

WHISTLE BLOWING AND COST EFFICIENCY IN A MANUFACTURING COMPANY IN SOUTH
EASTERN NIGERIA

PROF. COSMAS CHIBUIKE ALUGBUO
Department of Management,
Faculty of Management Sciences,
Imo State University, Owerri

EDWARD CHUKWUDI AGULANNA, Ph.D
Department of Management,
Faculty of Management Sciences,
Imo State University, Owerri

&

LYNDA ADIOHA
Department of Management,
Faculty of Management Sciences,
Imo State University, Owerri, Nigeria

Abstract

Whistle-blowing activities around the world have generated huge interests from concerned parties such as the financial and public service, as the aftermath of its neglect often has dilapidating effects on the sustainability of economic growth and development of the nation. This is often seen in the 3rd world nations, such as Nigeria. This study aimed to examine the effect of whistle-blowing, on cost efficiency in a manufacturing company in South Eastern Nigeria: a case of Nigeria bottling company Owerri. This study adopted the descriptive survey research design. The population of the study is 143 while the sample size is 100. This study adopted the Theory of Planned Behavior. The study discovered that whistle-blowing has significant positive effect on cost efficiency. It was recommended that whistle blowing policy should be properly encouraged and implemented in private organizations to achieve minimum involvement of corruption and that whistleblowers should be protected to encourage disclosure of corrupt acts in organization. This in turn will bring cost efficiency in the organization.

Keyword: *Whistleblowing, cost efficiency, cost reduction, fraud reduction, management decision making*

Introduction

Nothing in an organization is free from the threat of fraud, whether committed by a person or group with the aim of enriching themselves both in government and private sectors. We live in a complex world. Every day, decisions are made that can affect our health, safety, economic and human life. Some of these decisions are made for the worst of reasons. Accidents happen or corruption flourishes because employees who know about wrongdoing are afraid to

say anything in fear of losing their jobs. An organization needs an early detection tool to prevent the occurrence of fraud or mismanagement. This tool often used by employees to prevent wrong doings within the organization is seen as whistle blowing. Whistle blowing occurs when an individual reports wrongdoing in an organization, such as financial misconduct or discrimination. Many researchers have defined whistleblower as a person, who could be an employee of a company, or a government agency, disclosing information to the public or some higher authority about any wrongdoing, which could be in the form of fraud, corruption, etc. whistleblower is a person who comes forward and shares his/her knowledge on any wrongdoing which he/she thinks is happening in the whole organization or in a specific department. A whistleblower could be an employee, contractor, or a supplier who becomes aware of any illegal activities. According to Opara (2014) Whistle blowing is the act of drawing public attention, or the attention of an authority figure, to perceived wrongdoing, misconduct, unethical activity within public, private or third-sector organizations. Corruption, fraud, bullying, health and safety violation, cover-ups and discrimination are common activities that trigger whistle blowers. He stated that Whistle blowers often face reprisals from their employer, who may suffer reputational damage as a result of the whistle blowing, or from colleagues who may have been involved in the illicit activities.

However, there has been a substantial increase in the recognition of the importance of whistle blowing as a means of reducing corruption and defusing dangerous situations by improving the disclosure of information about illegal, dangerous or unethical activities by government and private organizations. Whistle blowing can also be a means of improving the internal organizational culture of organizations in both the public and private sector to prevent or reveal mistakes and improve internal management and cost efficiency. Around the world, whistleblowers have been hailed as heroes for revealing corruption and fraud in organizations and for preventing potentially harmful mistakes from leading to disasters.

