

Every year, the IBE surveys attitudes of the British public to ethics in business. The latest survey was conducted by Ipsos MORI face-to-face among a representative sample of 1,019 British adults (aged 16 years and above), in August 2010.

The findings show a notable rise since 2009 in the percentage of the public who believe British business behaves ethically. When asked which issues affecting company behaviour need addressing, a third (35%) choose executive pay, a quarter choose enabling employees to speak out about company wrongdoing (24%) and sweatshop labour (23%), with environment, discrimination and harassment each selected by around one in five.

Attitudes towards business

Nearly six in ten (59%) of British adults say they believe that British business is behaving very (3% or fairly (56%) ethically, in terms of its behaviour and decisions following good principles. This is the highest figure since the survey was first conducted in 2003, and also the biggest increase in positive perceptions (+7 percentage points this year compared to 2009) between consecutive years. This rise in perceptions of ethical behaviour in business reverses the previous downward trend, which showed a decline in positive attitudes of ethics in business since 2007 (see Figure 1).

The increase in positive perceptions may be explained by events in the public sector such as misconduct by MPs, and the announcement of cuts in public spending and job losses. These could have detracted negative attention from the private sector and projected it onto the public sector. It is also possible that companies have been perceived as more open and accountable around their corporate responsibility activities and have marketed these activities more actively. As the public is becoming more informed about businesses' ethics practice, it could explain why more people believe business to be ethical.

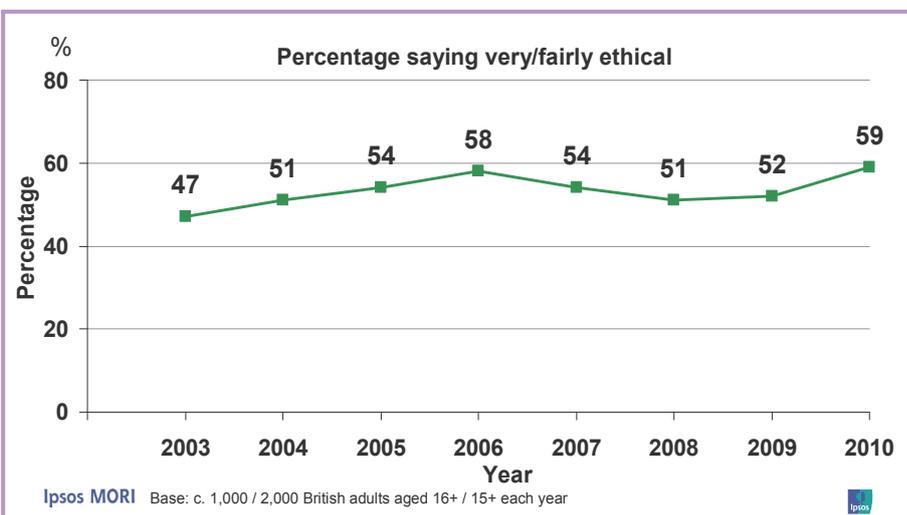
Perceptions of business over time

The survey also examined attitudes towards ethics in business over time. The most common view is that British business is behaving more ethically now than ten years ago (38% select this option, a rise of 7 percentage points on the 2009 figure). One in five people (20%) still think British business is behaving less ethically than ten years ago, but this is encouraging as this reflects a 7 percentage point decline from 2009. The proportion who think that British business is behaving the same now as ten years ago, stands at 27%, no change from 2009.

The 55+ age group is still the most likely of all groups to say business is behaving less ethically than ten years ago (24% of those aged 55+ say this, compared to the average of 20%). At the same time, within the 55+ age group there has been the greatest rise in those who think British business is behaving more ethically than ten years ago (up 11% in 2010 from 2009).

Philippa Foster Back, Director of the IBE commented that:
"This year's results are encouraging. Business needs to continue to be more transparent about the way it operates."

Figure 1: How ethically do you think British business generally behaves?



Those in higher social grades (ABC1s) and graduates are particularly likely to think business is behaving more ethically than ten years ago (43% and 44% respectively compared to the average of 38%). Those who think business is behaving less ethically than ten years ago are more likely to be men, those in the C2DE social grade and those aged 55+ (24%, 26% and 24% respectively compared to the average of 20%).

Box 1: Analysis and key findings by sub-group

- Compared to the average, more of those in work think that business generally behaves ethically, with 64% giving a positive rating. This figure is above the average for the total sample (59%).
- More in the middle age range rate business ethics positively – 64% of those aged 35-54 think business generally behaves ethically, compared with 57% of 55+ year olds and 56% of 16-34 year olds.
- As last year, there is little difference in perceptions between social classes; 60% of higher social grades (ABC1s – those in households with professional, managerial and white-collar occupations) and 58% of lower social grades (C2DEs - those in households with blue-collar, semi-skilled/unskilled occupations and non-workers) think business generally behaves ethically.

Main issues of concern

Executive pay is still the issue thought to be most in need of addressing by British business (35%). However, this figure has reduced by 7 percentage points from the 2009 figure. The need for employees to be able to 'speak up' about company wrongdoing is the second most selected issue (24%), closely followed by sweatshop labour (23%).

In keeping with the 2009 findings, the issue of environmental responsibility is mentioned by around one in five respondents in 2010, and is the fourth most commonly mentioned issue overall (21%) (see Figure 2).

Bribery and corruption is seen to be the second least important issue of the 13 issues offered, with only 11% of respondents believing it most needs addressing (see Figure 2). The 2010 figure is a reduction of 6 percentage points on the 2009 figure, despite the recent publicity surrounding the 2010 Bribery Act, which requires companies to follow stringent procedures to prevent bribery and corruption.

Figure 2: In your view of company behaviour, which two or three of these issues most need addressing?



Further Resources

- The full survey results are available to download for free at: <http://www.ibe.org.uk/index.asp?upid=48&msid=8> and www.ipsos-mori.com
- IBE Briefing: 'Concerns and Ethical Lapses, 2009', Issue 15 <http://www.ibe.org.uk/userfiles/concerns%20and%20ethical%20lapses,%202009%20final.pdf>

Methodology: A nationally representative quota sample of 1,019 British adults aged 16+ was interviewed throughout Great Britain on Ipsos MORI's Capibus survey, across 169 sampling points. Interviews were carried out using CAPI (Computer Assisted Personal Interviewing), face-to-face in respondents' homes between 20 and 26 August 2010. Data have been weighted to reflect the known national population profile.