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**THE ROLE OF SOCIOCULTURAL FACTORS IN THE ADOPTION OF THE
EUROPEAN UNION DIRECTIVE ON WHISTLEBLOWER PROTECTION.**

Master Thesis

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We have written this Master Thesis independently. Any ideas or data from other authors or sources have been fully referenced.

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Abstract

The presence of corruption in society affects fundamental human rights. Corruption also perpetuates a culture of silence. Governments all over the world have introduced several laws to fight corruption. The European Union Whistleblowing Directive (EU) 2019/1937 was also introduced to strengthen whistleblowing laws all over the EU. This directive, however, was met with several delays, and understanding these delays in the context of sociocultural factors is essential for understanding the intricacies of adoption speed.

This paper examines sociocultural factors' role in effecting the adoption speed of the directive. We have used Fuzzy Set Qualitative Comparative Analysis (FsQCA) based on selected sociocultural factors and concluded that corruption, freedom of expression, and political rights and other factors affect the adoption speed. We have tried to elucidate the intricate dynamics between these factors and show how cultural norms, demographics, societal attitudes, and institutional frameworks help shape the adoption process.

Keywords: socio-cultural factors; whistleblowers; directives; fuzzy sets; policymaking

CERCS code: S112 (Human rights); S155 (European law); S143 (Social law); S170 (Political and administrative sciences)

Introduction

To this day, whistleblowing is an act that gets a lot of media and public attention and has helped organizations and broader societies overcome corruption, environmental hazards, or any other form of misconduct. Whistleblower protection is essential in assuring government and organizations' accountability, ultimately benefiting society. Whistleblowers must be protected since they highlight corruption and wrongdoings. Governments all over the world have implemented several laws to protect them. The reaction to whistle-blowing ranges from retaliation, legal action from employers, and employment contract termination, but it also depends on the nature of the disclosure (Mesmer-Magnus & Viswesvaran, 2005).

The turning point for the European Union (EU)¹ towards whistleblowing protection was one of the high-profile cases that exposed tax fraud by several corporations in Luxembourg, showing 548 tax rulings from 2002 to 2010, called Lux Leaks. The International Consortium of Investigative Journalists (hereafter ICIJ) made this leak, which had a massive impact on public opinion towards whistleblowing. It also catalyzed the EU to determine its position in whistleblowing laws and push for more efforts toward the whistleblower's protection (Scott, 2023).

In 2019, the EU introduced the whistleblowing directive named EU Directive (EU)2019/1937 for whistleblowing (hereafter WB Directive) (Directive (EU) 2019/1937, 2019). All EU Member States (hereafter EU MSs) were required to adopt the WB Directive until December 2021. However, most EU MSs failed to adopt the WB Directive on time, except for Denmark, Lithuania, Malta, Portugal, and Sweden. As of April 2024, not all EU MSs have adopted the WB Directive, even though the deadline for adopting the WB Directive was 27th December 2021 (EU Whistleblowing Monitor, 2019).

Whistleblowing is closely linked to transparency as both concepts are crucial for promoting accountability, ethical conduct, and integrity in organizations and society (Miceli et al., 2008). There has been an ongoing debate to promote transparency throughout the EU and outside the EU. However, some authors believe it is not easy for this to hold since transparency can sometimes not be fully ensured because of the protection of important secrets (Leino, 2017). Garsten and Lindh de Montoya (2008), have argued that transparency promotes whistleblowing as it is considered as an important tool for governments and

¹ Here and afterward, see abbreviations in APPENDIX A

organizations to dispel distrust. Transparency gained prominence in the EU after the Maastricht Treaty; before that, the EU faced criticism for not being transparent. (Brinkhorst, 1999). Still, the EU faces difficulties balancing transparency and security concerns (Lodge, 2014).

Our research aims to understand the role of sociocultural factors in affecting the adoption speed of the WB Directive. We have tried to fill the gap in studying sociocultural factors mainly relating to corruption and human rights. We have performed qualitative analysis using Fuzzy set Qualitative Comparative Analysis (hereafter FsQCA), allowing us to use different combinations of variables/conditions and see how they affect the outcome.

In the subsequent section of our thesis, we have explained our research work. Firstly, we have provided a detailed literature review, which focuses on previous work on the topic of whistleblowing by various authors and the explanation of sociocultural factors and their connection to whistleblowing. It is followed by an explanation of method and data, where we have explained the reasons behind the selection of FsQCA as a tool for our result and its analysis, along with the explanation of selected variables, their explanation, and sources. Then, we have explained our results along with discussion, implications for policies, and limitations. Lastly, we have concluded our thesis.

1. Theoretical background

1.1. Concept of Whistleblowing

Whistleblowing is reporting or disclosing information about malpractice or corruption in an organization or society by an employee, a journalist, or a government agency (Rothschild & Miethe, 1999). A person who does this is known as a whistleblower. This act is usually done for several reasons, including public safety, law, ethics, instances of corruption, fraud, safety violations, environmental hazards, discrimination, or any other form of misconduct within the whistleblower organization or broader society (Kumar & Santoro, 2017).

Reporting channels for whistleblowing include internal and external reporting mechanisms developed by organizations and law enforcement agencies (Donkin et al., 2008). The effectiveness of these channels has been studied previously, and it has been deduced that these channels affect whistleblowing differently, but it is not finalized which channel is more

effective. Supervisors in organizations have been known to ignore internal reporting because of fear of job expulsion and for the sake of reputation (Brown et al., 2014). For employees, reporting externally sometimes result in communication between external recipients of complaints and the organization of whistleblower(s), which might not be as efficient (Annakin, 2011).

Authors like Berry (2004) have argued that internal whistleblowing is more desirable in terms of organization as compared to external reporting because the latter bears more political and administrative costs. The procedure for whistleblowing is usually found in the employer's grievance procedure. In most cases of whistleblowing, absolute confidentiality cannot be provided as whistleblowing cases require testimony. However, the best policy in this regard is to inform whistleblowers early that their identity might be revealed (Lewis & Vandekerckhove, 2015).

