

Law

One in three companies have no policy on whistleblowing



Less than half of companies in France had reporting systems in place GETTY IMAGES

A third of companies have no system to enable whistleblowers to lift the lid on misconduct at work, researchers have claimed.

Some 35 per cent of companies lack processes for employees to raise concerns about the behaviour of colleagues, a report said.

Companies in Britain, however, appear better prepared than many European counterparts to have processes in place ahead of the May 2021 deadline for the implementation of the EU Whistleblowing Directive, which was passed last month.

In France, 47 per cent of companies

lacked any reporting system, while in Germany such systems were absent in 44 per cent of companies.

Among the UK companies surveyed, 39 per cent received complaints of misconduct, including bribery, theft or fraud, last year.

Misconduct discovered by whistleblowing channels was reported more frequently in companies with 250 employees or more, and in 29 per cent of cases unearthed potential financial losses of between £9,000 and £90,000.

Viviane Joynes, UK managing director of EQS Group, the

consultancy that commissioned the report from the University of Applied Sciences HTW Chur in Switzerland, said: "Whistleblowing channels are an important risk-mitigation tool for organisations of all sizes.

"As mandated in the EU directive, we believe that companies should offer effective, confidential and secure reporting channels to their stakeholders to protect their own and the public's interest."

The researchers pointed out that if Britain leaves the EU it would not be obliged to implement the directive.