

How To Deal With Retaliation

IN THE WORKPLACE



vault.

The Power Of Retaliation

While the Ethics & Compliance Initiative's (ECI) **2021 Global Business Ethics Survey** found that culture strength is high, it also uncovered several distressing trends. Namely, pressure to compromise standards is the highest it has ever been and retaliation rates have skyrocketed, increasing by 35% since 2017.

Time and again, we see stories in the news about workplace retaliation. Theranos's CEO, Elizabeth Holmes, and COO, Ramesh Balwani, for example, **threatened and fired numerous members of staff**, including the company's CFO, because they came forward about the company's false promises and fraudulent technology.

More recently, Las Vegas Raiders' team President Dan Ventrelle **claims he was fired in retaliation** for bringing concerns from multiple employees to the NFL about a "hostile work environment."

As revealed in our game-changing **Trust Gap survey**, only 37% of workplace misconduct incidents are actually reported. Of those who either wouldn't report an incident of workplace misconduct or haven't reported all the instances they have witnessed or experienced, the greatest concerns were:

- The report being treated anonymously
- The report impacting their reputation within the company
- Concern that the person responsible for reviewing the report would not take them seriously

What unites each of these points is how the individual will be perceived by colleagues, investigators, and the wider business. It's clear that the threat of retaliation looms large, forcing employees into silence, even if this isn't the intention or policy of the organization.





Retaliation's Many Faces

Workplace retaliation is when an individual or business takes action against an employee who filed a formal complaint about workplace misconduct. It can come in many forms, including termination, demotion, loss of hours, or reassignment. Reporters may also be bullied or isolated by colleagues who no longer consider the reporter as a team player.

Some reporters see a change in their performance reviews, a manager who begins to micromanage them, or colleagues acting unprofessionally towards them.

Even when disguised as a joke, retaliation or the threat of retaliation can be harmful to reporters and the perception of whistleblowing. Elon Musk, for example, **Tweeted a supposed joke in December 2021** as Tesla faced several harassment lawsuits in the US from current and former employees. In his Tweet, the billionaire suggested that people should use a branded 'Cyberwhistle' to "Blow the whistle on Tesla."

This kind of attitude from a very public-facing CEO could discourage would-be reporters from speaking up in fear of the CEO's retaliation and how they'll be perceived by their boss, colleagues, and the public.

The Workforce Of Today

Despite how it may appear, there are still some positive signs when it comes to workplace misconduct and retaliation. For example, **81.5% of workers** feel more empowered to hold their leaders accountable for a better workplace in 2022.

The new generation – Gen Z – makes up **over 20% of the world's population** and when combined with millennials, they make up nearly half of the full-time workforce. These generations care about the ethical impact of their employers and expect them to be open, transparent, and care about employee wellbeing. If they don't see the right actions from employers, they'll simply leave the business.

The cost of employee turnover is expensive for any organization, as revealed in our **'Trust Gap' survey**. We found that office-based employers in the UK and US are likely to have spent over \$22 billion in re-hiring costs over a 12-month period.



Practical Steps For Organizations

Both the U.S. Sentencing Guidelines and U.S. Justice Department say that an **effective corporate compliance program** should include mechanisms to prevent retaliation against employees who submit allegations of misconduct. This means that for a business to be compliant, it must have an anti-retaliation program in order to have an effective corporate compliance program.

Through culture and education at all levels of an organization, ethics and compliance professionals should be assessing the risks of both misconduct and retaliation against reporters. They must also advocate for an effective anti-retaliation program and to have the full support of Board members, Leadership teams, and managers both in communications and actions.

The program and the wider policies and values of the organization must wave the flag for anonymity, honesty, and respect for those willing to make their voices heard.

By implementing a progressive reporting structure for data collection and monitoring incidents, software solutions are increasingly able to support organizations in identifying problems and connecting the dots on repeated patterns, which can be a game-changer.

Through technology, both named and anonymous reports can be submitted while whistleblowers and case managers can communicate with one another and share information with other parts of the organization on a 'need-to-know' basis.

Conclusion

Retaliation against reporters, even in the form of ‘the silent treatment’ or undesirable assignments often deters employees from reporting misconduct, which allows bad behavior to fester and spread.

The modern workplace has no room for retaliation. It’s bad for business. The freedom to raise concerns is a critical component of an open, supportive, and ethical business culture. Employees should feel confident they will be encouraged to do the right thing.

Respectful workplaces tend to foster productive, creative employees who share awareness and appreciation of each other. On the contrary, workplaces lacking in respect tend to have high levels of turnover, conflict, low morale, poor attendance, and low productivity.

Ready to revolutionize misconduct reporting and resolution at your business?

BOOK A DEMO TODAY

CREATE A CULTURE OF TRUST
by empowering employees
to speak up!

vaultplatform.com

hello@vaultplatform.com





vault.

VISIT [VAULTPLATFORM.COM](https://vaultplatform.com)