Some authors have also analyzed that whistleblowers consider generally going out of the organization for reporting as their last option (Rothschild & Miethe, 1999). For organizations, several authors have linked ethical culture as a pivotal factor for whistleblowing intention (Keenan, 1990; Rothwell & Baldwin, 2006; Hwang et al., 2013). Whistleblowing and its intentions have also been studied from the perspective of comparative law by several researchers (Dworkin & Brown, 2013; Lewis & Trygstad, 2009).

Several authors have described whistleblowing as per their understanding and perception of it. Generally, the concept of whistleblowing can be divided into six components (Ceva & Bocchiola, 2020) (see Figure 1): action, object, agent, locus, addressee, and aim. Action: the act of leaking information. Object: the wrongdoing witnessed. Agents: the whistleblowers; Locus: the place of wrongdoing or corruption; Addressees: the authority figures; and Aim: intention for whistleblowing.

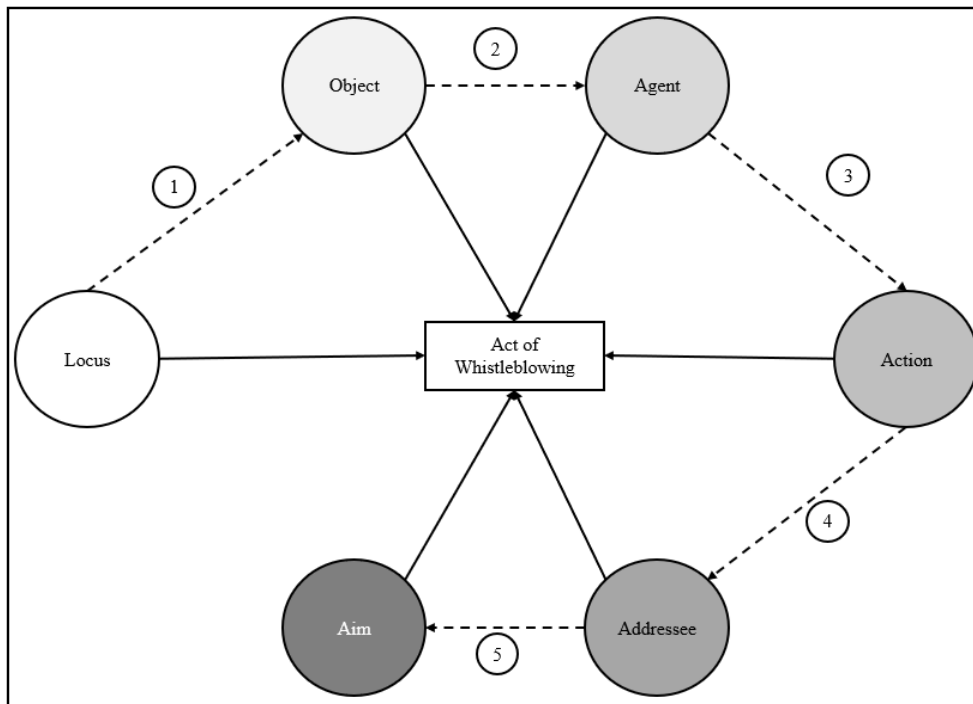


Figure 1

Components of Whistleblowing: A Visual Representation

Note. Compiled by the authors based on Theories of Whistleblowing (Ceva & Bocchiola, 2020). The dotted arrows represent the direction of whistleblowing elements from the locus towards the aim, with numbers showing their sequence, while solid arrows represent their relation to the act of whistleblowing.

Overall, whistleblowing can involve several interconnected stakeholders, which can influence each other. The relationship between these stakeholders extends beyond organizations and spans broader societal realms.

1.1.1. Why do whistleblowers need protection?

Much retaliation is faced by whistleblowers when they leak information, and there are still pending cases of whistleblowers worldwide. Whistleblowing brings justice to society and should not be retaliated against (Chamorro-Courtland & Cohen, 2017; Gao et al., 2014; Vaughn, 2012). So, it should be a priority for governments to provide them with protection and support. Not only that, Macey (2007) has argued that governments should encourage whistleblowers as it will eventually eliminate corruption from society.

The results nations can achieve from implementing adequate whistleblowing protection are not merely financial; they also serve as a cornerstone for implementing effective human rights. The protection of whistleblowers is encouraged in most parts of the world, but it is still a sensitive task and requires much cooperation (Ballan, 2017).

1.2. The origin of the EU whistleblower protection

Before the WB Directive was introduced, whistleblowing and laws to protect whistleblowers in the EU were not uniform (Carr & Lewis, 2010). There is a separate debate on how much the WB Directive has helped the EU MSs to unify and improve their whistleblowing laws. A study by Transparency International (2012) shows that only two countries (Norway and the UK) had adequate whistleblowing protection in 2012. The study also highlighted that across EU MSs, whistleblowing has a negative stigma attached to it. An analysis by Albisu Ardigó (2018) focused on 2500 Danish public employees and highlighted that out of these 2500 employees, 30 percent of whistleblowers faced negative feedback from their employers.

Another study conducted by Transparency International (2013) assessed that most of the EU MSs lack a legal framework for whistleblowing protection. The study highlighted that most EU MSs whistleblowing laws must meet the Charter of Fundamental Rights of the European Union (hereafter CFR) requirements. This inefficiency towards whistleblowing laws has also been linked with several political, social, and historical factors. Some of these factors will be discussed further in the literature review.

An example of whistleblower retaliation comes from Austria. The event, which took place in Ibiza, Spain, was leaked via video. The video revealed that the leader of the political party FPÖ and the vice-chancellor of Austria, Heinz-Christian Strache, met with a wealthy Russian investor's niece and was making deals to get political support. This leak also collapsed the coalition between the Strache political party and the Austrian People's Party (ÖVP) and has been said to change Austria significantly (Karner, 2021).

The whistleblower, Julian Hessenthaler, faced criminal charges. Since the whistleblower's family and close relatives were placed on surveillance, there was a nationwide search linked to confiscating anything relating to the whistleblower. Thomas

Lohninger² highlighted the stark difference between efforts to catch the whistleblower and efforts to eliminate corruption in the first place (WIN, 2021).

