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# Whistleblowing

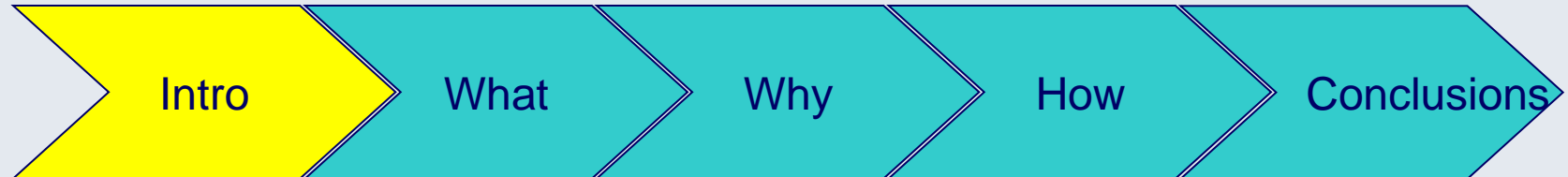
Thijs Smit

Helsinki, September , 2006



# Overview presentation

- Introduction
- What?
- Why?
- How?
- Conclusions



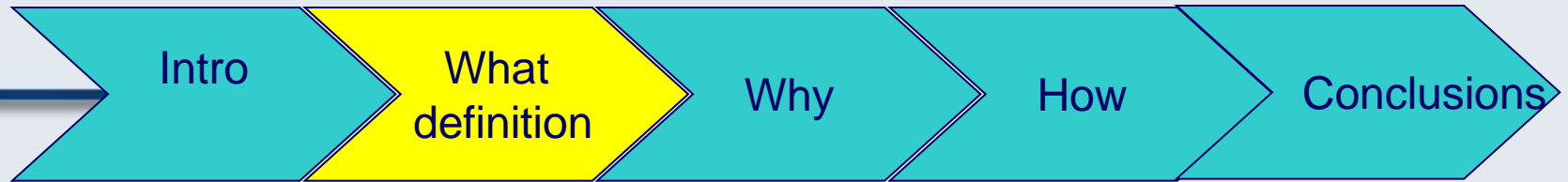


- Thijs Smit
- 28 years Internal Audit
- 15 years Chief Auditor several companies
- 8 years Boardmember IIA Netherlands
- 3 years President IIA Netherlands
- 3 years member PIC IIA Inc.

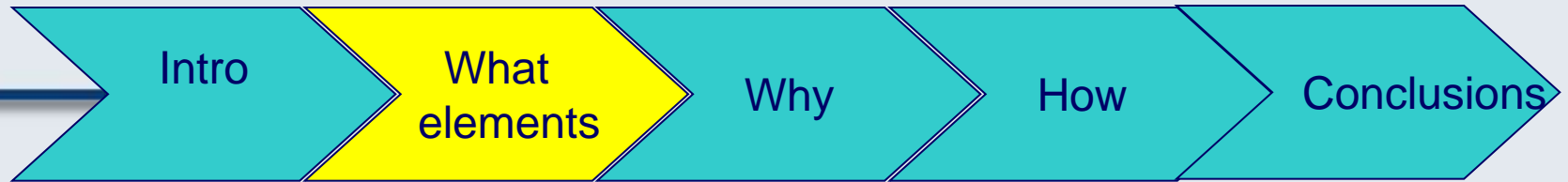




- IIA research
- CFE Recommendations
- External providers information
- Sarbanes Oxley Act
- Own experiences



Mechanism that enables employees and other stakeholders to report (financial) irregularities, concerns and other (workplace) issues and stay anonymous, without retaliation



- Technology
- Staff
- Procedures
- Communication



- Commitment company to integrity
- Provide additional way to raise concerns
- Effective internal control (monitor trends)
- Prevent surprises
- Comply with the law



## SOX

- Title III section 301.4      complaints
- Title VIII section 806      protection
- Title XI section 1106      enforcement



- Technology
- Staff
- Procedure
- Communication



- Web form
- Messages service
- Complaints box
- Phone line



- Phone line
- Two way communication
- 24 hours 365 days
- Toll free
- One line for all issues
- Native language
- Possibility to stay anonymous





- Internal vs. external
- Skilled interviewer
- 24 hours 365 days



- Outside provider
- The network
  - 30% Fortune 500
  - GAP, SEARS, Home Depot
- Global Compliance Services
  - Starbucks, Tiffany



- Selection providers
- Develop shortlist
- Due diligence provider



- Call intake
- Multi-lingual interviewer (translators)
- Trained interviewers
- Technology used
- Customized complaint categories



- Automated escalation
- Automated reporting
- Link case management
- Customers
- Fee



- Receipt complaints
- Retention complaints
- Treatment complaints
- Anonymous submission
- Reporting



## Receipt complaints

- Other channels than hotline
- More than financial irregularities
- Actionable case
- Unique number case



## Case management

- Unique number
- Provider and gatekeeper
- Gatekeeper and casemanagers



## First treatment tip

- High risk situation
- Pre-determined list key staff
- Time sensitive situations



## Dealing with the tip

- Depends on nature
- Depends on information available
- Never disclose tip



## Reporting

- Database
- Status complaints
- Treatment tips
- Management reports
- Discovery trends



- Launch the program
- Keep hotline “Top of the mind”
- Effective communication is crucial



## Launch the program

- Video executive management
- Posters
- Letter
- Wallet card
- Training





## Keep it alive

- Procedures new employees
- Planning communication each year
- New campaign
- Keep reminding on annual basis



- Lot of work
- Underestimated
- Effective control
- Monitor trends



Questions?



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