WHISTLE-BLOWERS AND TECHNOLOGY: A CROSS-CULTURAL FRAMEWORK FOR EFFECTIVE CORPORATE MALFEASANCE REPORTING SYSTEMS

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ABSTRACT

Although the literature has suggested that transnational organizations should consider cross-cultural implications when designing internal control systems, no theoretically-based guidance has been proposed. This paper combines research findings from the areas of sociology and psychology regarding organizational members who report corporate malfeasance ("whistle blowers"), with accounting and information technology research concerning cultural differences in technology acceptance, to provide a suggested framework for matching various cultures with appropriate corporate malfeasance reporting systems. The goal is to provide accountants and information technology professionals in global corporations with a theoretically-based guide for selecting and assisting in the development of corporate malfeasance reporting systems, and to increase management's awareness of the need to educate organizational members about the importance of using these systems appropriately.

INTRODUCTION

Information technology is never a neutral addition to an organization (Cutcliffe, 2006). The choices top management makes about what, when and how to implement new technologies, whether as extensive as an enterprise system (Pozzebon and Titah, 2006) or as individual as decision support tools (Kersten et al., 2002), will have consequences on how organizational members function, either for better or for worse. The functioning of organizational members, in turn, affects how well the organization succeeds in accomplishing its mission. One type of information technology of concern to all levels of management as well as society in general (Zelby, 1989) is that which provides for employee reporting of corporate malfeasance within transnational corporations.

Highly publicized incidents of corporate wrongdoing have resulted in legislation in several countries and brought the issue of employees reporting internal corporate problems to the forefront of management's concerns. For example, in the U.S., the Sarbanes-Oxley Act of 2002 (SOX) mandated a focus on the internal controls used in an organization's financial reporting system,

demanding much of the attention of accountants and information systems (IS) professionals (Holmes, 2007). Much of this attention has been focused on complying with Sections 302, 404, and 409 of SOX (Daigle and Lampe, 2005) which relate specifically to the financial reports of the organization. However, also important but receiving far less attention, are the requirements in Section 301 to provide mechanisms for the anonymous reporting of corporate misconduct. Section 301 requires that publicly-traded corporations in the United States establish procedures for the confidential and anonymous reporting by employees of questionable corporate activities (corporate malfeasance), and Section 1107 provides for criminal penalties in the event of corporate retaliation against said employee. Similarly, the U.K. Combined Code on Corporate Governance of July 2003 requires audit committees to ensure that employees have means by which they can report corporate malfeasance. [See Schmidt (2005) for a complete listing of common law countries that have used legislation to address whistle blowing activities.] Even in the absence of national legislation, organizations that develop and maintain effective internal corporate malfeasance reporting systems (CMRS) have the added benefit of containing or reducing rising insurance premiums (Jernberg, 2003) as well as possibly preventing (Schmidt, 2005), containing and/or correcting potentially damaging situations. Furthermore, unlike other corporate information systems (for which exists extensive research) that primarily support specific organizational levels such as decision support systems and executive information systems, CMRS, in order to be effective, must be acceptable to and utilized by each organizational member regardless of level within the hierarchy. Therefore, international and domestic organizations, public and private, can benefit from the development and implementation of IT-based CMRS that are culturally compatible with its employees.

This conceptual paper seeks to inform both researchers and practitioners regarding the cultural aspects of using information technology to enhance CMRS and to support responsible whistle-blowing activities. It builds upon and adds to the body of research that examines how employees in different cultures accept information technologies and respond to various information sharing tasks (Chow et al., 1999) by providing a theoretically grounded approach to developing effective cross-cultural CMRS.

The paper begins with a review of research findings regarding the role of whistle-blowers in organizations, and then discusses the cultural issues facing transnational organizations. Based on this research, it next provides a suggested framework for matching information technology choices for reporting corporate malfeasance to those cultural dimensions, and concludes with suggestions for future research.

WHISTLE-BLOWERS

Organizations, including governments and professional associations, are concerned with finding ways to encourage and allow employees to report acts, both of omission as well as commission (Near and Miceli, 1995), of corporate malfeasance or wrongdoing. Such reporting is

commonly known as whistle-blowing (Near and Miceli, 1995) although this term has developed a negative connotation associated with reporting such acts to external entities (the media, government, etc.) rather than to management (Wrage, 2004). For the purposes of this paper, the term "whistle-blower" will refer to individuals within an organization who report their knowledge of acts that they deem to be illegal, unethical, or illegitimate to someone with the means to effect change inside the organization. Although outside of the scope of this paper, additional research has explored the reasons *why* an individual chooses to report observed wrongdoings by examining contextual factors (seriousness of the act, group norms, and management's response) and individual factors (religious values, moral standards, and locus of control) (Chiu and Erdener, 2003), as well as cultural differences in ethical reasoning (Cohen et al., 1996; Tsui, 1996; Swaiden and Hayes, 2005).

