6
Theft of money	9.8	7.7	8.4	7.0	8.4
Intervening on behalf of friend or relative	6.1	7.7	8.2	5.7	7.1
Downloading pornography on a work computer	9.1	5.9	5.5	7.7	7.0
Racial discrimination against staff member	6.7	7.5	5.9	6.2	6.8
Making false or inflated claims for reimbursement	5.3	5.9	4.5	6.0	5.4
Racial discrimination against member of public	4.2	5.6	4.2	4.0	4.6
Endangering public health or safety	3.0	5.0	6.1	4.4	4.6
Reprisal against whistleblowers	3.9	5.2	5.0	2.7	4.5
Unfair dismissal	5.5	3.7	4.9	1.9	4.3
Negligent purchases or leases	3.9	3.9	3.2	3.8	3.7
Misleading or false reporting of agency activity	3.7	3.6	3.5	2.9	3.5
Stalking (unwanted following or intrusion)	3.7	2.7	3.1	2.5	3.1
Bribes or kickbacks	2.4	2.9	3.7	3.4	3.0
Unlawfully altering or destroying official records	2.7	2.7	3.1	1.6	2.7

Wrongdoing type	Cth ^a (n = 2 307)	NSW (n = 2 561)	Qld (n = 1 729)	WA (n = 1 007)	Total ^b (n = 7 663)
Covering-up corruption	1.6	3.2	2.1	1.2	2.2
Improper involvement of a family business	2.1	2.1	2.0	1.0	1.9
Producing or using unsafe products	1.6	1.9	2.6	0.8	1.8
Hindering an official investigation	1.5	2.0	2.2	0.7	1.7
Failing to declare financial interest	1.0	1.6	1.3	1.6	1.4
Sexual assault	1.3	1.6	1.2	0.6	1.3
Other	3.9	3.9	4.4	3.5	4.0
At least one of the above	72.6	71.3	71.8	68.1	71.4

^a Throughout this report, Commonwealth figures include a range of APS and non-APS agencies unless otherwise indicated.

^b Includes 59 respondents for whom jurisdiction and agency unknown.

Source: Employee survey: Q19; see also Appendix 2.

Table 2.2 Wrongdoing considered most serious by public employees

Wrongdoing category	Respondents with direct evidence (Table 2.1 grouped) % (n = 7 663)	Percentage who felt this activity was the most serious they observed % (n = 7 663)	Percentage who <i>also</i> felt the activity was serious (somewhat, very or extremely) % (n = 7 663)
Personnel and workplace grievances	48.7 (3 732)	23.5 (1 801)	22.2 (1 702)
Misconduct for material gain	46.5 (3 560)	15.8 (1 213)	13.3 (1 016)
Defective administration	33.1 (2 536)	6.9 (530)	6.2 (477)
Perverting justice or accountability	31.5 (2 413)	5.2 (400)	4.7 (363)
Waste or mismanagement of resources	29.2 (2 236)	3.7 (286)	2.8 (211)
Improper or unprofessional behaviour	25.1 (1 925)	9.3 (709)	8.8 (678)
Conflict of interest	9.1 (696)	0.9 (72)	0.9 (70)
Reprisals against whistleblowers	4.5 (346)	0.5 (35)	0.5 (35)
Other	4.0 (305)	1.8 (140)	1.7 (130)
At least one of the above	71.4 (5 473)	--	--
Total	--	67.7 (5 186)	61.1 (4 682)
Missing	0.0 (2)	3.7 (287)	4.4 (334)

Source: Employee survey: Q19 (see Appendix 2), Q20, Q22 (n = 7663).

Table 2.3 Wrongdoing considered most serious by public employees and whether they reported it

Wrongdoing category	Respondents with direct evidence (Table 2.1 grouped as per Appendix 2)	Percentage who felt this activity was the most serious they observed, and reported it	Percentage who reported it, who <i>also</i> felt the activity was at least somewhat serious
	% (n = 7 663)	% (n = 7 663)	% (n = 7 663)
Personnel and workplace grievances	48.7 (3 732)	8.7 (669)	8.7 (665)
Misconduct for material gain	46.5 (3 560)	6.0 (462)	5.9 (452)
Defective administration	33.1 (2 536)	3.1 (237)	3.0 (227)
Perverting justice or accountability	31.5 (2 413)	2.3 (174)	2.2 (171)
Waste or mismanagement of resources	29.2 (2 236)	1.1 (86)	1.0 (75)
Improper or unprofessional behaviour	25.1 (1 925)	4.3 (328)	4.3 (327)
Conflict of interest	9.1 (696)	0.4 (33)	0.4 (32)
Reprisals against whistleblowers	4.5 (346)	0.3 (23)	0.3 (23)
Other	4.0 (305)	1.1 (84)	1.1 (83)
At least one of the above	71.4 (5 473)	--	--
Wrongdoing type unknown	--	0.7 (50)	0.6 (49)
Total	--	28.0 (2 146)	27.5 (2 104)

Source: Employee survey: Q19, Q20, Q22, Q26 (n = 7663).

Table 2.3 indicates how many of those who observed wrongdoing went on to report it. The employee survey asked respondents whether they had ‘formally reported’ the perceived wrongdoing ‘to any individual or group’, also explicitly advising them that ‘talking about it with your family or with co-workers is *not* a formal report’. Those who reported the wrongdoing amounted to 39 per cent of all those who observed wrongdoing, or 28 per cent of all respondents. As shown, almost all these respondents also regarded the wrongdoing that they reported as being at least somewhat serious; very few said they had reported matters they regarded as trivial. Figure 2.1 shows this result in another way, confirming that, across the data set, as the level of perceived seriousness increased, so did the likelihood that the matter would be reported.

While these results provide a new basis for estimating how many public officials currently report wrongdoing, they are also conservative, not only for reasons given above and below, but because the respondents were limited to those officials who were currently with the organisations surveyed. The non-inclusion of individuals who might have reported wrongdoing but have since left the organisation, which will be further discussed in Chapter 5, means that the total number of individuals who observed and reported wrongdoing is likely to be larger than that indicated.