However, many who bring these issues to light face also severe repercussions for their actions. They lose their jobs or are ostracized for their activities. Some are charged with crimes for violating laws or employment agreements. In extreme cases, they face physical danger. Countries around the world are now working to develop legal regimes to encourage these important disclosures and protect whistleblowers from retribution. Over 30 countries have now adopted specific whistleblower protections. Others have adopted protections through other laws such labor laws or public sector employment rules. Only a handful of countries have adopted comprehensive whistle blowing laws. These have two major themes - a proactive part which attempts to change the culture of organizations by making it acceptable to come forward and which facilitate the disclosure of information on negative activities in the organization such as corrupt practices and mismanagement, and a second aspect made up of a series of protections and incentives for people to come forward without fear of being sanctioned for their disclosures. It is difficult to say if these laws are working. Most are too narrow, only applying to the public sector or to certain types of wrongdoing. There is considerable evidence in most countries that retaliation against whistleblowers regularly occurs and that many workers' concerns about it persuade them to keep silent. However, there is some positive news. Whistleblowers are being seen in a more positive light and there is a possible positive culture shift underway, contributing to the fight against corruption and to preventing mismanagement, abuses and accidents. Amadi (2012) asserted that whistle blowers were responsible for 43% of the fraud detection, while law enforcement officers were only responsible for 3% of the fraud detection and corporate controls

were responsible for 34% of the detection. Again, reporting often comes at a high price: whistleblowers risk their career, their livelihood and sometimes their personal safety to expose wrongdoing that threatens the public interest. They may be fired, sued, blacklisted, arrested, threatened or, in extreme cases, assaulted or killed.

Statement of the problem

Whistle blower is a tool used to reveal information that is critically important to the life of the organization. Banisar (2015) asserted that In China, Dr. Jiang Yanyong revealed the extent of the spread of the SARS virus and potentially saved millions of lives by alerting the public, after being ordered by the authorities not to reveal the information. Other disclosures are essential to promote organizational accountability. He further stated that Allan Cutler, a Canadian bureaucrat, disclosed suspicions of fraud that led to the revealing of millions of misspent public funds in a sponsorship scandal, leading to the defeat of the Liberal party in the 2006 elections. Sherron Watkins of Enron internally raised the alarm over problems with the financial situation in the company that eventually led to the arrest and conviction of its CEO and other top officials. (<https://www.researchgate.net/publication/228124587>)

According to Davu (2014) in a study 'impact of whistle blowing on corporate firm' stated that employees are usually the first to know of problems and whistle blowing can be an "early warning sign" for employers that something is wrong and should be corrected before it gets out of control. Peter (2012) in a study "whistle blowing and fraud management" showed that 2002 KPMG report on fraud in Australia and New Zealand found out that 25 percent of fraud was reported by employees and a 2005 study from KPMG in Africa found that 44 percent of fraud was revealed by information received from whistleblowers.

Again, Umahi (2012) in a study "whistle blowing and its effect on organizational growth" discovered a significant effect. He stated that organization that encourages whistleblowers ends up having early information that will help them tackle fraud or wrong doing within the organization. It was also observed that, there is a desert of literature under the subject review. The researcher also noticed that little or no work has been done on cost efficiency and this has lead the researcher to analyze the effect of whistle blowing on cost efficiency in a manufacturing firm using Nigeria bottling company Owerri as a case.

Objectives of the Study

The main objectives of the study is to examine the effect of whistle blowing on cost efficiency in manufacturing firm in the south east Nigeria.

The specific objectives include:

1. To examine the effect of whistle blowing on fraud reduction
2. To determine the effect of whistle blowing on management decision making
3. To ascertain the influence of whistle blowing on cost reduction

Research Questions

1. To what extent has whistle blowing helped to reduce fraud
2. To what extent has whistle blowing improved organizational management decision
3. To what extent has whistle blowing helped organisations reduced cost?

Research Hypothesis

The following hypotheses were formulated in order to direct the flow of this work