Near and Miceli (1996) note that "whistle-blowing is a dynamic process *involving at least three social actors*, each of whom takes actions in response to others" (p. 508). This includes: the "wrongdoer", the one who observes the wrongdoing, and the one receiving the report of the wrongdoing. While there are different perspectives, based on culture (Sims and Gegez, 2004) as well as profession (Near and Miceli, 1996), of what constitutes wrongdoing, it appears clear that whistle-blowing takes place "when there is some reasonable supposition of success" (Near and Miceli, 1996, p. 510) by the whistle-blower of having the wrongdoing stopped. One concern of whistle-blowers has been the possibility of corporate retaliation (Miceli and Near, 1994), which, under Section 1107 of Sarbanes-Oxley, is punishable by fines or imprisonment. However, research has shown that attempts to increase whistle-blowing through legal mandates that include non-retaliation provisions such as this, have not had the desired result, and suggests that providing organizational mechanisms perceived to provide procedural justice (Near et al., 1993) or improving situational factors (open-door policies, formal procedures) would be more effective (Chiu and Erdener, 2003).

An effective corporate malfeasance reporting system should include the following attributes (Wrage, 2004, pg. 7):

- It is accessible to all employees in all locations, in various languages, and around the clock
- It is culturally appropriate so that it works within the constraints of local cultures and practices
- It is available to relevant 3rd parties, for example, suppliers, consumers, etc.
- It provides for the option of anonymity where appropriate, and insures the confidentiality of the reports
- It collects data in a format to support follow-up, data collection and analysis, etc.

Therefore, management's goal is to encourage and support responsible internal whistle-blowing through the use of well-designed information systems that will be used by employees. Having the wrongdoing reported through internal channels rather than to external entities provides management the opportunity to correct problems without suffering the losses, both of finances and reputation which would result from public exposure of the problems.

Despite the potential for the creative application of various technologies to support CMRS, the most commonly used technology is a hotline phone number (Mohr and Slovin, 2005; Schneider, 2003). Unfortunately, the use of hotlines often carries specific problems. For example, a study of 30 companies in 10 countries found that hotlines are typically manned during the normal business hours of the call center (Wrage, 2004), which in a transnational organization will be in a time zone than is not feasible for a certain percentage of employees. According to the Wrage (2004) study, employees who report serious wrongdoing are more likely to report them late at night while away from the office. In cases such as these, the hotline is likely to be answered by a voice mail system which, again, has been reported as not being well accepted in all cultures (Buckman, 2005). Other hotline problems include an inability to follow-up on the report, and an inability to create a discoverable record, all of which may expose the organization to extensive liability claims (Jernberg, 2003). Finally, the use of a hotline has simply been found to be unacceptable in certain cultures (Maher, 2004).

In the Wrage (2004) study, "[t]he single greatest obstacle cited by companies to the effective implementation of internal reporting systems world-wide was 'cultural resistance'. In some countries, historical memories associate reporting to the authorities with being a traitor or a snitch. To combat this perception, companies need to be sensitive about both content and delivery" (pg. 10). Practitioners have observed that multi-national organizations with reporting systems that provide for more than one reporting option are more likely to be successful, and that cultural effects should be considered as a key variable in that success (Straub, 1994; Devine et al., 2000; Wrage, 2004). Regardless of the technology used, it should be noted that although SOX requires that companies *provide* for anonymous reporting, employees and companies need to be aware of the risks inherent in *guaranteeing* anonymous reporting. As Jernberg (2003) and Wrage (2004) note, corporate follow-up on a malfeasance report will require interacting with the employee, rendering true anonymity impractical. In fact, an Italian company in the Wrage (2004) report did not offer employees the option of anonymous reporting, saying that it "undermines trust between management and employees", while a Russian company cites the employee's safety as justification for its offering the option of anonymity. Furthermore, if a company offered a hotline system that purported to be anonymous, such anonymity could be eliminated if the call came from or involved a division of only two or three people, leaving the employee vulnerable to a retaliation outside of management's control. In this case, by misleading the employee to believe that the hotline was anonymous, the company may be exposed to "a far broader liability than would flow from the retaliation claim itself"

(Jernberg, 2003, pg. 11). For these reasons, Wrage (2004) notes that corporations must emphasize and develop trust in the confidentiality of the reports rather than guaranteeing anonymity.