Figure 2.1 Proportion of respondents who reported wrongdoing they saw, by level of perceived seriousness (per cent)

Source: Employee survey: Q22, Q26.

‘Whistleblowing’ as opposed to ‘reporting’

The above results provide an overview of the number of employees who currently perceive and report wrongdoing, but are these all ‘whistleblowers’? While all this reporting activity is important for understanding how wrongdoing is detected and how whistleblowing is managed in public sector organisations, it does not all fit the definition of whistleblowing outlined in Chapter 1. There are two major distinctions to be drawn in order to arrive at an estimate of current levels of public interest whistleblowing, which is the core of the present study. These are:

- the type of wrongdoing involved—for example, a ‘personnel or workplace grievance’ in which the wrongdoing is most likely to concern the employee as an individual employee, and less likely to involve a matter of larger organisational integrity and/or public interest
- the ‘organisational role’ of the employee—that is, whether reporting the wrongdoing was part of their normal professional job responsibility, rather than a discretionary action.

Role reporting versus non-role reporting

Taking the second distinction first, of the 28 per cent of respondents who said they reported the most serious form of observed wrongdoing, it can be presumed that some did so because it was part of their professional role, or job, to pass on this information. For example, these respondents likely included at least some supervisors who observed wrongdoing by a member of their own staff and formally reported the matter to their own superior for disciplinary action, or to

other internal units for further investigation. Similarly, an internal auditor might have formally reported a matter to the CEO in line with standard procedures. In neither case would the report normally be regarded as an act of 'whistleblowing' because it was part of their usual professional role.

How much reporting is 'role reporting' of this kind and how much is 'non-role reporting', which might fit more closely with conventional concepts of whistleblowing? While the question is simple, the answer is complex and not necessarily definitive. In some contexts, every member of an organisation may be under a legislative or contractual obligation to report perceived wrongdoing of particular kinds. This is the case in most Australian police services, agencies dealing with child safety or welfare and other public health agencies. The reasons why employees report wrongdoing are analysed in Chapter 3, but it is noteworthy that 58 per cent of all respondents who reported wrongdoing indicated they believed they were under a 'legal responsibility to report' and this was very or extremely important in their decision to do so.

Similarly, employees can make their reports in ways that reflect different degrees of 'official' compulsion. The case study and integrity agency surveys confirm that, even when most employee reporting is seen as discretionary, it is not unusual for reports to be made in response to official requests or as part of evidence gathering during an investigation that is not triggered by the 'whistleblower'. In such circumstances, the obligation to report can effectively be 'made' part of the employee's role on at least a one-off basis, even if it is not normally part of their role. Table 2.4 sets out some of this evidence, drawn from the internal witness, case-handler and manager and integrity case-handler surveys. These reporters could have identical management needs to other whistleblowers, as discussed in Chapter 9.

Table 2.4 How do reporters first provide their information? (per cent, mean)

	Internal witnesses (n = 214)	Case-handlers and managers (n = 712)	Integrity case-handlers (n = 63)
		1 = never, 2 = rarely, 3 = sometimes, 4 = often, 5 = always	
I/they decided to report it, without anyone asking me/them to do so	86 (184)	3.41	3.57
I/they reported it after being asked to provide information about the matter by a supervisor or manager	7 (16)	3.34	2.67
I was/employees were approached to assist in an existing investigation into the wrongdoing	4 (8)	3.32	3.08
I was/employees were formally directed or compelled to provide information in an official investigation or hearing	2 (4)	3.10	2.89
Missing	1 (2)	--	--
Total	100 (214)	--	--

Sources: Internal witness survey: Q24 ('How did you first come to report or provide information?'); case-handler and manager surveys: Q24; integrity case-handler survey: Q18 ('When employees report wrongdoing, how often do they first provide their information in this way?').

Returning to the employee survey, two variables were used in combination to estimate how many reports could be 'role reports'. The first relates to how the respondent became aware of the perceived wrongdoing. Table 2.5 sets out some key data about how reporters indicated they first became aware of the wrongdoing they reported. Of the 2146 reporters, 651 (30.3 per cent) indicated that it was 'reported to them in their official capacity', of whom 457 (21.3 per cent of all reporters) also indicated that this was the only way in which they became aware of the wrongdoing. This is one indicator that they learned of the wrongdoing, and therefore probably acted on it, only because dealing with this information was part of their role.

Table 2.5 How reporters become aware of the wrongdoing

How did you find out about this activity? Please circle all that apply.		% (n = 2 146)
It was directed at me—	only	16.3 (350)
	along with other responses	9.3 (200)
	subtotal	25.6 (550)
I was invited to participate in it—	only	1.4 (30)
	along with other responses	2.2 (48)
	subtotal	3.6 (78)
I observed it—	only	25.3 (544)
	along with other responses	18.8 (404)
	subtotal	44.2 (948)
I came across direct evidence (eg., documents)—	only	9.4 (201)
	along with other responses	11.6 (248)
	subtotal	20.9 (449)
It was reported to me in my official capacity—	only	21.3 (457)
	along with other responses	9.0 (194)
	subtotal	30.3 (651)
Other		5.8 (124)
At least one of the above		99.3 (2 131)
Missing		0.7 (15)

Source: Employee survey: Q21.

The second variable was the organisational relationship between the reporter and those he or she perceived to be involved in the wrongdoing. As already indicated, a manager who becomes aware of wrongdoing by their own employees is normally expected to report it as part of their role. Such cases are also not simple to separate, since a supervisor might find their own employees to be involved in wrongdoing that also involves employees at other levels, or they might become aware of wrongdoing by junior employees for which other managers are responsible. In some circumstances, reporting such wrongdoing could be regarded as part of any manager's role; in others, less so.

