Retaliation: The Cost to Your Company and Its Employees

Ethics Resource Center (ERC)
2009

Executive Summary:
“Employees’ beliefs about retaliation—that it will happen or that it already has—drive both how much misconduct is taking place and whether it gets reported so management is given an opportunity to address it.”

Objective:
The objective of this brief of the National Business Ethics Survey 2009 (NBES) was to investigate the following questions:
1) Which employees are more or less likely to experience retaliation?
2) Are retaliation rates rising among certain groups of employees?
3) Which forms of retaliation are more common? Are certain forms more prevalent among particular groups of employees?
4) What is the connection between retaliation and employees’ perception of management?
5) Does retaliation really damage employee engagement and commitment? If so, which types of retaliation are associated with the biggest declines?

Methods:
The NBES is conducted biennially via telephone questionnaire. In 2009, the survey had 3010 respondents, of which 158 were removed due to being government employees, since the survey was attempting to survey only employees of for-profit businesses, for a revised total of 2852 respondents. Calls were made to randomly sampled residential households within the contiguous 48 states.

To be eligible for participation in the 2009 survey, respondents had to be:
• Eighteen years of age or older;
• Currently employed;
• Working for a company that employs at least two people; and
• Working at least 20 hours per week for their primary employer.

Results of the survey were weighted based on gender and age, according to statistics obtained from the 2000 U.S. Census data. Only 12% of all non-demographic questions had a difference of two or more percentage points between un-weighted and weighted results.

Key Findings:
• Fifteen percent (15%) of reporters of misconduct experience retaliation. This is an increase over the previous study in 2007, which found 12% of reporters experienced retaliation.
• Some groups are more likely to experience retaliation than others. Those most likely to experience retaliation are union members and employees in companies with 100-499 employees (21% chance per each), followed closely by those employees in companies with 10K-100K employees and those with a three to five year tenure with the company (19% chance per
The groups least likely to experience retaliation were employees of companies with 25-99 employees and top management at any size company (9% and 8%, respectively).

- Some forms of retaliation are more common than others. The most common types are “exclusion by supervisors or management from work decisions or activities” (62%), “given the cold shoulder by coworkers” (60%), and “verbal abuse by supervisor or other management” (55%), while physical abuse was the least common at only 4%.

- Different groups experience various types of retaliation at different rates, as well. Age, tenure, gender, union membership, and management level were the most common denominators that indicated varying rates of different types of retaliation.

- Retaliation is far more common in weaker ethical cultures than in stronger ones, and experiences of retaliation are linked to dramatic decreases in employee engagement. Employees experiencing retaliation intended to leave the company much sooner than those who did not. Pressure to compromise standards increased the likelihood of experiencing retaliation, but personal pressures (such as those to meet financial obligations, keep your job, or advance your career) were associated with much greater increases in retaliation than was pressure to help the company succeed.

**Conclusion:**

In conclusion, experiences of retaliation are strongly linked to perceptions of management, feelings about the company as a whole, employee engagement, and intent to stay with the company. It is also important to note that it is likely that some employees perceive that they were the victims of retaliation when in fact they were not, but that there is no difference in their ensuing actions from those who were actually retaliated against, as long as they believe they were. The difference between actual and perceived retaliation is nil.

Therefore, recommendations are as follows:

1. Examine and, as needed, revise systems of procedural justice to make sure that reports are handled appropriately and that reporters feel heard, respected, and protected.
2. If your company has not done so already, develop a non-retaliation policy. Make sure that it is communicated broadly, included in your code and addressed in all-employee and management-level training and enforced when situations arise.
3. Sanitize cases that have been reported and use them as case studies so reporters know that their decision to report made a difference.
4. Be mindful of groups that are more likely to feel retaliated against. Take extra steps to make sure that these employees are safeguarded from punishment for reporting and, just as importantly, that they do not feel vulnerable to retaliation.
5. Train everyone who is likely to receive reports--especially supervisors--to follow-up with reporters in an appropriate manner and to be mindful of how unrelated actions might be misinterpreted by an employee who is feeling uncertain and exposed after deciding to report.
6. Encourage managers at all levels to communicate that retaliation is unacceptable and to back
it up with action.

Full Report