One key element of a successful reporting system that goes beyond the technology is that the whistle-blower must trust the organization (Gupta, 2000) as well as the reporting system. Therefore, the cultural dimensions of trust should also be considered when designing transnational systems. Research has shown that trust is higher between those of similar ethnicity, socioculture (Gefen, et al., 2005) and appearance (the in-group), although similar trust can be gained if an outsider is presented through an in-group third party (Corbitt et al., 2003). Therefore those responsible for developing the systems must incorporate culturally sensitive elements that encourage the user to trust the technology, the process and the outcomes. Fortunately, extensive research has been conducted on cultural issues in the application and use of technology. The following section discusses highlights of relevant research available on cross-cultural issues that can inform the design of information systems for reporting corporate malfeasance in global corporations.

CULTURAL ISSUES

Extensive research indicates that culture affects an employee's work behavior (Awasthi et al., 2001; Hunter, 2001), through management, communication and collaboration (Kersten et al., 2002). Internal control systems (Patel, 2003) and information technology systems (Dirksen, 2001) created in one country may not be accepted in another due to differences in cultures and values. It has been shown that problems attributed to cultural differences are likely to result when a multinational organization implements information technology for organizational communications designed to support the host culture (headquarters) without taking into account the culture of the subsidiaries (Deans and Ricks, 1993). However, some have suggested that the headquarters' corporate culture can override local country cultures through socialization (Guo and D'Ambra, 2003). Therefore, it is important to recognize the various levels of culture and relative influence on individual behaviors (Karahanna et al., 2005). These levels include national, organizational, and group cultures. Research indicates that national culture has the strongest effect in matters of moral values and behaviors while task behaviors are more strongly influenced by organizational and professional cultures (Karahanna et al., 2005). Reporting corporate malfeasance involves an individual's moral values and behaviors and therefore would be more closely tied to what has been described as national culture, although some have found that at times corporate culture may have a moderating effect on national cultural norms (Tan et al., 2003)

There are two contrasting hypotheses upon which one might consider cultural factors when examining the introduction of a reporting system into an organizational unit. One is the assumption that with the globalization of organizations and education, cultures will converge and distinctions will become irrelevant in the workplace. This viewpoint is one in which "ethnic or cultural differences were often treated as hierarchically linear disparities, where one ethnicity should follow

the cultures and customs of "others" in order to adopt a modernized lifestyle in order to advance" (Kim et al., 2007, p. 284). A contrasting assumption is that cultures will strive to retain their distinctiveness and resist such dilution (Hunter, 2001; Usoro and Kuofie, 2006). This paper is premised on the assumption that while over time some convergence of cultures will be manifest in transnational organizations, in the interim as current research indicates (Spreitzer et al., 2005; Kim et al., 2007; Phelps, 2007), cultural distinctions will remain. Accordingly, these cultural differences will be a factor in the acceptance and use of information technology in the workplace, and should be acknowledged and accommodated when implementing information systems for reporting corporate malfeasance. As a result, employee empowerment will be facilitated by matching the appropriate technology with the culture with the user (Downing et al., 2003).

In addition, there are several theories of technology design that could lead to different organizational outcomes. These are the instrumental perspective, the substantive perspective, and the critical perspective (Kersten et al., 2002). The instrumental perspective focuses on the technology as being separate from the users and their environments, a perspective that ignores cultural issues by assuming a universal standard of rationality. The substantive perspective sees technology as a control mechanism for improving the users through new values and systems. The critical perspective recognizes that information technology is not neutral but changes the system into which it is introduced; in the case of CMRS the system provides a means by which the whistle blower's voice, regardless of organizational level, can be heard by management. Thus this paper uses the critical perspective in that it expects the effect of introducing a corporate malfeasance reporting system will not be neutral (Dirksen, 2001) but will be effective only if it is compatible with and supportive of the cultural environment of its users.