Table 2.6 shows the positions held by the perceived wrongdoers relative to: a) all respondents who reported the most serious wrongdoing, and b) reporters who also indicated that they held a managerial role in the organisation. Of the 2146 reporters, 660 indicated that they held a managerial role, of which 376 (57

per cent of all managers) indicated that the only people involved in the wrongdoing that they reported were employees below their level. This is taken as a second indicator of an organisational relationship that means the report is likely to be part of their role.

Table 2.6 Position of wrongdoers relative to reporters

What position did the wrongdoer(s) have in the organisation? Please circle all that apply.		(a) All reporters % (n = 2 146)	(b) All managers % (n = 660)
Employee(s) below my level—	only	31.4 (674)	57.0 (376)
	along with others	5.7 (123)	5.5 (36)
	subtotal	37.1 (797)	62.4 (412)
Employee(s) at my level—	only	21.2 (455)	9.8 (65)
	along with others	9.4 (202)	5.6 (37)
	subtotal	30.6 (657)	15.5 (102)
My immediate supervisor(s)—	only	9.6 (207)	3.6 (24)
	along with others	9.6 (206)	4.4 (29)
	subtotal	19.2 (413)	8.0 (53)
High-level manager(s)—	only	17.2 (369)	15.5 (102)
	along with others	8.8 (188)	4.8 (32)
	subtotal	26.0 (557)	20.3 (134)
Outside contractor/vendor(s)—	only	2.9 (63)	2.6 (17)
	along with others	1.6 (35)	0.6 (4)
	subtotal	4.6 (98)	3.2 (21)
At least one of the above		97.4 (2 091)	97.4 (643)
Missing		2.6 (55)	2.6 (17)

Source: Employee Survey: Q25, Q44.

Combining these variables, 457 respondents who reported wrongdoing indicated that they became aware of it only because it was reported to them in their official capacity, while 376 indicated that they were a manager who observed wrongdoing that involved only employees below their level. With 214 respondents falling in both categories, the total number of reporters falling into either group was 619—or 28.8 per cent of all reporters. While not perfect, this provides some indication of the proportion of all reporters whose reports are likely to have amounted to role reports. Conversely, after removing missing cases, the remaining 1497 (69.8 per cent) of all employees who reported wrongdoing are likely to have done so outside their normal role, and therefore are more likely to fit the conventional definition of a whistleblower. This figure would place the proportion of potential whistleblowers at 27.3 per cent of all those who observed wrongdoing in the previous two years and 19.5 per cent of all respondents—as depicted in Figure 2.2.

The likelihood that an employee reported wrongdoing as part of their role does not mean they are of less interest for the remaining analysis. For example, if employees in this situation observe wrongdoing and do not report it, this could be of greater concern than whether or not other staff members blow the whistle. Similarly, if employees who make a ‘role report’ then suffer harassment or

reprisals as a consequence, this is likely to be a very strong indicator that an agency has problems with how it responds to information about wrongdoing from any internal source. It does, however, provide a useful indicator of how much reporting of wrongdoing approaches the conventional definition of whistleblowing—that is, reporting that is less likely to occur without official encouragement or policies, and at which most legislative and organisational responses are aimed.

Whistleblowing as opposed to personnel or workplace grievances

The second threshold distinction is the subject matter of the wrongdoing—in particular, whether it constitutes a matter of potential public interest or involves only matters of personal or private interest to the reporter. As discussed in Chapter 1, if a report is only in the latter category, it is more accurately categorised as a personal grievance than a whistleblowing matter. The distinction can, however, again be difficult to draw in practice. As outlined in Chapter 1, many reports of wrongdoing involve a personal grievance and matters of broader organisational or public integrity. An employee's personal grievance could be indicative of a larger breakdown in organisational procedures (whether or not this is known to them); an employee could be aware of a matter of serious public interest but reveals it only after a personal grievance arises (whether or not related to the public interest matter); or an employee could raise a public interest matter but receive an initial response that immediately gives rise to a personal grievance (causing the two issues thereafter to travel in tandem).

The frequency with which public interest concerns are mixed with personal conflicts is confirmed by responses to the case study and integrity agency surveys. Table 2.7 sets out how often a variety of conflicts appears to precede or accompany the making of reports, even when the wrongdoing observed does not include matters classified in Appendix 2 and the earlier tables as 'personnel or workplace grievances'. The table indicates the frequency with which the specified conflicts were present in the experience or opinion of: a) all those who volunteered for the internal witness survey; b) internal witnesses whose observed wrongdoing did not include 'personnel or workplace grievances'; c) case-handlers and d) managers from the same group of case study agencies; and e) case-handlers from integrity agencies. It shows that in any view of the situation, a range of interpersonal conflicts is sometimes or often likely to be present, in addition to whatever public interest issues might be involved.

Another indication of the complex mix is provided by the opinions of case study and integrity agency case-handlers and managers about the type of information provided by employees who report. Table 2.8 shows how these respondents replied to questions about their experience of the mix of personal and public interest matters to be found in employee reports of wrongdoing. The means

show a diversity of opinion as to whether any of the statements accurately summarise the type of information provided in employee reports, with many disinclined to state a view. Those with a view were, however, much more likely to agree than disagree that 'reports are often about [both] personal grievances and matters of public interest' (32 to 21 per cent for case study agency case-handlers and managers, and 55 per cent to 8 per cent for case-handlers in integrity agencies). This is despite the fact that these respondents were twice as likely to disagree than agree with the statement that 'reports are often entirely about matters of public interest' (40 to 17 per cent for case study agency case-handlers and managers; 46 to 20 per cent for integrity agencies) and just as likely to agree as disagree that 'reports are often entirely about personal grievances' (35 to 32 per cent for case study agency case-handlers and managers; 33 to 34 per cent for integrity agencies).