H01: Whistle blowing has no significant effect on fraud reduction

H02: Whistle blowing has no significant effect on management decision

H03: Whistle blowing has no significant effect on cost reduction

Review of Related Literature

The concept of whistle blowing

There have been several attempts to define whistle blowing, but certainly there is no generally accepted definition. According to Near and Miceli (1985), whistle blowing is a process whereby a current or former member of an organization discloses practices or activities believe to be illegal, immoral or illegitimate, to those who may be able to effect change. The practices or activities can be refer to personal misbehavior such as stealing, waste, mismanagement, safety problems, sexual harassment, unfair discrimination and legal violations (Dasgupta & Kesharwani, 2010). According to Jubb (1999) whistle blowing means purposeful act and actions of disclosure that gets unto public documentation and reported by a person who has privileged access to information of an entity illegality or other misconduct. Looking at a broader direction and public participation, Camerer (2001) asserted that whistle blowing involves calling public attention to wrongful acts, typically in order to avert harm. To the International Labour Organization (2005) whistle blowing is the act of disseminating and reporting by workers or former employees, unlawful, irregular, or unethical practices. Eaton and Akers (2007) however defined whistle blowing as the deliberate act of reporting and exposing wrongdoings in an organization to internal or external parties. Similarly, in the same view were Nadler and Schulman (2015) who explained that whistle blowing involves calling attention and focus to wrongdoing that is occurring and happening within an organization including institutions of government

Whistle blowing is central to a company's system of checks and balances thus, shielding companies from reputational and other risks. The ability to blow the whistle reflects shared responsibility and positive culture. An individual rarely takes the decision to blow the whistle lightly, and companies must apply the same degree of importance to this area because they have just as much to win or lose. By taking a positive approach companies can show respect towards their employees and demonstrate an appetite for continuous improvement. Whistleblowers speak-up because they refuse to give up on their company. They have faith that the company will listen to their concerns and that lessons will be learned. According to transparency international (2010) the ultimate goal of whistle blowing is to protect the public interest. It achieves this by informing people or organizations that are in a position to prevent harm, to investigate or to take action against those responsible for wrongdoing. Well known whistle blowers have revealed the cover-up of SARS and other dangerous diseases to helped and avoid environmental and health hazards in the United States and elsewhere.

The essence of a whistle blowing system is that staff should be able to by-pass the direct management line, because that may well be the area about which their concerns arise, and that they should be able to go outside the organization if they feel the overall management is engaged in an improper course. Effective whistle blowing is therefore a key component in any strategy to challenge inappropriate behavior at all levels of an organization. It is both an instrument in support of good governance and a manifestation of a more open organizational culture. Successful whistle blowing, in terms of a healthy organizational culture is when concerns are raised internally with confidence about the internal procedures and where the concern is

properly investigated and, where necessary, addressed. Data shows that occurrences of fraud in companies often come to light through whistleblowers as that have been found in some studies to detect internal problems more frequently than any other actor, including regulators, auditors and the media.

Furthermore, Whistleblowers can report wrongdoings through either internal or external channels. Typically, whistleblowers will internally report a wrongdoing before exercising their external channel, but when they choose to use external channels of reporting, they are commonly portrayed negatively as a threat to the organization (Mesmer-Magnus and Viswesvaran 2005). According to Fincher (2009) that there are three types of employees who become whistleblowers: senior executives (e.g., vice presidents, company attorney), professionals (e.g., quality control technicians, training instructors, engineers and human resource managers), and hourly workers (e.g., electricians and maintenance) Whistleblower also worried as they normally viewed themselves as “blackballed” where they may be facing difficulty to engage new employment. “Whistleblowers have a strong sense of injustice” as cited by Fincher (2009). Despite the benefits, the act of exposing wrongdoing within an organization is no easy task.

Five benefits of whistle blowing

1. Helps combat fraud

Encouraging people to speak up and expose wrongdoing is a major factor in fighting fraud, corruption and unethical behaviour. The mere presence of a [whistle blowing system](#) may be enough to put people off committing any illegitimate activity, thus significantly reducing the risk of fraud.

2. Avoids reputational damage

When an issue is raised through internal channels, it allows the department in charge to tackle it appropriately as well as discreetly. More crucially, an anonymous system helps someone who doesn't feel safe or confident sharing information with their employer to come forward. If there isn't an internal solution they may choose to take the information elsewhere or disclose it publicly, potentially damaging the company's reputation.