There are over 400 ways to define culture (Ferraro, 1994; Merchant, 2002), but it is generally accepted that without losing our individuality, we share with others of our social group a set of common beliefs, symbols, rituals and values. Culture is a collective phenomenon that is a "useful variable in discussing differences in how people behave, and …communication is central to culture and the management of organizational behavior" (Merchant, 2002, p.1035). Culture may or may not have national boundaries (Baskerville-Morley, 2003). One of the most cited, albeit not universally embraced (Baskerville-Morley, 2003; Gernon, 1993), works on cross-cultural attributes is Hofstede's (1980, 1991, 2001) research into how culture affects the workplace and effectiveness of management directives. The significant amount of research in both the accounting (Doupnik and Richter, 2004; Patel, 2003, 2004; Cohen et al., 1996) and information technology (Katz and Townsend, 2000; Leidner and Kayworth, 2006) literature indicates that Hofstede's well-known cultural dimensions provide a useful lens through which to begin developing a framework for understanding the interactions between cultural differences and the use of information technology to report instances of corporate malfeasance. Hofstede (1993) proposed four major bipolar dimensions along which cultural differences can be organized and can assist in predicting how organizational workers in various countries will respond to management initiatives. These

dimensions are: Power Distance (the amount of inequality people consider normal), Individualism (the degree to which people put self above the group), Masculinity/Femininity (valuing assertiveness and competitiveness versus relationships and solidarity), and Uncertainty Avoidance (preference for structured environments). Although Hofstede's work connected these dimensions to specific countries, such diverse dimensions are not exclusively geographically bound in today's mobile society, and cultural distinctions can be found within single geographic areas (Kim et al., 2007). Thus the paper's suggested framework has wide applicability for organizations.

The following section reviews research on the interaction of these cultural dimensions and the use of information technology as support for the suggested CMRS.

CULTURE AND INFORMATION TECHNOLOGY

As noted earlier, researchers have long acknowledged the influence of cultural dimensions not only on the individual's ethical perceptions (Brody et al., 1998) but also on the acceptance and use of information technology (Leidner and Kayworth, 2006). CMRS are vehicles for communicating and sharing knowledge with management on topics of concern to the employee and of importance to the organization. Therefore studies reviewed below of the interactions of these cultural dimensions with technology can provide guidance in designing CMRS and provide testable hypotheses for future research.

High Power Distance-Low Power Distance

A culture's development of power distance norms begins in the family hierarchy and carries over into the workplace (Hofstede, 2001). Persons in high power distance (HPD) cultures expect unequal power distribution, accept situations in which organizational superiors make the major decisions without input from subordinates, and are unlikely to disagree with these decisions (Ford et al., 2003), with the reverse being characteristic of low power distance (LPD) groups. The power distance dimension can influence individual preferences for and use of communication technologies. For example, Huang et al. (2003) found that technology such as e-mail may not be as acceptable to HPD individuals because of its perceived equalizing effect. Lim (2004) found that HPD individuals were more influenced by software that included an explanatory feature whereas LPD individuals deemed this less important. Therefore it is suggested that HPD cultures would be more likely to use a CMRS such as intranet web pages that provide management's message regarding the importance of reporting observed wrongdoing, and provide formal, structured steps and directives for reporting the information. The web page design formats would reflect cultural nuances identified by Chau et al. (2002). LPD individuals would be more likely to respond to less structured and directive information gathering systems such as corporate blogs which support informal communications and

allow for individual control of the format for inputs. [Hofstede, (1993) observed HPD in Russia and China and LPD in the U.S., Netherlands, and Germany.]

Individualism-Collectivism

Hofstede (2001) observed that the extent to which a given society expects its members to demonstrate individualism versus collectivism in turn affects their relationships with organizations. Individualist cultures value personal time, have loose ties between individuals, and value personal achievements and recognition while collectivist cultures have high social needs, put group concerns over individual desires and value group cohesion (Ford et al., 2003; Triandis, 2004). Research on knowledge sharing found that collectivist cultures were less willing than were individualistic cultures to share knowledge with outgroup members and more likely to view them with hostility and distrust, although both groups were equally willing to share when it did not involve a conflict between self-interest and collective-interests (Chow et al., 2000). This cultural dimension impacts employee choices for empowerment (Downing et al., 2003), with collectivist groups preferring more information rich means of communicating and individualistic more lean and efficient means. In collectivist cultures, the context (how it is conveyed) is more important than the content (what is conveyed). Therefore, it could be expected that individualistic cultures would respond to corporate blogs, possibly with a reward system for successful reporting, and one that provides the option of not being anonymous while retaining the confidentiality of the report. Conversely, individuals in collectivist cultures would be expected to respond more openly to chat rooms in which they could develop trust in the group and find social support for concerns, with the option of anonymous postings. [Hofstede, (1993) found high individualism in the U.S., Netherlands, and Germany and high collectivism in China, West Africa, and Indonesia.]