The EU has faced criticism for past violations of whistleblower protection; some cases are still pending (Stolowy et al., 2018). Due to a lack of national laws in specific EU member states, there needed to be more debates on the WB Directive before its acceptance. The WB Directive was campaigned a lot by several whistleblowing advocates, including Trade Unions. The campaign also helped increase the scope of the WB Directive by adding worker rights and environmental issues in the areas of public interest (Vandekerckhove, 2022). The WB Directive is expected to serve as a standard for whistleblower protection throughout the member states (Abazi, 2020). While individual member states can further strengthen their national laws and incorporate more laws, they must still comply with the WB Directive.

The WB Directive pushes EU MSs to take several actions towards whistleblowing, especially towards the retaliation that whistleblowers face. This includes the availability of legal advice during judicial proceedings and protection to the whistleblowers and their families. The WB Directive also pushes the EU MSs to raise public awareness towards whistleblowing and advocates for shifting the burden of proof towards the accused party while also imposing strict fines on parties who retaliate towards the whistleblowers. Not only that, the WB Directive also pushes EU MSs towards establishing effective internal and external reporting channels with minimum response time (Directive (EU) 2019/1937, 2019).

One of the most extensive critiques of the WB Directive comes from the fact that it took so long for most EU MSs to adopt it. Most EU MSs failed to adopt the law before the deadline, December 2021. Estonia and Poland are two EU MSs where the adoption of this directive is still delayed (EU Whistleblowing Monitor, 2019).

Another critique of the WB Directive is that it does not cover or provide protection against political whistleblowing. This means that for national and official secrets, the protection does not apply. The reason for excluding this part was that matters relating to political whistleblowing must be dealt with at the national level. However, on the positive side, this shortcoming is expected to be resolved when the WB Directive is transposed by EU

² Thomas Lohninger, a promotor of human rights in Europe, is the executive director of the Austrian Privacy NGO Working Group (CiS, n.d.).

MSs (Abazi, 2020). The WB Directive is meant to unify the whistleblowing laws and provide a single platform for whistleblowers to feel safe and keep helping the government and other authorities expose wrongdoings in societies.

1.3. Socio-Cultural Factors and their effect on the Whistleblowing Directive Adoption

It has been stated that the motivation for whistleblowing and the act of whistleblowing itself is highly motivated by the moral identity of the whistleblower (Anvari et al., 2019). Throughout human history, moral identity has been directly linked with moral actions. There has been a generalized perception of people towards moral identity and the actions that come with it. However, several factors, such as social and cultural influences, affect this direct relationship. One can feel the urge to do moral things because of their identity, and one can feel moral after performing moral acts (Hardy & Carlo, 2011).

Whistleblowing plays a vital role in combating corruption. However, since negative connotations are linked with the reporting culture, whistleblowers face challenges in finding a proper channel to report or the confidence to stand up and report. For whistleblowing laws to be fully effective and beneficial, there needs to be a proper communication channel that educates and communicates with people to help them understand how whistleblowing benefits broader society and combat corruption. There are several ways that countries can use these laws to eradicate corruption, such as by strictly integrating these laws into organizations (Schultz & Harutyunyan, 2015).

Corruption has been a persistent problem worldwide and is associated with developing a culture of silence and suffering throughout organizations and governments (Elbasani & Šabić, 2018). Corruption cannot only be linked to individual acts of greed and acquiring power; it can also be present in government or businesses (Mungiu-Pippidi, 2013). Not only that, a significant part of any government that hides so much from the public and makes its processes complex and out of reach of the public has some element of corruption in it (Liebert et al., 2013).

Political corruption can pose a significant challenge when adopting the WB Directive. This is because corruption has been found to obstruct fundamental human rights (Peters, 2016), which can also devastate the economy. In both developed and developing countries, the slow economic development caused by corruption can be detrimental to the overall progress and prosperity of the nation (Gathii, 2009; Mijatović, 2021).

A study by Neudorfer (2015) explains how countries that provide significant political rights also empower their citizens to hold politicians accountable for their wrongdoings. This hints at a parallel relation that political rights might have with the WB Directive since the WB Directive also aims to eradicate corruption and helps the ordinary people to be able to hold politicians accountable for their wrongful deeds (Kobzieva et al., 2019). Anuta Corovei and Socol (2019) and Vasileiou (2014) hints at a positive relationship between political stability and GDP growth.

Quality of Government (QoG) and Corruption have a robust negative relation. According to Rothstein et al. (2013), QoG should be a priority for all EU MSs as it improves public well-being. One can assume that countries with strong economies and have been part of the EU for a long time will have a good QoG, but that is not the case. A strong economy does not necessarily mean better QoG. Several EU MSs have strong GDP per capita but still lag in several dimensions of QoG and score low on the European Quality of Government Index (hereafter EQI) as well. It has also been established that EU MSs with good QoG will have a strong stance on developing and implementing laws that contribute to the betterment of the public (Peiró-Palomino et al., 2020).

EQI is measured and published after four years and is measured at the regional level in EU MSs. The index is based on data of citizens' perceptions of the quality of government (Charron et al., 2024), and the fourth edition of EQI is currently available. This edition also explains the variance of EQI in some areas of EU MSs (European Commission, 2021). This leads to the assumption that national-level EQI does not accurately represent the EQI at the sub-national level.

An assumption can also be developed regarding the correlation between economic measures, social development, and political decentralization. It has also been established that EU MSs with better education systems, better systems that work for the public, or countries with good Human Development Index (HDI) have substantial value in EQI (Charron et al., 2013).

Authors like Guild (2004) assert that civil liberties are a phenomenon of the 19th century while human rights are a phenomenon of the 20th century, and a relation exists between them. The difference between civil liberties and human rights becomes less and less visible in terms of the EU having a unified constitutional framework. However, EU MSs have

a history of civil liberties, which has also helped shape their national constitution, which might contradict EU-level policies. Also, civil rights violations arise after whistleblowing is retaliated against (Scaturro, 2018).

According to Mendes (2011), Trade Unions, combined with other public services, can impact EU law-making, which gives the idea that they also have a strong positive impact in implementing these laws. For Trade Unions, the WB Directive emphasizes strengthening trade unions in terms of internal reporting and responsiveness. The WB Directive provided a descriptive guide on developing reporting mechanisms regarding population. This also highlights the role of Trade Unions in implementing the WB Directive. Stronger trade unions will have more authority and power when adhering to the WB Directive guidelines (Abazi, 2021).