2. Whistle blowing prevents issues escalating

One of the greatest benefits of whistle blowing in an organization is that it provides the opportunity to catch problems early on. When the information is shared directly with the dedicated team, the company can deal with the concern immediately, before it escalates. This wills potentially preventing serious harm or damage. Removing risks early also means a company can focus on what's really important.

3. Reduces losses

When illegitimate activities are reported, it allows a company to tackle the problem quickly as well as prevent it from happening again in the future. In this way, companies avoid painful losses which are damaging for everyone, from employees to clients and suppliers.

4. Raises awareness

Without whistleblowers, we may be unaware of illegal or unethical things happening under our noses. The information they pass on, no matter the degree of severity or the nature of it, can raise awareness of issues and concerns within an organization that need to be addressed.

With such knowledge in hand, a company can learn, grow and flourish. This is why a proper whistle blowing system is essential to managing breaches in a quick and constructive way.

5. It creates an open culture

A company that shows it actively encourages employees to report concerns and supports them if they do so will gain more trust. An open and honest culture usually creates better working relationships and dedication resulting in higher productivity. Furthermore, loyal employees are more likely to make an internal report rather than disclose information externally which leads us back to the reasons mentioned above of why it benefits an organization to provide a whistle blowing channel for its employees.

Whistle blowing Activities in Nigeria

In Nigeria, series of whistle blowing cases have been seen before and after the introduction of whistle blowing incentives by the Federal Government in the last quarter of 2016 (Owusu et al., 2020). Before the introduction of whistle blowing incentives, the activity between the Governor of the Central Bank of Nigeria, Mallam Sanusi Lamido Sanusi and the Dr. Goodluck Jonathan led government in 2014 argued about the non-remittance of a huge sum of \$20bn (Twenty Billion U. S. Dollars), which was equivalent to 3.25 trillion Naira, to the government's coffer from the Nigerian National Petroleum Corporation (NNPC). One of the famous shortfalls of the pre-introduction of whistle blowing incentives was an audiotape released to the public by the protocol officer in 2014. The audiotape contained the discussion of the actors involved in the Ekiti election malpractice plan (Sahara Reporters, 2015). These actors involved Mr. Peter Ayodele Fayose (the Peoples' Democratic Party's PDP Gubernatorial candidate of the State), the then State Minister for Defence, Mr. Musiliu Obanikoro, Mr. Chris Uba, Mr. Iyiola Omisore, Mr. Jelili Adesiyun, the then Minister for Police Affairs, one Honourable Abdulkareem, a Nigerian Army Boss, Brigadier General Aliyu Momoh and a protocol officer attached to the Army General, Captain Sagir Koli.

While whistle blowing is still subject to legislative deliberations at the National Assemblies, whistle blowing has created many avenues for people with information to report to the government. However, in less than two months of its introduction in Nigeria, a number of anonymous whistle blowing has started to take place. The earliest of the cases was that of the former Group Managing Director of NNPC, Mr. Andrew Yakub whose property located in a slum in Kaduna State was invaded by the officials of Economic and Financial Crime Commission (EFCC) through a reliable tip-off and cash worth US\$7.8million and £75,000 were recovered. Additionally, the case of the former Comptroller General of Custom, Mr. Abdullahi Dikko Inde came on the front page of the dailies with a revelation which uncovered about 27 exotic cars in one of his farms in Kaduna State. These properties are believed to be the properties of the government which could be some of the impounded vehicles by the authority (Nwozor, Olanrewaju, Oshewolo, & Ake, 2020). Also, on the 26th February 2017, the Standard Organization of Nigeria (SON) with the help of the Nigerian Police Force uncovered about twenty containers of sub-standard tyres belonging to two Chinese natives in Lagos. This was aided an intelligence tip-off from a whistleblower. In the first quarter of 2017, there was another astounding report on an Ikoyi apartment where the Economic and Financial Crimes Commission (EFCC) through a tip-off from an anonymous whistle-blower uncovered #23.2M (Twenty-three million, two hundred thousand naira), \$43.4M (forty-three million, four hundred thousand dollars) and

£27,800 (Twenty-seven thousand, eight hundred pounds) stashed in a serviced flat (Sahara Reporters, 2017).