Masculinity-Femininity

The masculine dimension values assertiveness, performance, success and competition versus relationships, service to others, and solidarity (Hofstede, 1993). In the few research studies on the interaction of this cultural dimension and information technology, the findings indicate that cultures high in masculinity will focus on technology for its own sake (Hasan and Ditas, 1999) and use it to respond to challenges that result in individual rewards and acknowledgement (Downing et al., 2003), while cultures lower in masculinity will be more comfortable with systems that focus on supporting the end user (Hasan and Ditas, 1999). Therefore it is suggested that for cultures high in masculinity, a corporate malfeasance reporting system that uses a corporate blog with a reward system for successful reporting and the option of not being anonymous would be effective, while cultures lower in masculinity may respond better to a chat room system with anonymous reporting that helps develop trust and offer social support for concerns being reported. [Hofstede, (1993) found high

preponderance of the masculinity dimension in Japan, U.S., and Germany in contrast to the Netherlands and Russia which are at the lower end of the scale.]

Uncertainty Avoidance

This dimension reflects the degree to which a culture prefers structured situations with clear rules, both written rules and those imposed by tradition, over unstructured ones, (Hofstede, 1993). Individuals in a high uncertainty avoidance (HUA) culture will be uncomfortable when faced with ambiguities, avoiding such interactions when possible, while individuals in low uncertainty avoidance (LUA) have no such qualms about the same situations, and are more likely to make up their own rules (Kim and Peterson, 2002). Liu et al. (2004) theorized that HUA would be positively correlated to a need for increased privacy assurances, but was not able to support this in a study of online purchasing. HUA cultures would be supported by web pages with structured procedures for reporting inputs, clear and specific information regarding how the information will be used, and the option of either anonymous or identified. On the other hand, LUA has been correlated to increased risk-taking as well as reduced risk perception (Keil et al., 2000), suggesting a preference for corporate blogs that allow for unstructured input formats and ad hoc reporting of incidents, including the option of anonymous or identified postings. [Countries in Hofstede's research found to have HUA include Russia, France, and Japan while LUA was observed in the U.S., Hong Kong, and Indonesia (Hofstede, 1993).]

SUGGESTED FRAMEWORK FOR TECHNOLOGY CHOICES

Table 1 summarizes findings from prior research involving cultural dimensions as a basis for suggesting information systems to support effective CMRS. Although the effects of a country's culture on information sharing and other organizational activities are well documented (Pook and Fustos, 1999), concerns have been raised regarding using country names to denote cultural dimensions (Baskerville-Morley, 2003). In addition, although some research has found that corporate cultures can have moderating effects on national cultures (Guo and D'Ambra, 2003; Tan et al., 2003), other studies show cultural distinctions remain even as individuals live and work far from their cultural roots (Kim at al., 2007). Therefore the research findings and suggested technologies in Table 1 have been grouped by cultural dimension, rather than by country names, allowing the framework to be applied by the organizational unit under consideration, whether at the country level, subsidiary level, or functional group level. Using Hofstede's research on cultural perspectives, this framework guides the development of CMRS that are not tied to a specific geographic location and highlights the need to support highly mobile and diverse employees with multiple, theoretically grounded avenues of reporting their concerns.

Table 1		
Dimension	**HIGH**	**LOW**
Power Distance	Tend to accept the decisions and demands made by superiors (Awasthi et al., 2001)	Are less satisfied when rewards are imposed rather than self-selected (Awasthi et al., 2001)
	Subordinates subjugate their opinions to that of superiors and are less likely to confront, but are likely to feel that "solving the problem is everyone's responsibility" (Chow et al, 1999, p. 576)	Will challenge other opinions including superiors (Chow et al, 1999)
	Will respond to and have more trust in systems that incorporate explanation facility because they see the system as the authority (Lim, 2004)	Does not respond to systems that incorporate explanation facility (Lim, 2004)
	Recommended Technology:	**Recommended Technology**
	Intranet web pages that provide management's message regarding the importance of reporting, and provides structured steps for reporting the information	*Corporate blogs for unstructured and ad hoc postings that allow individual control of input format and provide recognition for contributions*
Individualism	Can state opinion without worrying about loss of relationship, but prefer not to face superior directly. Have a high concern for not losing face for self. (Chow et al., 1999).	Hesitant to express a challenge or criticism directly to superior due to fear of damaging the relationship but will share uncomfortable information if doing so for the good of the company, even at a cost to self (Chow, et al 1999).
	Corporate culture of retribution will override willingness to report bad news while promises of rewards encourages reports (Tan et al., 2003)	Will follow social norms of top management to accept technology (Loch et al., 2003)
	Will use technology to seek own self-interest and does not see need for information-rich technologies (Downing et al., 2003)	Will report bad news in situations where the news is expected to come out anyway in order to save face for the group (Tan et al., 2003)
		Will rely on group motivation and share information through social networks (Downing et al., 2003)
	Recommended Technology:	**Recommended Technology**
	Corporate blogs with reward system for successful reporting. Provide option for not being anonymous but retain confidentiality of reports.	*Chat rooms for anonymous postings to develop trust and find social support for concerns.*