Labor freedom has different scores in different EU MSs. It has been observed that Eastern European countries (like the Czech Republic, Estonia, and Poland) that joined the EU earlier provide more substantial labor rights to their people. EU MSs that joined the EU later (like Bulgaria) have weak trade Unions and, by extension, weak labor rights. This leads to the assumption that weak collective bargaining makes it harder for EU laws and regulations to be effective since they require EU member states to have strong Trade Unions and effective Labor Rights (Cook, 2010).

The European Court of Human Rights has a fair share in saying how EU MSs can provide freedom of expression to their people, and even in conditions when they have to limit the freedom to express; they have to make fair rules towards their people (Lodge, 2003). The European Convention on Human Rights (ECHR) divides freedom of expression into three components: 1) freedom to hold opinions, 2) freedom to receive information and ideas, and 3) freedom to impart information and ideas (European Court of Human Rights, 1950). These divisions are related and allows a person to criticize the government. So, the connection between whistleblowing and freedom of expression is very intertwined. It ultimately puts all EU MSs in a place that can help them provide freedom to their people and have transparency between people, organizations, and government (Mylly, 2021).

Another factor that can affect the adoption process of the WB Directive is the role of Foreign Controlled Enterprises (hereafter FCEs). These enterprises create many jobs and hire people in EU MSs. It has been observed that throughout the history of some of these

enterprises in EU MSs, there has been a lack of documentation and implementation of a provision on whistleblowing in many EU countries in several big organizations that have employed a significant population of EU countries (Hassink et al., 2007). FCEs have positively impacted the EU MSs where they work and have contributed significantly to the EU economy, i.e., 22.5% in 2021 (Eurostat, 2024). Since the lack of whistleblowing laws in organizations has been an ongoing issue, we assume that the presence of FCEs in the EU also impacts the WB Directive.

EU MSs have been significantly affected by the presence of business lobbies. This presence of business lobbies has been noticed by Coen and Richardson (2011). Because of the substantial resources of these lobbies, they have impacted EU policies from the very beginning to the implementation. Because of this, EU policymakers must consider these lobbies for future policies. The involvement of business lobbies is a reality that cannot be ignored, and they might have also influenced the WB Directive.

According to Voinescu and Moisoiu (2015), the concept of competitiveness in the EU is central to economic policies and strategies. Competitiveness is also being linked to growth and convergence. In terms of the WB Directive, since it promotes transparency in political systems and organizations, a preposition can be built that there is a positive correlation between competitiveness among organizations and the adoption of the WB Directive.

In order to summarize our findings from our discussions in the literature review, we have listed all of the sociocultural factors that have been discussed in the theoretical background. These sociocultural factors and their perceived impacts are also listed (see Table 1). The authors that have supported these impacts are also listed. We have assumed that some of these factors do not have a clear positive or negative impact on the WB Directive, as they cannot be deduced from the existing literature. We have marked their impact as complex.

Table 1*Impact of sociocultural factors on adoption of WB Directive: Author's view*

Socio-Cultural Factors	Direct or Indirect Impact	Supporting Authors
Corruption	negative	Schultz & Harutyunyan (2015); Liebert et al., (2013);
Political corruption	negative	Peters (2016); Gathii (2009); Mijatović (2021)
Political rights	positive	Neudorfer (2015); Kobzieva et al. (2019)
Political stability	complex	Corovei and Socol (2019); Vasileiou (2014)
European quality of government (EQI)	positive	Peiró-Palomino, Picazo-Tadeo, & Rios (2020); Rothstein et al. (2013), Charron et al. (2013)
Civil liberties	complex	Guild (2004)
Trade Unions	positive	Mendes (2011) , Abazi (2021)
Labor freedom	positive	Cook (2010)
Freedom of expression	positive	Mylly (2021)
FCEs	complex	Hassink et al. (2007); Eurostat (2024)
Business lobbies	complex	Coen and Richardson (2011)
Competitiveness	positive	Voinescu and Moisoiu (2015)

Note. Compiled by the authors.

Cultural Aspects of the WB Directive have been explored previously (Teichmann & Wittmann, 2023). Apart from that, the WB Directive has been criticized for its weakness and the protection it provides to whistleblowers without considering consequences (Teichmann & Wittmann, 2022). However, not enough work has been done to understand the role of sociocultural factors affecting the adoption speed of the WB Directive.

This chapter summarizes the literature on whistleblowing, several sociocultural factors, and their connection to whistleblowing and the WB Directive. This chapter also serves as a primary direction for us since, after analyzing the available literature, we have deduced the variables/conditions that we assume affect the adoption speed of the WB Directive.

2. Methods and Data

2.1. Method Selection

Fuzzy set Qualitative Comparative Analysis (FsQCA) has been utilized in our analysis as it helps us identify patterns and trends between our independent and dependent variables. FsQCA has been previously used to cover a wide range of topics, including organizational research and strategies (Fiss, 2011), Information Systems (Fedorowicz et al., 2018; Liu et al., 2017), and psychology (Schmitt et al., 2017). FsQCA does not rely on probability assumptions, like regression analysis (Campbell et al., 2016; Fiss, 2011). FsQCA broadens the viewpoint toward our variables and gives more profound insights.

FsQCA, when compared to other forms of Qualitative Comparative Analysis (hereafter QCA), overcomes several shortcomings. Firstly, it addresses the limitations of working only with binary variables. This enables FsQCA to work with variables that have more diverse values (Pappas & Woodside, 2021). FsQCA has been gaining popularity because it works well with complexity theory and gives deeper insights into the data that have been used for analysis (Ordanini et al., 2014; Woodside, 2014)

To explore the role of sociocultural factors on the speed of adoption, FsQCA will allow us to do a hybrid analysis of qualitative and quantitative methods (Ragin, 2008). Three elements in FsQCA allow it to cover the complexity between variables (Greckhamer, 2016), i.e. (1) Conjunction, which allows it to consider cases holistically. (2) Equifinality, which allows users to consider multiple paths, and (3) casual asymmetry, which covers asymmetrical causation.

