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SunCorp Uses Silent Whistle Software to Help Build Ethical Culture

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SALT LAKE CITY – Perhaps one of the best things that Lynn Baalman can say about the software her company uses from Allegiance Inc. is how little it's used.

Baalman is vice president of human resources for SunCorp, a 400-credit union corporate with about 120 employees and operations in Salt Lake City and Westminster, Colo.

For two years now, the corporate has been using Silent Whistle, an anonymous ethics reporting system from another Utah organization, Allegiance Inc., a specialist in loyalty and engagement survey and reporting tools.

SunCorp uses Silent Whistle in a hosted, software-as-a-service (SaaS) environment, allowing employees to use the Web anytime, anywhere to report concerns about violations of financial or other company policies and about other employees.

"I can tell you that we were initially kind of disappointed, because of the handful of times it was used, it was more for employee-relations issues that we would have hoped would have come to us directly instead of coming through anonymously," Baalman said.

"But in time we have come to be OK with that," she said. "That's because, No.1, it has given them an avenue to report something bothering them, and No. 2, there really can be a fine line between an employee-relations issue and an ethical issue, and this gives us a way to evaluate it."

An employee engaging Silent Whistle signs in anonymously with a password and then goes through a form that asks questions in much the same way that an HR person would in person: Where did it take place? Were there any witnesses?

"It lays it all out very nicely and then when it lands in my box, both my CFO and I are notified and I can read through it and determine what kind of issue this is," Baalman said.

She said she also appreciates the ability to reply back to the complainant. "I can encourage them to come forward, for one thing. It's very difficult to investigate an anonymous event," she said. "But at least they can bring it to us knowing it will stay anonymous if they want it to."

"Luckily we haven't had any complaint that I would term an ethical violation, in terms of something like perhaps something dishonest going on in the accounting department not following proper procedures ... something that could have financial implications for the company," she said.

That's not always the case elsewhere, according to Chris Cottle, vice president of corporate marketing for Salt Lake City-based Allegiance, which has a client list of about 1,700 organizations, including about 180 credit unions.

"We've seen a lot of anonymous reporting on hard-core issues," he said. "Sexual harassment, for one, and threats to people if they don't do this or that. We've seen people reporting accounting fraud, theft and waste.

"The idea that you can bring these things to light anonymously allows that to come forward. And it also acts as a deterrent," Cottle said.

Silent Whistle is part of a suite of solutions Allegiance offers to encourage customer and employee feedback and engagement. The ethics reporting system is part of what the company calls a six-step method to creating an ethical culture.

Those steps are establishing an enforceable code of conduct, initial and ongoing training, regular communications, anonymous reporting hotline, enforcement action, and rewarding employees that live the culture.

The Silent Whistle solution is the reporting piece, of course.

"What we have found is that advent of the right technology helps to enable the creation of an ethical culture," Cottle said. "People who want to report something that bugs them often won't because they're worried about retribution.

"But with a third-party system, they can be

comfortable doing that reporting at home through

a Web browser with all kinds of statements that assure them of their anonymity."

The system also lends itself to metrics that facilitate reporting a return on investment,

said Baalman, the SunCorp HR executive.

"For instance, as a chart person, I can establish an average amount of time I spend investigating an incident and display all of them at once."

The Silent Whistle solution, meanwhile, also can help prevent "ending up in the news," said Cottle at Allegiance.

"No organization today wants to be an Enron," he said. "And we all know what that means. It's a worst-case scenario, but there are tons of mini-Enrons out there, and they can end up with people getting fired and a waste of a lot of company time and resources.

Baalman said SunCorp incorporates Silent Whistle as part of the effort to create an ethical culture.

"It's just one of our tools," she said. "We have a business ethics policy that we regularly put in front of our employees, and we also do ethical training for every single employee every single year.

"It's no small feat to run every employee through that, but you have to think that focus on values and integrity will help you make sure you don't have one of those mini-Enrons of your own," she said.

Cottle at Allegiance added, "Having an ethical culture sheds light on these issues and helps you have the right policies moving forward. Business is different now than it was 10 years ago, and this is the result of it."