Table 2.7 Conflicts that accompany reports of wrongdoing

	Internal witness survey: Q23		Case-handler and manager surveys: Q26		Integrity case-handler survey: Q22
	(a) All respondents (inc. b) ^a % (n = 214)	(b) Respondents whose observed wrongdoing did not include 'personnel or workplace grievances' ^{a b} % (n = 74)	(c) Case-handlers (n = 244)	(d) Managers (n = 343)	(e) Integrity case-handlers (n = 65)
			1 = never, 2 = rarely, 3 = sometimes, 4 = often, 5 = always		
Dissatisfaction with one or more agency policies	12.6 (27)	14.9 (11)	3.10	3.11	3.55
A decision about a promotion that affected you (the employee)	11.2 (24)	1.4 (1)	3.10	2.77	3.18
Failure to renew your (the employee's) contract	0.5 (1)	1.4 (1)	2.44	2.27	2.60
Dissatisfaction with your work duties	11.7 (25)	6.8 (5)	3.16	3.03	2.95
Conflict or serious disagreement or another grievance with or against... manager(s) or supervisor(s)	41.6 (89)	21.6 (16)	3.40	3.16	3.52
Conflict or serious disagreement or another grievance with or against... co-worker(s)	13.6 (29)	8.1 (6)	3.30	3.19	3.24
At least one of the above	58.9 (126)	45.9 (34)	--	--	--

^a Total does not add to 100 per cent because multiple responses were permitted.

^b For items classed as 'personnel or workplace grievances', see Appendix 2.

Sources: Internal witness survey: Q23 ('When you first reported or provided information about the wrongdoing, were any of the following already causing you concern?'); case-handler and manager surveys: Q26; integrity case-handler survey: Q22 ('When employees first report wrongdoing, how often do you think any of the following issues are already also causing them concern?').

Table 2.8 Personal grievances and matters of public interest (mean)

When employees/public employees report wrongdoing, what type of information do they provide? Please indicate your level of agreement with each of the following statements: 1 = strongly disagree to 5 = strongly agree	Case-handler and manager surveys: Q27		Integrity case-handler survey: Q23
	(a) Case-handlers (n = 291)	(b) Managers (n = 422)	(c) Integrity case-handlers (n = 76)
Reports are often entirely about personal grievances	3.09	2.94	3.00
Reports are often entirely about matters of public interest	2.66	2.78	2.72
Reports are often about personal grievances and matters of public interest	3.09	3.09	3.50

Sources: Case-handler and manager surveys: Q27g-i; integrity case-handler survey: Q23g-i.

Figure 2.2 An overview of whistleblowing in the Australian public sector

Source: Employee survey.

As will be discussed in later chapters, it is important that organisational systems recognise the degree to which personal and public interest matters are intertwined, otherwise, issues of public interest can go overlooked and employees might be left subject to reprisals simply because personal interests are also involved. The focus of the present research is, however, on ensuring that appropriate organisational and legal consequences flow whenever employee reporting of wrongdoing includes any matters of organisational integrity and/or public interest, even if it also involves personal or private grievances. As explained in Chapter 1, the rationale for this includes the need to encourage organisation members to report perceived wrongdoing, even though it does not impact on them personally, before it becomes sufficiently serious or systemic to affect the functioning of the whole workplace.

As also acknowledged in Chapter 1, a number of the wrongdoing types listed among the public interest categories in Tables 2.1–2.3 above, and in Appendix 2, are more likely than others to frequently be provoked by personal or private grievances. Sometimes the distinction is straightforward—for example, all the wrongdoing types grouped as ‘misconduct for material gain’ are typically regarded as contrary to the public interest irrespective of whether they also impact on any individual. In other cases, the distinction is less clear. For example, some of the wrongdoing grouped as ‘improper or unprofessional behaviour’—such as being drunk or under the influence of illegal drugs at work, or sexual harassment—could have their only direct impacts on fellow employees and therefore seem to be simply workplace-based disputes with no external impact, but they are usually regarded as sufficiently corrosive of public integrity to qualify as official or criminal misconduct.

A final approximation of the extent of public interest whistleblowing is arrived at by excluding the large number of reports about ‘personnel or workplace grievances’, including dangerous or harmful working conditions, unfair dismissal and bullying of staff within the workplace. The single largest group of employees (48.7 per cent of all employee survey respondents, as shown in Table 2.2) observed wrongdoing types in this category. This result tends to confirm that these types of wrongdoing affected employees most directly, irrespective of their relative seriousness or wider significance for public integrity—a result also confirmed in Chapter 3. In comparison with this major category of wrongdoing, the reporting in the remaining categories can be identified as relatively unlikely to be concerned purely with personal grievances. While this remains only an approximation, it provides a basis for estimating the proportion of reports consistent with a workable definition of whistleblowing.

Figure 2.2 sets out an overview of this current incidence of whistleblowing across the 118 agencies surveyed. Of those respondents whose reporting was probably done outside their normal organisational role, 913 or 60.9 per cent

reported wrongdoing other than (or in addition to) a personnel or workplace grievance. This equates to 11.9 per cent of all employee survey respondents. In other words, while about 71 per cent of all respondents observed wrongdoing in the two years and at least 28 per cent of all respondents then reported the most serious instances, perhaps 12 per cent of all respondents would fit a conventional definition of public interest whistleblowing.

This figure remains substantially larger than previous estimates. As only four jurisdictions and not all agencies are represented in the study, this result cannot be reliably generalised across the entire Australian public sector. Nevertheless, the range of agencies and the size of the data set make some notional extrapolation useful. Even if none of the non-respondents to the survey had reported wrongdoing, these whistleblowers would amount to about 4 per cent of the sample—or about 65 000 public officials when extrapolated nationally. If the result held true for the entire Australian public sector, it would suggest that about 197 000 individual public servants might have engaged in public interest whistleblowing in the two years. Assuming each of these officials reported on only one type of relevant wrongdoing once in the two years, these percentages suggest that, on average, each weekday in Australia, at least 125 individual public servants—but more likely about 380—might be expected to blow the whistle on a matter of potential public interest.