Calibration has been used to ensure the robustness of the results. It involves transforming raw data into fuzzy set scores ranging between 0 to 1. Seven of the twelve variables we selected for our analysis were calibrated/normalized as their values were spread across a wide range. These seven variables (see Table 2) are CPI, Trade Density, FCEs, EQI, No. of business lobbies, competitiveness index, and labor freedom index. We calibrated them based on minimum, maximum, and median functions in FsQCA. Moreover, the outcome variable, i.e., Adoption Speed, was also calibrated. The calibration was done to ensure that variables were comparable and simplified (Ragin, 2008).

Our study focuses on a specific set of variables we selected for the analysis. The selected method allows us to quantify entities. For future research, more methods can be combined and adopted to yield more comprehensive results.

2.2. Data

Our primary outcome variable, "Adoption Time," represents the months each EU MS took to adopt the WB Directive (EU Whistleblowing Monitor, 2019). Out of all the countries, only five (namely Denmark, Lithuania, Malta, Portugal, and Sweden) could adopt the WB Directive within the given time frame. The remaining EU MSs missed the deadline and had to pay fines of millions of Euros. Since Estonia and Poland still have not adopted the WB Directive, we have given them a value of -1 so that it becomes clear in our analysis. This value differentiates them from other EU MSs and ensures that non-compliance with the WB Directive has been reflected in the outcome variable.

The variables used (see Table 2) have been gathered from several online resources. These sources and the explanation for this variable have been mentioned. Before processing, some data preprocessing was performed on these variables to adjust their values. Names have also been assigned to these variables for clarity purposes.

We have also developed a correlation matrix from the main analysis using FsQCA (see APPENDIX A). The correlation among 12 variables has been calculated, and it is being done for informational purposes, even though FsQCA does not deal with it. The correlation has been done for uncalibrated (raw) values of variables. Results from the correlation matrix show a noticeably strong positive correlation between CPI and EQI, EQI, and competitiveness index. In contrast, a strong negative correlation exists between the competitiveness and political corruption indexes.

Even though these variables were selected for their availability and relevance, they still do not cover the full spectrum of factors that might affect the adoption speed. Due to data constraints, several other factors were not added to the variables. Similarly, for our data collection part, all of the data has been collected from several online sources and monitors, and there might be inaccuracies and inherent biases in it.

Table 2*Variable names, explanations, and sources*

Variable Name	Explanation	Source
X ₁ = CPI	An index that ranks EU MSs on their perceived level of corruption	(Transparency International, 2021)
X ₂ = Trade Density	No. of trade union members per EU MSs	(ILO, 2023)
X ₃ = FCEs	No. of Foreign Controlled Enterprises working in EU MSs	(Eurostat, 2019)
X ₄ = EQI	Survey data on corruption and governance on the regional level of EU MSs	(Charron, 2017)
X ₅ = No. of Business Lobbies	No. of lobby organizations in EU MSs	(Transparency International EU, n.d.)
X ₆ = Political Stability Index	Index for Political Stability across EU MSs	
X ₇ = Political Rights Index	Index for Political rights given to the public in EU MSs	
X ₈ = Global Competitiveness Index	Policies and factors used to determine the productivity of a country (World Bank, n.d.)	
X ₉ =Civil Liberties Index	No. of civil liberties across EU MSs	(The Global Economy, 2023)
X ₁₀ = Freedom of Expression Index	Index for freedom of expression per EU MS	
X ₁₁ = Labor Freedom Index	Ability & flexibility given to laborers across EU MSs.	
X ₁₂ =Political Corruption Index	Index for political corruption across EU MSs	

Note. The authors compiled the data based on available data on socio-cultural factors. The table represents the selected variables in sequence. This sequence is also used in the FsQCA for solution.

It is to be noted that these variables may not fully express the effect on the adoption speed of the WB directive. These variables were selected based on the literature available on them. The complex relations and dynamics that sociocultural factors have with each other might suggest that more variables or factors, that have not been explored, might also affect the adoption speed of the WB Directive at a significant level. So, the findings of this study might be addressed within the scope of these limitations.

3. Results

3.1. Paths Selection and Analysis

The results (see Table 4) have been simplified for understanding. They summarize all the selected configurations. In our complete analysis, FsQCA generated nine paths for all selected variables or conditions after following the procedure. Five of these nine paths have been selected as they possess significant raw coverage and consistency values. The remaining four paths had raw coverage ranging from 0.1 to 0.2. Due to this lower score, they were not added to the result as they could not give a comprehensive analysis.

The overall solution coverage and consistency values are 0.87 and 0.93, respectively. Our overall solution coverage value of 0.87 means that with its configurations, this solution explains a high portion (87%) of the outcome: adoption speed. Moreover, the consistency value of 0.93 indicates that selected configurations predict the outcome variable spanning the EU (Schneider & Wagemann, 2012; Ragin, 2017). This means that our solution's consistency measures the degree to which our solution is a subset of the outcome.

All five paths have different combinations of sociocultural factors, impacting the adoption speed at different levels. Raw coverage measures the proportion of membership in the outcome explained by each solution term (Ragin, 2017). Zero raw coverage means that the solution covers no part of the cases from the dataset, and the raw coverage of one shows that all cases from the data set are covered in the solution. Consistency values also range from 0 to 1, where 0 means no conformity between observed and predicted outcomes. Our results show us specific combinations made out of our given variables.

To interpret results, the necessary and sufficient causes provide insightful information. Necessary causes are those that must be present for an outcome to occur. Sufficient causes on their own are enough for an outcome to occur. These two, when considered together, provide meaningful results. Sufficient causes are sufficient for the outcome, but they usually are not alone with the capability to do this; other causes can also be sufficient (Ragin, 2017).