Barriers to Whistle blowing

1. Fear of Retaliation

The biggest barrier that prevents whistle blowing is concern that retaliation will result from the disclosure. Retaliation can vary from minor harassment at the workplace to far more severe consequences. Typically, once an employee has blown the whistle, increasing pressure will be placed on them to rescind their statement and refrain from further disclosures. Most employees' greatest concern is to be fired. In a jurisdiction with an "at will" employment, the employee can be fired without justification. In most jurisdictions, some reasons will need to be found. These could include violations of minor rules or general findings of incompatibility. More often, the employees are placed under severe pressure to force them to resign. Some common practices under this rubric as listed by the US Project on Government Oversight are:

- Taking away job duties so that the employee is marginalized.
- Taking away an employee's national security clearance so that he or she is effectively fired.
- Blacklisting an employee so that he or she is unable to find gainful employment.
- Conducting retaliatory investigations in order to divert attention from the waste, fraud, or abuse the whistleblower is trying to expose
- Questioning a whistleblower's mental health, professional competence, or honesty
- Setting the whistleblower up by giving impossible assignments or seeking to entrap him or her.
- Reassigning an employee geographically so he or she is unable to do their job. In some cases, the retaliation can be extreme. In India, engineer Satyendra Dubey was murdered after he revealed corruption on a road project.

2. Legal Liability

There are also significant legal barriers to the unauthorized disclosure of information in many countries. These include traditional notions of responsibility to employers, secrets acts and other laws. These laws are often used to punish whistleblowers and deter further potential whistleblowers from speaking out.

3. Cultural Barriers

Beyond legal obligations, there is also a significant cultural opposition to whistleblowers in many cultures that needs to be overcome. Whistleblowers are seen negatively as "sneaks", "narks", "informers" or "dobbers". Some of this comes from the abuses of informants going back in history. Informants and anonymous denunciations were often used as a means of maintaining power during regimes such as the Inquisition, in the Nazi state, the Soviet Union and Apartheid-era South Africa. Equally significant is the culture inside organizations. Whistleblowers can face social sanctions for their disclosures. The disclosure of information to outsiders can feel like a betrayal. Even in the absence of formal sanctions, being excluded from social events or being shunned in an organization can place significant pressure on individuals. Fellow employees may

even engage in harassment or other retaliations without the awareness or permission of the employer.

Theoretical Review

Public Choice Theory (PCT) involves the use of economic instruments to solve conventional political difficulties. Rowley (2008) cited in Okungu (2015) supports PCT as he contends that it entails the study of political activities. PCT has extraction in the positive analysis. In addition, PCT is used in normative analysis in order to spot challenges or encouragement to use economic analysis for performance enhancement. The reward structure in the public sector is not designed towards advancing performance. However, there are no motivations for elected official and bureaucratic to control expenses. Modern PCT originates from the papers of Duncan Black in 1958. He is term the founding father of public choice theory (Charles, 2008 cited in Okungu, 2015). This was affirmed from a series of works from 1948, which culminated in "The Theory of Committees and Elections" 1958 (Duncan, 1958). PCT also contended that public institutions are generally sluggish in responding to transformation or change in the society as well as being negligent to service consumers in the public sector (Rowley, 2008 cited in Okungu, 2015). The WBW policy is a tool or instruments employed by the government to combat conventional problem specifically corruption in the Nigeria society. In addition, the whistle blowing Policy of the FG has become an effective tool in the hands of the government in fighting corruption.