Table 1		
Dimension	**HIGH**	**LOW**
Masculinity	Will focus on technology for its own sake (Hasan and Ditsa, 1999)	Will be more comfortable with user friendly systems that focus on the end user and stresses cooperation (Hasan and Ditsa, 1999)
	Individuals respond to challenges that result in individual rewards and acknowledgements (Downing et al., 2003)	
	Recommended Technology:	**Recommended Technology:**
	Corporate blogs with reward system for successful reporting. Provide option for not being anonymous but retain confidentiality of reports.	*Chat rooms for anonymous postings to develop trust and find social support for concerns.*
Uncertainty Avoidance	Prefer to communicate via media high in social presence and information richness, including fax (Straub, 1994)	Are less concerned with media richness (Straub, 1994)
	Will need formalized procedures to avoid uncertainty (Downing et al.,2003; Kim and Peterson, 2002)) and provide assurance of not being misunderstood.	Uniformity of processes is less important(Garfield and Watson, 1998).
	Will be uncomfortable with collaborative technologies (Downing et al., 2003) that may lead to ambiguities in outcomes	More likely to be risk-seeking with reduced risk perceptions (Keil et al., 2000)
		Are more willing to experiment with (Thatcher et al., 2003) and accept (Shore et al., 1996) new technology.
	Recommended Technology:	**Recommended Technology:**
	Web pages with structured procedures for reporting inputs, clear and specific information regarding how the information will be used	*Corporate blogs that allow for unstructured input formats and ad hoc reporting of incidents, providing for anonymous or identified postings, as specified by individual*

CONCLUSION

Given the global nature of organizations today, with employees in multiple countries of diverse cultures, it is known that one size will not fit all when it comes to CMRS (Wrage, 2004). Some have noted that information technology is primarily the product of a Western culture and therefore often not appropriate in other cultures unless carefully chosen to match those respective cultures (Hasan and Ditsa, 1999). Thus, managers of global organizations, as well as organizations

that provide products and services to a culturally diverse customer base, require guidance in matching the appropriate CMRS with the intended cultural population. Although the literature has recognized that transnational organizations should consider the cross-cultural implications when designing internal control systems (Brody et al., 1998), and reporting systems (Schultz et al., 1993; Patel, 2003), no specific guidance has yet been proposed for the design of CMRS which will continue to grow in importance to organizations and society. Using Hofstede's (1993) cultural dimensions as a starting point, this paper combines research findings from the areas of sociology and psychology regarding organizational members who report corporate malfeasance ("whistle blowers"), with accounting and information technology research concerning cultural differences in technology acceptance, to provide a suggested framework for matching national cultures with creative and appropriate corporate malfeasance reporting technologies. As such, it complements earlier works that examined the culture-based ethical issues faced by organizations (Cohen et al., 1996). The goal is to provide international managers with a theoretically-based guide for designing CMRS, and to increase awareness of the need to educate organizational members about the importance of using these systems appropriately. It is provided as a starting place for further research to test the applicability of each, and as guidance for information technology professional recommending and assisting in the development of corporate malfeasance reporting technologies, whether in-house or outsourced to a third-party (Schneider, 2003).

Additional research would further enhance these findings. For example, given the importance of the communication aspect reporting corporate malfeasance, another lens through which to examine the selection of technology (Zakaria et al., 2003) might include Hall's (1976) and Trompenaars (1994) concepts of the contextual attributes of communication. In addition, Loch, et al (2003) found that despite cultural beliefs that might keep one from embracing a technology, technological culturation through formal and informal exposure can provide new social norms to make the technology acceptable. Therefore, it is important to consider the role of corporate training so that employees recognize management's commitment to the processes and outcomes. Finally, regardless of how sophisticated, creative, or well-planned the information technology, it is still critical that management engender employee trust in the system and its processes.

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