Table 3*Selected paths and their results*

Recipes/Path	1	2	3	4	5
<i>Sociocultural factors</i>					
CPI	~	~	~	~	~
Trade Density	○	○	○	○	○
FCEs		*	*	○	○
EQI	○		○	○	○
No. of Business Lobbies	○	○	○	○	
Political Stability Index		*	*	*	○
Political Rights Index	*	*	*	*	*
Competitiveness Index	○	○	○	○	○
Civil Liberties Index	*	*	*	*	*
Freedom of Expression Index	*	*	*	*	*
Labor Freedom Index	○	○	○		○
Political Corruption Index	○	○		○	○
Raw Coverage	0.61	0.41	0.40	0.36	0.34
Consistency	0.93	0.96	0.94	1	0.97
Overall solution coverage	0.87				
Overall solution consistency	0.93				

Note. Compiled by authors based on results obtained from FsQCA Software. (~) means necessary for the outcome but not sufficient to bring the outcome by itself. (*) means unnecessary; however, if present, it is sufficient to get the outcome. (○) means necessary and sufficient; in a given path/solution, these variables play a contributing / complementary role. Blank spaces indicate “do not care”- i.e., the variable is irrelevant to that path/solution regarding the outcome.

The first path, which significantly affects the adoption time, has a raw coverage of 0.61 and a consistency of 0.93. Having the highest value of raw coverage compared to other paths highlights that this path considers the most conditions and explains the outcome best.

For path 1, CPI is the necessary variable. This means that it is necessary to affect the WB Directive's adoption time. Sufficient Variables are the Political Rights Index, Civil Liberties Index, and Freedom of Expression Index. All these sufficient variables can affect the

adoption time of the WB Directive. Foreign Controlled Enterprises (FCEs) and the Political Stability Index do not relate to the solution.

For path 2, CPI is the necessary variable. Sufficient Variables are the Political Rights Index, Foreign Controlled Enterprises, Political Stability Index, Civil Liberties Index, and Freedom of Expression Index. All these sufficient variables can affect the adoption time of the WB Directive. EQI does not relate to the solution for this path. For path 3, CPI is a necessary variable. Sufficient Variables are the Political Rights Index, FCEs, Political Stability Index, Civil Liberties Index, and Freedom of Expression Index. All these sufficient variables can affect the adoption time of the WB Directive. The Political Corruption Index does not relate to the configuration of this path.

For path 4, CPI is the necessary variable. Sufficient Variables are the Political Rights Index, Political Stability Index, Civil Liberties Index, and Freedom of Expression Index. The Labor Freedom Index does not relate to the solution for this path. For path 5, CPI is necessary as well. Sufficient Variables are the Political Rights Index, Foreign Controlled Enterprises, Civil Liberties Index, and Freedom of Expression Index. All these sufficient variables can affect the adoption time of the WB Directive. The number of business lobbies does not relate to the solution for this path.

For our path with the best raw coverage and consistency, i.e., Path 1, Trade Density, EQI, No. of business lobbies, Competitiveness Index, Labor Freedom Index, and Political Corruption Index are the causes that can be considered both necessary and sufficient. According to FsQCA Manual by Ragin (2017), A cause can be both necessary and sufficient if it is the only cause that produces the outcome. This highlights that these causes have also affected the adoption speed significantly. No single cause has remained blank for our selected paths, i.e., do not care for all five paths. This highlights that all these causes do affect the adoption speed.

All these selected paths explain how each variable plays its part in affecting the adoption speed of the WB Directive. Still, they cannot fully explain the role that all sociocultural factors can play in affecting the adoption speed of the WB Directive.

4. Discussion

In this chapter, we delve into the discussions on the implications and limitations of the results derived from FsQCA. The interpretations of these paths have given us a look at how

these sociocultural factors, in their intricate interplay, affect the adoption time. As we discussed, the Corruption Perception Index has been highlighted as a consistent variable for all five paths, so it remains necessary for all five selected paths. This means that CPI is necessary to affect the adoption speed of the WB Directive. This can also be explained by the fact that in 2021, Denmark scored highest in CPI (88), and Denmark was one of the few EU MSs that adopted the WB Directive in the required time. However, This proposition does not work for other EU MSs since most of them have good CPI scores but could still not adopt the WB Directive on time. It is to be noted that the higher the value of CPI a country has, the less corrupt it is perceived.

4.1.Implications for policies

The effectiveness of whistleblowing laws and their role in eradicating corruption has been discussed by Schultz and Harutyunyan (2015), while Liebert et al. (2013) have focused on associating a culture of silence with corruption.

In our results, CPI has emerged as the only necessary variable for all five paths. This means that corruption significantly affects the adoption speed of the WB Directive. This also highlights the complexity and intricate dynamics between corruption and other societal issues, which pose significant challenges to initiatives taken for whistleblowing (Peters, 2016; Gathii, 2009; Mijatović, 2021).

In our result (see Table 4), trade unions hold the value of (○) for all five paths, meaning that the number of trade union members per EU MS can be necessary and sufficient for the adoption speed of the WB Directive. According to authors Mendes (2011) and Abazi (2021), trade unions can positively impact the WB Directive since this WB Directive ultimately strengthens the trade unions. Since the WB Directive was advocated by several trade unions and human rights organizations (Vandekerckhove, 2022), we can propose that they have significantly affected the adoption speed.

According to Hassink et al., (2007), FCEs contribute a significant proportion of percentage towards the EU economy. In our results (See Table 4), FCEs were not relevant to the adoption speed of the WB Directive for path 1, but for paths 2 and 3, they were sufficient, and for paths 4 and 5, they were necessary and sufficient. This means that FCEs do affect the adoption speed of the WB Directive.

EQI has been linked with human development by Rothstein et al.(2013), Charron et al. (2013) and Peiró-Palimino (2020). For path 1, EQI is necessary and sufficient, meaning that EQI impacts the adoption speed in a complex way. This can also be linked with the regional differences in EQI value across EU MSs, as highlighted by the European Commission (2021).

Our results show that from path 1 to path 4, the number of business lobbies can be necessary and sufficient to affect adoption speed. This resonates with the research given by Coen and Richardson (2011), which highlights that EU policymaking has significantly been affected by business lobbies.

Path, 1 of our result, shows that the political stability index is irrelevant to the outcome, but it is a sufficient condition for paths 2 to 4. For Path 5, it can be necessary and sufficient. Authors like Anuta Corovei and Socol (2019) and Vasileiou (2014) have linked political stability with GDP growth in a positive relationship.