The Theory of Planned Behaviour (TPB) as propounded by Ajzen (1991) is of the assumption that the intention of an individual to perform a behavioural act is based on three self-regulatory fundamental philosophies. The first of the philosophies speaks about human attitude towards individual behaviour which is often determined by the certainty of consequences of that said behaviour. The second is the subjective norm about the behaviour which is habitually determined by normative belief. The third is the perceived behavioural control which is quite determined by the confidence that resources and opportunities are available to carry out the behaviour

Empirical Review

In "Whistle Blowing as a Tool for Combating the Menace of Fraud, Forgery, and Corruption in Nigeria," Adetula and Amupitan (2018) in the study examined whistle blowing as a device for fighting corruption in Nigerian public sector. Data employed were from both secondary and primary sources. 125 copies of questionnaire were distributed, but 112 copies were retrieved. Data were analysed employing descriptive statistics, regression, and Pearson Correlation. The result revealed that relationships exist among fraud, corruption, and whistle blowing. They recommended that whistle blowing is an effective instrument for combating fraud, corruption, and forgery in Nigeria.

Furthermore, in "Effective Whistle-blowing Mechanism and Audit Committee in Nigerian Banking Sector," Fasua and Osifo (2017) examined the effectiveness of whistle blowing and audit committee in Nigerian banking sector. Secondary data was used in the study. Multi-variant regression technique and logistic regression analysis were employed. Findings revealed that a good alliance exist among effective whistle blowing mechanism in the banking sector of Nigeria and independent audit committee, audit committee financial expertise, and audit committee

meeting. The study concluded that the financial skill of audit committee is significantly associated with Whistle blowing

While in “Effects of Whistle-Blowing Practices on Organizational Performance in the Nigerian Public Sector: Empirical Facts from selected local government in Lagos and Ogun State”, Taiwo (2015) examined the impact of whistle blowing on entities performance in the public sector. A descriptive Survey design was adopted. Data were collected from both primary and secondary sources. Seven hundred (700) copies of questionnaire were distributed. Six hundred and seventy-two (672) copies of questionnaire were recovered. Simple frequency table, descriptive statistics, and Pearson’s Correlation Coefficient were employed for different analysis in the study. Findings revealed that there is a significant relationship between the protection of whistleblowers and the organisation’s performance in the public sector. In addition, there is a relationship between exposures of corrupt conducts an organisation’s performance in Nigerian public sector. The study concluded that whistle blowing should be encouraged and promoted in the organization.

“Whistle blowing and Anti-Corruption Crusade: Evidence from Nigeria”, Ogungbamila (2014) investigated the level at which whistle blowing affect the Corruption Perception Index (CPI) score in Nigeria. Five hundred and thirty-six Respondents were sampled in Southwest Nigeria. Data were analysed using descriptive statistic and simple regression. Findings revealed that Nigeria’s CPI score extensively increased with whistle blowing. In addition, large proportions of the respondents were discouraged from blowing the whistle due to psychological and social issues. The study concluded that whistle blowing could be an effective option in combating corrupt conducts if effectively administered.

Meanwhile, in Norwegian, “Whistle blowing in Local Government: An Empirical Study of Contact Patterns and Whistle Blowing in 20 Norwegian Municipalities”, Marit and Sissel (2016) in the study, examined if whistle blowing to politicians is considered acceptable among politicians and administrative employees. The study employed a survey design. The study employed primary data. Vignette method used in data analyses. Twenty Norwegian municipalities were sampled. The analyses revealed that the extent of contact between administrative and politicians staff is interrelated with positive perceptions of whistle blowing and constructive management of corrupt reports by the politicians.

Methodology

This study adopted the descriptive survey research design. The Nigeria Bottling Company Owerri, Imo State within the Eastern Regions in Nigeria constituted the population (148) of the study. However, the researchers decided to limit the target population to (100). A total of 100 copies of the questionnaires were distributed among different levels of managers selected. The study purposefully targeted 10 senior staff members from each of the sampled levels of managers that made up the populations. The questionnaire, which is the main research instrument, included items adopted from previous research as well as current ones formulated by the researchers.

Table 4.1: Distribution of Samples

Nigeria Bottling Company	Population Sampled 10 employees Owerri each from the population	
Low level managers	10	30

Middle level managers	10	30
Top level managers	10	40
Total		100

Source: Field Trip, 2023

The data used in this study was obtained from both primary and secondary sources of data. The instrument of primary data collected was the questionnaire. The instruments were validated by experts to authenticate their relevance. Secondary data was collected from journals and textbooks on employee performance. Data collected was collated and analyzed for both descriptive (mean and standard deviation) and inferential statistics (T-Test Statistic). The analysis was performed with the aid of the statistical package for service solutions (SPSS). In addition, the hypotheses formulated were tested using T-Test Statistics and the Z-test statistical techniques at a 0.05% level of significance.

