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Understanding whistle-blowing: a set-theoretic approach ☆

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ABSTRACT

This paper introduces fuzzy-set Qualitative Comparative Analysis (fsQCA) to the study of whistle-blowing and represents the first attempt to apply set-theoretic tools to this phenomenon. I submit 60 episodes drawn from 50 in-depth interviews with whistle-blowers and "inactive observers" to fsQCA analysis. The results point to two paths that can lead to a whistle-blowing outcome, as well as an important contextual factor that facilitates the decision to whistle-blow or remain an "inactive observer." These discoveries suggest that no path-dependent course toward whistle-blowing or inactive observation exists, nor does an *a priori* profile of whistle-blowers whom organizations can attempt to screen out during recruitment.

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1. Introduction

The time has come for a diversity-oriented approach to the study of whistle-blowing. Scholars have had a hard time identifying consistent predictors of whistle-blowing behaviors. Of all the individual differences hypothesized to predict whistle-blowing, only one value, positive attitudes toward whistle-blowing, consistently does (Near & Miceli, 1996), and only one affective variable, job satisfaction, increases the likelihood of voice behaviors in general (LePine & Van Dyne, 1998; Rusbult, Farrell, Rogers, & Mainous, 1988; Withey & Cooper, 1989). On the flip side, the list of inconclusive predictors is long: assertiveness, authoritarianism, self-esteem, moral reasoning, internal locus of control, self-monitoring, Machiavellianism, religiosity and self-righteousness (Barnett, Bass, & Brown, 1996; Brabeck, 1984; Brewer & Selden, 1998; Chiu, 2003; Jos, Tompkins, & Hays, 1989; Keenan, 1995; McCutcheon, 2000; Miceli, Dozier, & Near, 1991; Miceli & Near, 1984, 1988, 1992; Miceli, Roach, & Near, 1988; Near & Miceli, 1996).

Further, existing process models of whistle-blowing decision-making (Gundlach, Douglas, & Martinko, 2003; Miceli & Near, 1992) do not entertain the possibility of equifinality, the idea that multiple paths can lead to the same outcome. As a result, the models are limited in their ability to understand the processes that individuals experience and the strategies they employ as they decide whether or not to blow the whistle.

This paper introduces fuzzy-set Qualitative Comparative Analysis (fsQCA), a diversity-oriented approach, to the study of whistle-blowing and applies it to 60 episodes drawn from 50 in-depth interviews with whistle-blowers and inactive observers. fsQCA is an appropriate methodology when causality in the phenomenon under study is both multiple (when an outcome has more than one cause) and conjunctive (when these causes work together to produce the outcome) (Fiss, 2007; Ragin, 2000). By facilitating configurational analysis, this approach can help to organize multiple interdependent cause–effect relationships into a coherent framework that explains the variance in whistle-blowing decision paths.

The diversity-oriented approach proposes alternative ways to understand how social phenomena are constructed and why they unfold the way they do and is well suited for understanding stochastic (small-*n*) social phenomena with complex causality or equifinal paths, like whistle-blowing. This paper is the first attempt to apply set-theoretic tools to whistle-blowing.

The results point to two paths that can lead to a whistle-blowing outcome and an important contextual factor that facilitates the decision to whistle-blow or remain an inactive observer. These discoveries suggest that no path-dependent course toward whistle-blowing or inactive observation exists, nor does an *a priori* profile of whistle-blowers that organizations can attempt to screen out during recruitment.

The next section of this paper reviews the classical scholarship on whistle-blowing and Henik's (2007, 2008) addition of values and

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emotions to the equation. Section 3 introduces fsQCA to the study of whistle-blowing. Section 4 outlines the data and the results of the fuzzy-set analysis. Section 5 offers general conclusions and identifies opportunities for further research.

2. Literature review

Whistle-blowing is commonly defined as "the disclosure by an organization's member [or former member] of illegal, immoral or illegitimate practices under the control of their employers to persons or organizations that might be able to effect action" (Miceli & Near, 1992:15). Whistle-blowing is a form of voice in organizations, an attempt to change practices, policies and outputs by appealing to a higher authority (Hirschman, 1970; Rusbult et al., 1988).

The classical five-stage whistle-blowing model draws on theories of moral judgment, bystander intervention, power/dependence and expectancy (Dozier & Miceli, 1985; Graham, 1986; Greenberger, Miceli, & Cohen, 1987; Kohlberg, 1969; Latané & Darley, 1970; McLain & Keenan, 1999; Miceli & Near, 1985, 1992; Miceli et al., 1991; Near & Miceli, 1985, 1987; Parmerlee, Near, & Jensen, 1982; Pfeffer & Salancik, 1978; Vroom, 1964). A trigger event occurs in Stage 1, and an observer recognizes the event as problematic and decides what action to take in Stage 2 and acts in Stage 3. The organization reacts to the report in Stage 4. The now-whistle-blower assesses the organization's response in Stage 5 and makes a decision regarding future activities.