How important is whistleblowing?

As will be seen in Chapter 4, the bulk of the whistleblowing identified in the present research begins internally and is resolved without being made public. Nevertheless, the sheer volume of whistleblowing indicated in the previous section raises many issues for public sector management. One is that it is clearly not a rare activity—rather, it is probably better characterised as a regular feature of organisational life.

A natural question is whether this incidence of whistleblowing might have been unusually high (or low) during the study period. While this question can be properly answered only by continuing research, there is no particular reason to expect this, especially given the broad consistency of the outcome with similar international studies. In fact, studies in the United States and the United Kingdom indicate that the incidence of whistleblowing appears to be increasing over time (Dozier and Miceli 1985; Near et al. 2004; Vinten 1994). In our research, one indicator of the relative normality of the current incidence of whistleblowing was provided by the case-handler, manager and integrity case-handler surveys, which asked respondents whether they believed that the number of employees who had reported wrongdoing had changed in the previous five years. Table 2.9 sets out the results. Overall, while 48 per cent of case study agency case-handlers and managers indicated a belief that the number was ‘about the same’ as five years previously, 42 per cent believed that the number had increased

and only slightly less than 10 per cent indicated that the number had decreased. The responses of integrity case-handlers followed a similar pattern.

A related issue is whether there is any reason to believe that this level of whistleblowing is likely to change, but this appears unlikely. A further indication of this is given by evidence that—contrary to a strong popular myth—many public employees are not deterred from reporting wrongdoing even if they anticipate, or have established from previous experience, that whistleblowing is not an easy process. In the earlier NSW study, 49 per cent of the stratified sample of 800 NSW public employees indicated a belief that they would still report corruption even if they knew they did not have the support of colleagues and 41 per cent would do it even if they knew their career would be adversely affected (Zipparo 1999a, 1999b). In the employee survey, 81 per cent of all those who had reported wrongdoing indicated that if they had their time over again, they would be either ‘very likely’ or ‘extremely likely’ to still report the activity (employee survey: Q34). As will be discussed in Chapter 5, even a majority of those whistleblowers who said they had been treated badly as a result said they would be at least ‘somewhat likely’ to still report if they had their time over again. These responses indicate that overall, the incidence of whistleblowing is unlikely to decline, other than perhaps in the event of a significant decline in perceived wrongdoing.

Table 2.9 Change in number of employees believed to report (mean)

In the past five years, do you believe the number of employees who have reported wrongdoing in your organisation/to your agency has changed?	(a) Case-handlers (n = 288)	(b) Managers (n = 422)	(c) Integrity case-handlers (n = 70)
1 = decreased a lot			
2 = decreased somewhat			
3 = about the same	3.53	3.29	3.47
4 = increased somewhat			
5 = increased a lot			

Sources: Case-handler and manager surveys: Q15; integrity case-handler survey: Q10.

This level of whistleblowing has important implications since it makes clear that whistleblowing is not a process in which public sector managers can afford to simply be reactive. The survey data reveal, however, that the role of whistleblowing has already achieved widespread acceptance in basic ways in most agencies and for most case-handlers and managers, even if questions remain about how it might best be managed. Current levels of whistleblowing play an important role in an objective sense, as a contribution to the integrity-promoting efforts of organisations and the public sector generally. The assumption that whistleblowing has positive effects in bringing wrongdoing to light, which provides much of the reason for the existence of current whistleblowing legislation, is borne out in much of the attitudinal and opinion data collected in the surveys.

The first of three ways to assess the value of current whistleblowing is through the views of employees in general. According to the employee survey, far from being rejected as ‘dobbing’ or an act of peer or corporate disloyalty, the reporting of wrongdoing by staff appears to be highly valued by the bulk of public employees. While approval is highest among those who have reported, it is almost as high among those who have not observed wrongdoing or have observed it but have not reported it (Table 2.10). These results form part of a scale for measuring the different levels of ‘whistleblowing propensity’ in organisations, used further in later chapters.

Table 2.10 Attitudes towards the reporting of wrongdoing (mean)

1 = strongly disagree to 5 = strongly agree	(a) Did not observe wrongdoing (n = 2 188)	(b) Observed wrongdoing, but did not report the most serious (n = 3 123)	(c) Reported the most serious wrongdoing (n = 2 146)
I personally approve of employees reporting illegal activities within the organisation	4.4	4.4	4.5
I personally approve of employees reporting wasteful activities within the organisation	3.9	3.8	4.0
It is in the best interest of the organisation when an employee reports wrongdoing	4.1	4.0	4.2
Employees should be encouraged to report wrongdoing	4.1	4.1	4.3

Source: Employee survey: Q15.

A second indicator of the value currently placed on whistleblowing, from the employee survey, is through the eyes of those who have reported wrongdoing. As already noted, a majority indicated they would do it again. Further, a majority (63 per cent of all those who reported wrongdoing and 56 per cent of public interest whistleblowers) also indicated that they knew their disclosure was investigated. The fact that a higher number did not know whether action was taken is cause for concern, for a number of reasons that become clear in Chapters 3 and 5. Of those who did know that there had been some investigation, however, a majority also indicated that the outcome of the investigation was positive. Sixty-five per cent of all reporters and 56 per cent of all whistleblowers whose issue was investigated (31 per cent of all whistleblowers in total) indicated that things became ‘better’ as a result of the investigation.

Given that wrongdoing inevitably occurs and is reported but is not able to be substantiated, this evidence from whistleblowers themselves is not consistent with any stereotype of a public sector in which internal disclosures about wrongdoing are always simply swept under the carpet. At a general level, even if only 31 per cent of all whistleblowing reports result in positive action, this compares favourably with substantiation or ‘clear-up’ rates for internal or external investigations on most available measures (see Brown et al. 2004). Of course, as with other rates contained in the data, this is only a broad average.

As will be seen in the next section, it masks great variability in key outcomes from the data, at the level of individual agencies.