Data Analysis and Result

There was 100% response rate as the targeted different levels of management staff of the Nigeria Bottling Company selected adequately filled the questionnaire and were retrieved.

To examine the effect of whistle blowing on fraud reduction in Nigeria bottling company Owerri.

Table 4.1 is aimed at examining the effect of whistle blowing on fraud reduction in Nigeria bottling company Owerri. With the grand mean of 3.904 and a SD (standard deviation) of 0.7443, it was found that whistle blowing has reduced fraud in Nigeria bottling company Owerri. The respondents unanimously agreed that internal whistle blowing has reduced fraud in Nigeria bottling company Owerri. (M = 4.5600) without which fraud reduction might be affected (M = 3.1067).

Table 4.1 whether whistle blowing has reduced fraud in Nigeria bottling company Owerri.

Statement	Mean	Std. Deviation
whistle blowing has reduced stealing of firms money	4.5600	.79253
whistle blowing has reduced expenses on raw materials	4.3200	.90285
whistle blowing has reduced staff expenses	3.1067	1.10983
whistle blowing has reduced padding of contract	4.1200	.81285
whistle blowing has reduced forging of receipt	3.4133	.91671
Grand Mean	3.904	0.7443

Source: Field Survey, 2023

To what extent has the whistle blowing helped in fraud reduction in Nigeria bottling company in Owerri?

The managers agreed that whistle blowing has helped in fraud reduction in Nigeria bottling firm Owerri in the area of padding of contract and forging of receipt. This is demonstrated by a grand mean of 4.1200 and a SD of 0.81285. As further demonstrated, the respondents agreed that whistle blowing has reduced fraud. (M = 4.3667). The respondents further agreed that whistle blowing has tremendously reduced fraud in Nigeria bottling company Owerri. (M = 4.2222).

Test of Hypotheses

HO₁: the whistle blowing has not helped in fraud reduction in Nigeria bottling company in Owerri.

The above hypothesis was tested using the mean of the 5 questions in Table 4.1.

Table 4.1.1 One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Whistle blowing has not helped in fraud reduction in Nigeria bottling company in Owerri.	5	3.904	0.7443	.09924

Field Survey, 2023

Tables 4.1.1 and 4.1.2 revealed that whistle blowing has helped in fraud reduction in Nigeria bottling company in Owerri. Indications in both tables show a strong and significant help. Thus, the earlier hypothesis stated in this study is not supported by statistical evidence, as can be seen in Table 4.1.1. Whistle blowing has helped in fraud reduction in Nigeria bottling company in Owerri with a T value (t_{cal}) of 44.258, which is greater than the T_{Tab} of 3.183 at a 0.005 level of significance.

Table 4.1.2 One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Whistle blowing has not helped cost efficiency in Nigerian bottling company Owerri	44.258	4	0.000	3.904	3.6274	4.2526

Field Survey, 2023

Also, the P-value of 0.000 is less than 0.005, so we reject the null hypothesis and accept the alternative, which states that internal auditing has helped cost efficiency in Nigeria bottling company Owerri.

Table 4.2. To determine the effect of whistle blowing on management decision making in Nigeria bottling company Owerri.

Statement	Mean	Std. Deviation
whistle blowing has improved the information in the firm	4.3667	0.4248
whistle blowing has brooding management knowledge	4.2489	0.5379
whistle blowing has increased decision accuracy	4.3778	0.4167
It has helped to know when to recruit more staff	4.2222	0.4714
It helped management to know when to act	4.3667	0.4486
Grand Mean	4.3164	0.4598

Source: Field Survey, 2023

Hypothesis Two

HO₂: whistle blowing has not helped in improving management decision in Nigeria bottling company in Owerri. .