Our results show that the political rights index is sufficient for all paths. This means that this factor is adequate to affect the adoption speed, and it runs in parallel with whistleblowing as it has been linked with the accountability of politicians by Neudorfer (2015) and Kobzieva et al. (2019). Similarly, in our results, the competitiveness index has emerged as a necessary and sufficient condition for all paths. Authors like Voinescu and Moisoiu (2015) have linked competitiveness with growth and convergence.

The civil liberties and freedom of expression indexes have emerged as sufficient conditions for all five paths in our results. According to author Scaturro (2018), civil liberties arise when whistleblowing laws are suppressed. On the other hand, freedom of expression is directly linked with whistleblowing and can be a crucial aspect in developing transparency, as highlighted by Mylly (2021).

Except for path 4, which does not relate to the solution, the labor freedom index has emerged as a necessary and sufficient condition for the remaining paths. Cook (2010) has highlighted that weak labor rights mean ineffective EU policy implementation. It is also worth noting that Poland, which scores just above average in the labor freedom index (The Global Economy, 2023), still has not adopted the WB Directive.

These results also demonstrate the multifaceted influence of sociocultural factors on adoption speed, representing the socio-political context that can affect the ability of

individuals or organizations to learn and accept new practices. Focusing on these necessary and sufficient conditions/variables opens a path to discoveries and might help future interventions to reduce the adoption speed of relevant directives. Any effort to increase transparency and accountability will also contribute to a society and government, which will be more conducive to adoption and innovation.

4.2. Limitations

Apart from the sociocultural factors we have discussed, many other factors and changes might have affected the adoption speed of the WB Directive. In some EU MSs, national changes and political issues have also affected the adoption speed of the WB Directive. For example, Hungary submitted a proposal in February 2023 before its deadline. The late submission was due to procedural delays (EU Whistleblowing Monitor, 2019). Moreover, the Hungarian government did not conduct public consultation, and a minimal approach was taken toward harmonization, undermining the WB Directive's scope. Moreover, the proposal included a provision that introduced protection for whistleblowers reporting on the "Hungarian way of life," conflicting it with whistleblowers who are risking their lives for the betterment of society. Several NGOs and the Hungarian president highlighted this and emphasized that such provisions would reduce the WB Directives' efficiency (Munkacsoport, 2023). The president even vetoed the proposal. This has been one of the primary reasons for late adoption in Hungary. Although the law has been adopted, several NGOs and human rights organizations are still concerned that the law has several weaknesses.

Another example of late adoption can be taken from Germany. They took much time to adopt the law, and after adopting it on 12 May 2023, several complaints were lodged against the proposed law. Human rights organizations made these complaints. It has been pointed out that heavy modifications were made to the original WB Directive, and some of the significant points were wholly ignored in the proposed law, which again undermines its effectiveness. The adopted law does not provide financial support to all whistleblowers. Apart from that, the law also discourages information sharing with media, stopping the public from accessing information relating to government wrongdoing, which ultimately questions the effectiveness of the adoption of the WB Directive and the whole process of whistleblowing in Germany as well (WBN 2023).

Furthermore, it is essential to highlight that the EQI has several regional differences throughout EU MSs (Charron, 2017), and it is not very reasonable to use only the state-level

values of this variable. A deeper analysis is required for this variable to fully understand how it is affected by regions in EU MSs. This will open new ways for future research.

Conclusion

Researching sociocultural factors affecting the WB Directive across the EU MSs resulted in some variables being more critical than others, while some variables had mixed reactions. A few variables were absent in the paths, showing they do not relate to the specific path. Even though the variables were selected carefully after studying past literature, there were still some limitations on the usability of these variables. The reason behind this can be the complex relationship and dynamics of social and cultural factors and their effect on each other.

We have worked with the preposition that these sociocultural factors when combined in a specified path, affect the adoption speed of WB Directives. For our results, we selected five paths out of a total of nine paths. In these five paths, CPI was the necessary variable for selected paths, meaning that its presence is necessary for negatively affecting the WB directive's adoption speed. EU MSs with low CPI scores seem to be unable to adopt the WB Directive in the required time, but that was not the case for all EU MSs.

The Political Rights Index, Civil Liberties Index, and Freedom of Expression Index were sufficient variables in our selected paths. All these variables on their own are enough to affect the adoption speed of the WB Directive. Even though FsQCA provided us with beneficial results, there is still a need for mixed-method research as it can provide with better and more insightful results.

Although it has been shown very clearly in our research that corruption, freedom of expression, political rights, and civil liberties play a vital role in adopting the WB Directive, the limitations in our data cannot be ignored. These limitations can be linked to unexplored factors or maybe in the datasets. Also, national issues and changes have also delayed the adoption of the WB Directive in several EU MSs. These limitations can be overcome by further exploring new variables and the national issues and changes.

Future research should focus on more comprehensive and detailed datasets for deeper understanding. Longitudinal data can also be used to reinforce the research further. A mixed-methods approach can also be beneficial to enrich the research. Not only that, it is also very

important to understand the perception of whistleblowing and the WB Directive for all EU MSs on a deeper level.

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APPENDICES

APPENDIX A Correlation matrix

Table 4*Correlation Matrix of selected variables*

#	Variable	Mean	Std.dev	1	2	3	4	5	6	7	8	9	10	11	12
1	X ₁	63.85	14.2												
2	X ₂	24.96	17.94	0.5											
3	X ₃	29.78	10.6	-0.17	-0.38										
4	X ₄	48.76	21.26	0.97	0.51	-0.14									
5	X ₅	380.6	553.7	0.37	0.1	-0.31	0.32								
6	X ₆	0.61	0.24	0.56	0.4	0.27	0.65	-0.15							
7	X ₇	1.22	0.5	-0.51	-0.17	0.43	-0.46	-0.22	-0.08						
8	X ₈	72	6.34	0.92	0.42	-0.19	0.9	0.52	0.45	-0.42					
9	X ₉	1.3	0.56	-0.64	-0.42	0.35	-0.64	-0.21	-0.49	0.64	-0.58				
10	X ₁₀	0.89	0.1	0.57	0.23	-0.18	0.53	0.3	0.24	-0.76	0.57	-0.61			
11	X ₁₁	62.4	5.87	0	0.33	-0.17	-0.04	-0.27	-0.08	-0.07	-0.02	-0.14	0.01		
12	X ₁₂	0.14	0.13	-0.84	-0.33	0.28	-0.8	-0.43	-0.37	0.66	-0.8	0.69	-0.7	0.17	

Note. Compiled by authors based on collected data on variables.