A third way of assessing the value currently placed on whistleblowing is from an organisational perspective, including individuals in organisations with reason to know something about it. The agency survey asked organisations to estimate the total number of cases of alleged or suspected wrongdoing reported or detected in their agency for a recent period (2002–04) and the number of these cases that came to light due to reports by employees or organisation members. Only 76 of the 118 agencies that went on to complete the employee survey, covering about two-thirds of the total employee survey data set (5151 respondents), were able to supply most of this information. Further, the information recorded on central databases was often based on different categorisations. Where the categorisations in agency records aligned, however, there was at least some similarity with the results of the employee survey in terms of the relative incidence of different wrongdoing types.

Overall, as shown in Table 2.11, the results confirm the importance of internal reporting as an information source in the internal integrity investigation efforts of agencies. Most significantly, the agency survey revealed that in a like period to that covered by the employee survey, internal reports accounted for 67 per cent of all the wrongdoing cases recorded and dealt with by these agencies. While the misalignment of categories makes the subjects difficult to interpret, the responses indicate that in some major wrongdoing categories such as ‘misconduct for material gain’, more than 50 per cent of matters are already known within the management structure of the agency as having come to management attention because of the action of staff.

Further, final evidence of the organisational value of whistleblowing is found in the opinions of the case study agency case-handlers and managers, as well as integrity agency case-handlers. These surveys asked each group for their opinions on the content and significance of employee reporting of wrongdoing. Consistent with the above results, these groups responded in a way that confirmed that the internal reporting of wrongdoing served a good purpose, and was only infrequently baseless, trivial or unsubstantiated. Table 2.12 indicates that, while not all internal reports are entirely meritorious or accurate, case-handlers and managers generally regard the information provided via employee reporting as significant and valuable. In particular, they were not inclined to agree with the statements that most employee reports were ‘wholly trivial’ or that they were often vexatious or contained intentionally false information. In some circles, these are pervasive stereotypes about whistleblowing, but these data suggest that they should now be considered quite erroneous.

Table 2.11 Wrongdoing detected and investigated by select agencies^a over two years

Wrongdoing category	(a) Employee survey respondents indicating they reported this activity % (n = 1 493)	(b) Total no. of cases reported or detected according to agencies (Q18) n	(c) No. of cases reported by staff, etc., according to agencies (Q18) % (n)	(d) Proportion of cases detected, reported by staff (c/b) %
Personnel or workplace grievances	33.5 (472)	258	7.4 (126)	48.8
Misconduct for material gain	23.0 (324)	921	28.7 (490)	53.2
Improper or unprofessional behaviour	18.5 (236)	1 688	38.2 (652)	38.6
Defective administration	11.1 (157)	1 667	15.0 (257)	15.4
Perverting justice or accountability	8.5 (120)	65	2.2 (37)	56.9
Waste or mismanagement of resources	4.5 (63)	126	4.4 (76)	60.3
Conflict of interest	1.7 (24)	280	4.2 (71)	25.4
Reprisals against whistleblowers	0.9 (13)	0	0	0
Subtotal	100 (1 409)	5 005	100 (1 709)	34.1
Other	(51)	5 044	(5 026)	99.6
Wrongdoing type unknown	(33)	0	0	0
Total	(1493)	10049	(6735)	67.0%

^a 76 agencies who answered agency survey Q18–23 and employee survey Q19, Q26.

Table 2.13 also sets out how case-handlers and managers responded to a direct question about the importance of employee reporting as a means of bringing wrongdoing to light, relative to other well-known methods of discovery. While several methods of discovery ranked as very or extremely important, ‘reporting by employees’ ranked overall as the single most important trigger for the uncovering of wrongdoing in the view of these respondents. Significantly, case study agency case-handlers and managers and integrity agency case-handlers ranked employee reporting as more important than routine controls, internal audits or external investigations. These judgments are all the more significant because they come from groups—especially in the case of case-handlers, including investigators—in a relatively objective position to assess the quality of information provided by whistleblowers. The results confirm that the unique position of employees within organisations gives them a strategic role as quality information sources. Together, these results confirm that, on the whole, whistleblowing is not only regular, but is recognised within organisations as highly important for uncovering organisational wrongdoing. Of course, they also increase the responsibility of agencies to manage the process of whistleblowing in a responsible fashion.

Table 2.12 Value of information provided by employees (mean)

When employees/public employees report wrongdoing, what type of information do they provide? Please indicate your level of agreement with each of the following statements (1 = strongly disagree to 5 = strongly agree)	(a) Case-handlers (n = 292)	(b) Managers (n = 421)	(c) Integrity case-handlers (n = 76)
Most reports are partly trivial and partly significant	3.19	3.09	3.33
Most reports are wholly significant (all information merits investigation)	3.17	3.38	2.70
Reports often contain inaccurate or mistaken information	3.16	3.20	3.33
Reports are often vexatious (an abuse of process)	2.48	2.53	2.36
Reports often contain intentionally false information	2.24	2.35	2.24
Most employee reports are wholly trivial (no information merits investigation)	2.12	2.09	2.12

Sources: Case-handler and manager surveys: Q27a–f; integrity case-handler survey: Q23 a–f.

Table 2.13 Relative importance of employee reporting (mean)

How important do you believe each of the following is for bringing to light wrongdoing in or by your organisation/public sector organisations? (1 = not important to 4 = extremely important)	(a) Case-handlers (n = 285)	(b) Managers (n = 410)	(c) Integrity case-handlers (n = 70)
Reporting by employees	3.42	3.30	3.51
Management observation	3.36	3.30	3.17
Routine internal controls (eg., normal financial tracking, service monitoring)	3.24	3.24	3.26
Internal audits and reviews	3.19	3.06	3.27
Client, public or contractor complaints	2.94	2.97	3.09
External investigations	2.66	2.59	2.94
Accidental discovery	2.45	2.37	2.36

Sources: Case-handler and manager surveys: Q14; integrity case-handler survey: Q9.