The above hypothesis was tested using the mean of questions in Table 4.2.

Table 4.2.1 One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
whistle blowing has not helped to improve management decision making.	5	4.3164	0.4598	.09956

Field Survey, 2023.

Table 4.2.2 One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper

whistle blowing has not helped in improving management decision in Nigeria bottling company in Owerri.	45.478	4	0.000	4.3164	3.6274	4.2526
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Field Survey, 2023.

Tables 4.2.1 and 4.2.2 reveal a strong and significant effect of whistle blowing helping in improving management decision in Nigeria bottling company in Owerri. The earlier hypothesis two stated in this study is not supported by statistical evidence, as can be seen in Tables 4.2.1 and 4.2.2. whistle blowing has helped in improving management decision in Nigeria bottling company in Owerri as it was seen significantly, with a T value (t_{cal}) of 45.478, which is greater than the T_{Tab} of 3.761 at a 0.005 level of significance. Also, the P-value of 0.000 is less than 0.005, so we reject the null hypothesis and accept the alternative, which states that whistle blowing has helped in improving management decision in Nigeria bottling company in Owerri.

HO₃: internal auditing has not helped in cost reduction in Nigerian bottling company, Owerri. The above hypothesis was tested using the mean of questions in Table 4.2.1.

Table 4.3.1 One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
whistle blowing has not helped in cost reduction	5	4.3164	0.4598	.09956

Field Survey, 2023.

Table 4.3.2 One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Internal auditing has not helped in cost reduction in Nigerian bottling company Owerri.	45.478	4	0.000	4.3164	3.6274	4.2526

Field Survey, 2023.

Tables 4.3.1 and 4.3.2 reveal a strong and significant impact of whistle blowing helping in improving management decision in Nigeria bottling company in Owerri. The earlier hypothesis three stated in this study is not supported by statistical evidence, as can be seen in Tables 4.3.1

and 4.3.2. Whistle blowing has helped in cost reduction in Nigeria bottling company in Owerri as it was seen significantly, with a T value (t_{Cal}) of 44.458, which is greater than the T_{Tab} of 3.561 at a 0.005 level of significance. Also, the P-value of 0.000 is less than 0.005, so we reject the null hypothesis and accept the alternative, which states that whistle blowing has helped in reducing cost in Nigeria bottling company in Owerri.

Discussion of Result

The result of this study indicates that whistle blowing will significantly reduce fraud in Nigeria bottling company. This was confirmed by the result of the statistical analysis which shows that the P-value obtained (0.019) was lower than significance value of 5% specified in SPSS for this analysis. This means that for rapid improvement of organization financial performance, management decision must discover new ways of strengthening the whistle blowing department. From table 4.2.1 and 4.2.2 it can be observed that, the response on management decision which majority of the respondents strongly agreed to its effect on whistle blowing is consistent with the findings from Skender (2022) that early whistle blowing has positive impact on the decision of management in an organization. This means that, for efficient decision making in an organization whistle blowers needs to be encouraged to provide hiding information for cost efficiency. The responses on fraud reduction which were strongly agreed by the respondents suggest that the conclusion in Okolocha (2015) which revealed that whistle blowing has positive effect on fraud reduction. This means that, an effective whistle blowing guarantees fraud reduction, proper decision making and cost reduction in Nigeria bottling firm Owerri.

Conclusion

This study's purpose was to investigate the effect of whistle blowing on cost efficiency. Making use of data gotten from different levels of managers of different departments, ranging from human resource department, finance department, audit and procurement department. There was a test on the percentage of the dependent variable (cost efficiency) that can be determined by the independent variable whistle blowing, the null hypothesis was rejected after this test. This implies that whistle blowing has significant influence on cost efficiency. The results demonstrate that implementing, encouraging whistle blowing is predicted to enhance cost efficiency and improves decision making.

Recommendation

1. Policies should be made to protect whistle blowers.
2. Incentives should be made available to encourage whistle blowers.
3. Information gotten from whistle blower should quickly be looked into by management to reduce negative cost effect on the company.

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