APPENDIX B Abbreviations

Table 5

Abbreviations

Abbreviation	Meaning
CPI	Corruption Perception Index
EU	European Union
EU MS	European Union Member State
ECHR	European Convention on Human Rights
EQI	European Quality of Government Index
FsQCA	Fuzzy set Qualitative Comparative Analysis
FCEs	Foreign Controlled Enterprises
ICIJ	International Consortium of Investigative Journalists
NGOs	Non-profit organizations
QoG	Quality of Government

Resüme

Korruptsioon ja muud väärkäitumised takistavad ühiskonna arengut. Need rikkumised takistavad ka põhiliste inimõiguste rakendamist. Teavitamine on nende rikkumiste esiletõstmise, kasutades valitsuse ja organisatsioonide loodud sisemisi ja väliseid aruandluskanaleid.

Viimastel aastatel on tähelepanu pälvinud väärkäitumisest teatamine, sest see võimaldab igal oma väärkäitumise eest vastutust kanda. Lisaks aitab teave paljastada seaduserikkumisi ja edendada läbipaistvust. Võeti vastu direktiiv rikkumisest teatajate kaitse kohta, et ühtlustada kõik rikkumisest teatamist käsitlevad õigusaktid ELi liikmesriikides ning edendada tõhusaid ja jõulisi rikkumisest teatamist käsitlevaid õigusakte ja poliitikat kogu ühiskonnas. Direktiivis on sätestatud teatavad suunised, milles rõhutatakse aruandluskanalite tugevdamist ja teatajate maksimaalse kaitse tagamist. Enamik ELi liikmesriike reageeris direktiivile siiski erinevalt, sest enamik ELi liikmesriike ei võtnud seda õigeaegselt vastu, kusjuures Eesti ja Poola viivitasid endiselt direktiivi vastuvõtmisega.

Käesolevas uuringus lähtusime eeldusest, et mitmed sotsiaalkultuurilised tegurid on mõjutanud vihjete kaitset käsitleva direktiivi vastuvõtmise kiirust. See eeldus põhineb asjaolul, et sotsiaalkultuurilised tegurid, nagu korruptsioon, sõnavabadus ja poliitiline stabiilsus, on otseselt või kaudselt seotud teabega ning on tegelikult teabe edendamise põhjuseks.

Teavitamiskohustust ja -poliitikat käsitlevas teaduskirjanduses on esile tõstetud mitmesuguseid seoseid aruandluse kavatsuse, tegevuse ja kättemaksu vahel, rõhutades samas vajadust rangete teavitamiskohustust käsitlevate õigusaktide järele. Siiski jääb direktiivi põhjalik analüüs koos sotsiaal-kultuuriliste teguritega puudulikuks. Usume, et need sotsiaalkultuurilised tegurid mõjutavad oluliselt lapsendamise määra. Selle eelduse testimiseks valisime olemasoleva kirjanduse põhjal kaksteist muutujat ja ühendasime need, et mõista, kuidas need mõjutavad vastuvõtmise määra. Nende kaheteistkümne muutuja puhul kasutasime sõltuva muutujana aega, mis kulub vihjekandja kaitset käsitleva direktiivi vastuvõtmiseks. Vastuvõtuperiood on kuude arv, mis kulub igal ELi liikmesriigil direktiivi vastuvõtmiseks alates selle vastuvõtmisest ELi parlamendis.

Varasem kirjandus näitas, et korruptsioon, sõnavabaduse puudumine ja muud sotsiaalkultuurilised tegurid mõjutavad poliitikat ja seadusi, mis kaitsevad rikkumisest teatajaid, ning seda näitas ka meie analüüs. Kasutasime FsQCA meetodit, mis võib sisaldada erinevaid

muutujaid ja pakkuda sisukat kvalitatiivset analüüsi. Kasutasime neid kahedekaadilisi muutujaid ja FsQCA tarkvara jõudlusmuutujat ning tegime andmete eeltötluse kalibreerimisega. Kalibreerimise eesmärk oli ületada seitsme muutuja hajutatud väärtused. Sellele järgnes nende väärtuste integreerimine tarkvarasse ja seejärel lahenduse käivitamine, et saada valitud muutujatele parimad võimalikud tulemused.

Me valisime viis parimat lahendust. Kõrgem korrupsioon (korrupsioonitajumise indeks) oli vastuvõtu edasilükkamise vajalik põhjus ning poliitiliste õiguste indeks, kodanikuvabaduste indeks ja väljendusvabaduse indeks olid piisavad põhjused. Mõned muutujad ei olnud mõnedel viisidel väljundnäitajaga seotud. Ülejäänud valitud muutujad olid vajalikud ja piisavad. Tulemused näitasid, et kõik muutujad mõjutasid vastuvõtmise kiirust. Selles uuringus rõhutati ka nende tegurite keerulist seost, vajadust nende tegurite põhjalikuma analüüsi järele ja võimalust, et on veel uurimata tegureid.

Lisaks on märgitud, et igal ELi liikmesriigil on oma spetsiifilised probleemid, mis on mõjutanud ka selle vastuvõtmist. Seetõttu tuleb tunnistada, et meie valitud muutujad on ainult üks aspekt. Mitmed riiklikud dünaamilised tegurid on samuti mänginud olulist rolli kasutuselevõtu edasilükkamisel. Neid riiklikke muudatusi võib mõista Ungari ja Saksamaa näitel, kus mitmed poliitilised ja riiklikud.

Lõpuks oleme jõudnud järeldusele, et selle teema edasiseks jätkamiseks on vaja erinevaid meetodeid. Pikisuunalisi andmeid saab kasutada ka põhjalikumate tulemuste saamiseks. Lisaks on vaja paremini mõista rikkumisest teatamise mõistet ja arusaama iga ELi liikmesriigi puhul. Seda tehes saame uurida uusi tegureid, mis võivad olla olulised ja mida meie uurimistöökäigus ignoreeriti.

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