High and low rates of reporting

The above evidence of the incidence and significance of employee reporting has yielded a more positive picture of the role of whistleblowing in modern Australian public sector management than previously described. While a higher than expected incidence of whistleblowing might be misread as an indicator of higher than expected wrongdoing, in fact, it can equally be regarded as an indicator of a healthy public sector environment, in which employees feel willing and able to speak up about perceived problems in their organisation. On this approach, higher rates of reporting are to be viewed primarily as positive. Conversely, where wrongdoing is being observed by employees but reported at a lower rate, this can be taken as one indicator of a less positive reporting climate.

Chapter 3 will examine the factors that appear most likely to give rise to whistleblowing by individual employees, as well as the primary disincentives to reporting indicated by the substantial number of employee survey respondents who elected not to blow the whistle. The remaining issue for the present analysis is the extent to which the average rate of reporting indicated earlier, in which perhaps 12 per cent of all public officials can be expected to blow the whistle in a two-year period, holds true for the many different agencies involved. If it doesn't, it is possible that the key factors that influence employees' preparedness to report wrongdoing are also to be found at the organisational level.

In fact, even if the overall incidence of whistleblowing might be interpreted as healthier than expected, it does vary considerably between organisations. In other words, different agencies are achieving very different levels of success in their efforts to encourage employees to report perceived wrongdoing. The data show this in two ways: first, in the opinions of the case-handlers and managers of the case study agencies; and second, through an agency-level comparison of reporting and inaction rates themselves.

Table 2.14 shows how the respondents to the case-handler and manager surveys rated their own agency's success in encouraging employees to report. They show little overall confidence that their agencies are more than 'somewhat' successful. Figure 2.3 breaks this result down into the responses of case-handlers and managers from each of the 12 case study agencies from which sufficient data were obtained (a minimum of 10 responses). The respondents from agencies A and B were much more optimistic about their agencies' success in encouraging reporting than those from agency L.

Table 2.14 Perceived success of the organisation in encouraging reporting (mean)

How successful do you think your organisation is in encouraging employees/ public employees to voice concerns about perceived wrongdoing?	(a) Case-handlers (n = 297)	(b) Managers (n = 432)	(c) Case-handlers and managers combined (n = 729)	(d) Integrity case-handlers (n = 75)
1 = not at all, 2 = not very, 3 = somewhat, 4 = very, 5 = extremely	2.96	3.13	3.06	3.37

Sources: Case-handler and manager surveys: Q61; integrity case-handler survey: Q61.

Figure 2.3 Perceived success of the organisation in encouraging reporting by case study agency (mean)

- 1 = not at all
- 2 = not very
- 3 = somewhat
- 4 = very
- 5 = extremely

Sources: Case-handler and manager surveys: Q61.

What do the data indicate about the reporting rate in different organisations? To answer this question, it was first necessary to establish a basis on which the incidence of reporting in different agencies could be validly compared. Comparison of raw numbers of reports or even different types of wrongdoing from the employee survey is insufficient, since the participating agencies have wildly varying sizes, functions and degrees of exposure to different risks of wrongdoing. A basic method of comparison is to examine agencies' individual 'reporting rates', or the proportion of respondents who see wrongdoing and then elect to report it. This is also a crude comparison, however, given that many employees might observe wrongdoing, but it might take only one to report it, in a healthy organisation, for management to be prompted to take appropriate action.

To allow for these differences, the basis for comparing agencies was refined in two ways. First, the comparison was confined to those instances of observed wrongdoing that employees considered either 'very' or 'extremely' serious on the five-point scale. This eliminated all those cases that on the respondents' own view might not have been serious enough to warrant reporting. Second, examination was made of the reasons given by respondents for not reporting this serious wrongdoing, which included whether someone else had already

reported it and whether they took some other action by dealing with the matter themselves, formally or informally (employee survey: Q35a, b and c).

Table 2.15 ‘Reporting’ and ‘inaction’ rates by jurisdiction

	Cth (n = 2 307)	NSW (n = 2 561)	Qld (n = 1 729)	WA (n = 1 007)	Unknown (n = 59)	Total (n = 7 663)
All respondents who observed wrongdoing	(1 676)	(1 826)	(1 242)	(686)	(43)	(5 473)
a Respondents who regarded the wrongdoing as very or extremely serious	(968)	(1 048)	(735)	(368)	(28)	(3 147)
b Staff in (a) who reported (reporting rate)	50.5% (489)	54.5% (571)	54.8% (403)	49.7% (183)	39.3% (11)	52.7% (1 657)
c Staff in (a) who did not report, but dealt with it themselves (Q35a or b) or someone else reported it (Q35c)	19.5% (189)	19.4% (203)	15.2% (112)	19.8% (73)	17.9% (5)	18.5% (582)
d Staff in (a) who did not report, did not deal with it themselves (Q35a, b) and did not indicate that anyone else reported it (Q35c) (inaction rate)	29.8% (288)	25.9% (271)	29.7% (218)	29.9% (110)	2.9% (12)	28.6% (899)
Missing	0.2% (2)	0.3% (3)	0.3% (2)	0.5% (2)	--	0.3% (9)
Total	100% (968)	100% (1 048)	100% (735)	100% (368)	100% (28)	100% (3 147)

Source: Employee survey: Q19, Q20, Q22, Q26, Q35.

The key measure of the reporting climate, deduced from this, was not the reporting rate per se, but rather the ‘inaction rate’—that is, the proportion of respondents who had observed very or extremely serious wrongdoing, but neither reported it nor gave any of the above reasons for not reporting it. Table 2.15 sets out the average national inaction rate across all agencies (28.6 per cent), as well as the rates for each jurisdiction. It shows the NSW and Queensland agencies to have, on average, slightly higher reporting rates than the Commonwealth and West Australian agencies, but that on the more accurate measure, only the NSW agencies had, on average, lower inaction rates, with the other three jurisdictions remarkably similar.