Stage 2, the decision-making stage, comprises four distinct, subjectively rational judgments: that the observed activities are problematic; whether the activities deserve action; that one is personally responsible to act; and what action is possible and appropriate, including an assessment of opportunity costs and benefits and the perceived risks of retaliation (Latané & Darley, 1970; March & Simon, 1958; Miceli & Near, 1992). The voice literature also takes an economic perspective on the decision to speak out, with alternatives, investments and perceived efficacy among the hypothesized predictors of exercising voice (Farrell & Petersen, 1982; Hirschman, 1970; Parker, 1993; Withey & Cooper, 1989).

However, reasons do exist to expect non-rational factors, such as values and emotions, to influence the whistle-blowing process, too. First, as noted above, only a value and an affective variable predict voice and whistle-blowing decisions, respectively. Second, Santee and Maslach (1982) find that self-concept predicts dissent in strong situations because they provide opportunities for self-definition (Bowers, 1973); whistle-blowing situations may constitute strong situations, depending on the organizational climate, perceived threat of retaliation and group norms regarding the wrongdoing and reporting. Third, people are likely to use strongly held beliefs and values in information-processing, decision-making and action in "consequential choice situations" that require strategic planning (Boninger, Krosnick, & Berent, 1995:62), like whistle-blowing situations. Finally, values and emotions drive political activism (Gurr, 1970): Grievances, which contain an emotional component, and competing demands, which feature value conflict, both motivate activist behavior (Gilbert, 1988; Opp, 1988).

Henik's (2007, 2008) model of the whistle-blowing decision process posits explicit roles for values and emotions (Fig. 1). The model proposes that the judgments and assessments made in Stage 2 will bequeath strong or weak value conflict and engender emotional responses, informing decisions and behaviors (Tetlock, 1986; Tetlock, Peterson, & Lerner, 1996).

2.1. Value conflict

Values are abstract ideals that people hold about how they and others should (or should not) behave (Rokeach, 1968). Values function as standards by which people judge "which beliefs, attitudes, values and actions of others are worth challenging, protesting [or] trying to influence or change" (Rokeach, 1973:13).

Tetlock's (1986) value pluralism model proposes that conflicts between important and approximately equally important values will spur individuals to think and act effortfully to resolve the conflict. Individuals who observe activities they consider wrongful may experience value conflict as they decide if and how to respond. For example, if they judge a wrongdoing to be due to controllable and intentional acts by company officials, they may have conflicting loyalties to the public welfare and their employer (Graham, 1986). They may try to balance perceived moral/ethical obligations with their commitment to support their families (Jensen, 1987). They may hold strong allegiances to extra-organizational principles, like a professional code of ethics (Graham, 1986; Rothschild & Miethe, 1994; Van Dyne, Cummings, & McLean Parks, 1995). Whistle-blowers in Brewer and Selden (1998) report feeling an "extended sense of responsibility" when confronted with a moral or ethical dilemma.

Value conflict may also engender an internal cost–benefit analysis, with costs and benefits defined in terms of the emotions individuals believe they would feel upon defending or favoring one value over another. For example, potential whistle-blowers may be torn between potential pride for adhering to religious imperatives to report wrongdoing and potential fear of violating religious injunctions against libel or slander (see Leff, 2007).

Weak trade-offs are easier to resolve. Weak value conflict exists when neither value active in a situation is important or when one value is significantly more important than another (Tetlock, 1986). The relative attractiveness of the alternatives is irrelevant or clear to the decision-maker (respectively), behavior should tend toward the more strongly held value (if one exists), and post-decisional dissonance should be low (Festinger, 1964; Liberman & Chaiken, 1991).

Individuals may experience weak value conflict that favors whistle-blowing if their loyalty to the public welfare or allegiance to extra-organizational principles is significantly stronger than their loyalty to their employer (Graham, 1986; Rothschild & Miethe, 1994; Van Dyne et al., 1995). They may experience weak value conflict that favors inactive observation if their commitment to their organization or workgroup significantly surpasses their commitment to customer or stakeholder welfare.

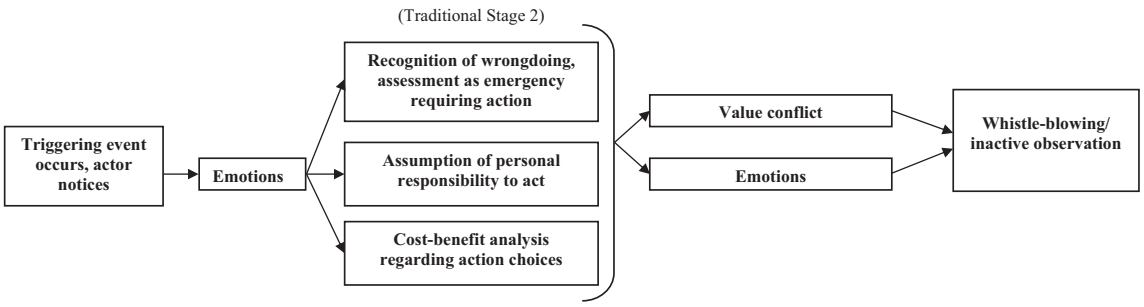

Fig. 1. Model of whistle-blowing decision process.

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