These similarities suggest that major differences in the reporting climate are not arising at the jurisdictional level, notwithstanding the substantial differences in the legislative regimes governing whistleblowing between the various sectors. The significance of this will be further analysed in Chapter 10. For the present purposes, what is clear is that the major differences are to be found at the agency level. Figure 2.4 sets out the reporting and inaction rates for the case study agencies shown in Figure 2.3. From left to right, the results shown are in order from the agency with the most positive result (the lowest inaction rate of 7.4 per cent) to the most negative (the highest inaction rate of 43.8 per cent).

Figure 2.4 Select case study agency 'reporting' and 'inaction' rates (per cent)^a

^a Results provided for only 11 of the 12 agencies shown in Figure 2.3, because less than 10 employee survey respondents in agency B identified observed wrongdoing as 'very' or 'extremely' serious.

Source: Employee survey: Q20, Q22, Q26, Q35.

Interestingly, by comparing Figures 2.3 and 2.4, it is also possible to see which agencies' case-handlers and managers held, on average, the most accurate opinions about their agency's reporting climate. The respondents from agency L held the most accurate opinion, having the lowest opinion of their own reporting climate.

The variation in reporting climates was, however, even greater across the wider group of agencies that participated in the employee survey. Figure 2.5 shows the number of agencies whose inaction rates—the key measure—fall into each percentile band, again from low (positive) on the left to high (negative) on the right. Results are shown only for the 87 agencies in which at least 10 employee survey respondents identified observed wrongdoing as very or extremely serious. The range is considerably wider than that of the 11 case study agencies in the previous figure. While NSW government agencies have the lowest average inaction rate overall, they also have the widest range, including the agency with the highest inaction rate. All jurisdictions have at least one agency in which the inaction rate exceeds 55 per cent.

Figure 2.5 Range of inaction rates by jurisdiction (national)

Source: Employee survey: Q20, Q22, Q26, Q35.

The reasons for this degree of variation in the reporting climate, and for such high inaction rates in some agencies irrespective of jurisdictions, will be explored in later chapters. Chapter 10 will examine the degree of correlation between these results and other key outcomes including employee trust in management, staff awareness of legislation, staff awareness of agency procedures and the real quality of these procedures. As will be seen, higher levels of reporting can and do appear to flow logically from a greater willingness by employees to speak up, based on a more positive culture in the organisation, encouraged by direct awareness raising. The reverse, however, also appears true: specific factors can be identified that correlate with reduced reporting rates and higher inaction rates. The identification of these begins in the next chapter.

It should be noted that the analyses in this section are not restricted to public interest whistleblowing, but include all categories of wrongdoing, including personnel and workplace grievances. Given the low number of cases of observed 'serious' wrongdoing in many agencies, these categories were retained so that the largest possible number of agencies could be compared. Since the reporting rates for personnel and workplace grievances appear to be generally lower than for public interest categories of wrongdoing,¹ and these grievances constitute a substantial amount of the wrongdoing in this analysis, an analysis restricted to public interest categories of wrongdoing would give a higher range of reporting rates and a lower range of inaction rates. For the purposes of this section, however, the inclusion of all wrongdoing types is considered to provide

a no less—and possibly more—accurate view of variations in the overall reporting climate between agencies.

Discussion and conclusions

This chapter has reviewed the basic incidence of whistleblowing in Australian public sector agencies revealed by the research, as well as new evidence about the recognised importance of whistleblowing. The results show a more positive picture than previously believed of a higher than expected level of employee reporting of wrongdoing in public sector agencies, with the value of whistleblowing widely recognised in agencies, notwithstanding its complexities.

The fact that a considerable amount of whistleblowing occurs and is organisationally recognised does not, however, necessarily mean that it is easy to manage, that associated intra-organisational conflicts and reprisals do not occur or that many of those who blow the whistle do not suffer as a result of the experience. Nor does it mean that whistleblowing in respect of different matters always carries the same level of risk, particularly when some types of perceived wrongdoing can by definition be easier to identify and remedy, while others can be more subjective or ‘political’ in nature. In short, the fact that whistleblowing is relied on heavily in Australian public sector integrity systems does not necessarily mean that it is being effectively encouraged and maximised as a process, or that all public sector agencies are fulfilling their responsibility to properly manage and protect the individuals involved. These are all important questions for later chapters.

Of most immediate concern is the fact that, while the overall incidence and recognition of whistleblowing might be higher than expected, there are clearly many individual public sector agencies in which a much lower proportion of serious wrongdoing observed by employees is reported, or otherwise acted on, than in others. Arriving at a better explanation of these differing reporting climates remains a major object of further study. Chapter 3 proceeds with a more complete analysis of why individual public officials do and don’t report wrongdoing. Later chapters then analyse how officials report, the outcomes of reporting (including the experiences of reporters) and the nature of agencies’ internal systems and procedures for managing those involved. All these issues have a bearing on the fundamental question of how reporting rates might be continually improved, and inaction rates reduced, whenever officials in public sector organisations perceive serious wrongdoing.

ENDNOTES

¹ A paired-samples *t*-test showed that agency reporting and inaction rates differed significantly depending on whether the most serious wrongdoing observed was a 'personnel or workplace grievance' or a 'public interest' matter. In particular, reporting and action rates within agencies are lower for personnel and workplace grievances compared with public interest wrongdoing, while the inaction rates are higher:

Outcome measure	Type of wrongdoing	Mean	Standard deviation	t value	Degrees of freedom
Reporting rate*	Public interest	55.5	11.9	2.79	43
	Personnel or workplace grievance	49.0	10.9		
Action rate**	Public interest	77.0	10.1	5.61	43
	Personnel or workplace grievance	64.6	12.2		
Inaction rate**	Public interest	23.0	10.1	-5.61	43
	Personnel or workplace grievance	35.4	12.2		

* significant at $p < 0.01$

** significant at $p < 0.0005$