



Ethics at Work

2018 survey of employees

Germany

By Guendalina Dondé and Katja Somasundaram

Published by

ibe Institute of
Business Ethics

zeppelin university | LEIZ - Leadership Excellence Institute Zeppelin
Initiated and supported by the Karl Schlecht Foundation KSG

What we do

The Institute of Business Ethics, whose purpose is to promote high standards of business behaviour based on ethical values, is an important partner to any business wanting to preserve its long-term reputation by doing business in the right way.

All organisations need to demonstrate they are trustworthy in order to operate effectively and sustainably. Reputations are not based solely on the delivery of products and services, but on how an organisation values its stakeholders. Having a reputation for acting with honesty and ethics will not only differentiate an organisation, it will make it more successful.

For over 30 years, the IBE has advised organisations on how to strengthen their ethical culture by sharing knowledge and good practice, resulting in relationships with employees and stakeholders that are based on trust.

We achieve this by:

- Acting as a critical friend to organisations we work with
- Advising senior business leaders and those with responsibility for developing and embedding corporate ethics policies
- Supporting the development of these policies through networking events, regular publications, research and benchmarking as well as training
- Providing guidance to staff through bespoke training and decision-making tools
- Educating the next generation of business leaders in schools and universities.

The IBE is a registered charity funded by corporate and individual subscriptions.

Subscribe today and be part of a network sharing good practice in business ethics.

www.ibe.org.uk

Advisory
Services



Events



Research &
Publications



Ethics Training
& Tools



Business Ethics
in Education



Assurance



Advocacy





Ethics at Work

2018 survey of employees

Germany

By Guendalina Dondé and Katja Somasundaram

All rights reserved. To reproduce or transmit this book in any form or by any means, electronic or mechanical, including photocopying, recording or by any information storage and retrieval system, please obtain prior permission in writing from the publisher.

Ethics at Work: 2018 survey of employees – Germany

ISBN 978-1-908534-43-9

© IBE www.ibe.org.uk

First published September 2019
by the Institute of Business Ethics
24 Greencoat Place
London SW1P 1BE

Company No. 11594672
Registered Charity No. 1180741

Contents

	Page
Authors and Acknowledgements	4
IBE Foreword	5
National Partner's Comment	6
Key Findings from Germany	8
Introduction to the Research	9
Chapter 1 Survey Themes	11
Theme 1: Assessing the ethical culture	11
Theme 2: Identifying ethical risks	14
Theme 3: Supporting ethics at work	18
Chapter 2 Spotlight Issues	23
Issue 1: Speaking up	23
Issue 2: Ethical management	25
Summary and Conclusion	28
Appendices	
1: Methodology and Respondent Profile	30
2: Survey Questionnaire	31
Related IBE Publications	36

Authors

Guendalina Dondé is Head of Research at the Institute of Business Ethics. She writes and researches on a range of business ethics topics for the IBE. She is the author of the IBE *Corporate Ethics Policies and Programmes: 2016 UK and Continental Europe survey* and co-author of the 2017 IBE *Setting the Tone: a New Zealand perspective on ethical business leadership*; the 2017 TEI & IBE *Ethics and Compliance Handbook*; the 2016 IBE *Codes of Business Ethics: examples of good practice* and of the French and Italian editions of the 2015 IBE *Ethics at Work: 2015 survey of employees*. Before joining the IBE, she collaborated with the inter-university centre for business ethics and corporate social responsibility EconomEtica in developing the code of ethics for the Italian Association of Management Consultants and worked for CSR Europe, a European CSR Business Network based in Brussels. She holds a master's degree in Business Ethics and CSR from the University of Trento in Italy.

Katja Somasundaram worked at the IBE as Research Assistant, where she provided support for the Research Hub by researching and writing on a number of business ethics topics. She worked for the IBE from 2017 to 2018. Katja holds a master's degree in Corruption and Governance from the University of Sussex.

Acknowledgements

The IBE would like to thank the following organisations for their generous financial support of this survey report.

Gold Supporter		National Partner	
		zeppelin university	<small>LEIZ - Leadership Excellence Institute Zeppelin Initiated and supported by the Karl Schlecht Foundation KSG</small>
Silver Supporters			
	L'ORÉAL	centrica	Morgan Stanley
Bronze Supporter			
			

Many people and organisations have made this survey report possible. In addition to the financial support provided by the organisations listed above, we would like to thank the Leadership Excellence Institute Zeppelin | LEIZ, our National Partner for this survey report. We are grateful to ComRes for their help and support in producing the data for the report. We are also thankful for the input of all IBE staff, and especially Sophie Hooper Lea who edited the text and oversaw production. Thanks also to Neil Pafford who designed the publication.

IBE Foreword

This publication of *Ethics at Work: 2018 survey of employees – Germany* data is the third time, since 2012, that the IBE has looked at German attitudes to ethics in the workplace.

Set against the backdrop of the current business environment, it is interesting to see how German employees view ethics at their place of work. The survey report also looks at how views differ according to age and gender, plus whether respondents work in the private or public/third sectors and in large or small organisations. These additional correlations highlight different attitudes and, hence, they reflect the culture within an organisation.

Culture is now widely recognised as an important factor in the health of an organisation. This is highlighted in the Summary and Conclusion of the report, which looks at the importance of having an effective ethics training programme and incentive systems for ethics, together with the part managers can play in encouraging an ethical culture. Organisations need to pay attention to these three areas in particular.

We are grateful to all those who have provided financial support for this survey – who are listed on the Authors and Acknowledgements page – and, in particular, our Gold Supporter Rolls-Royce and our German National Partner the Leadership Excellence Institute Zeppelin | LEIZ. We look forward to LEIZ's further analysis and insights on the data set beyond the initial analysis reported here.

Further thanks are due to ComRes for undertaking the survey for us, which is part of a 12-country survey in the IBE's 2018 *Ethics at Work* series. The results from other country surveys are published on the IBE website.

Finally, I am very grateful to Guendalina Dondé, IBE's Head of Research, for her analysis and authorship, ably aided by Katja Somasundaram, Research Assistant.

We look forward to receiving your feedback and insight on these survey findings.



Philippa Foster Back CBE
Director
Institute of Business Ethics





National Partner's Comment

One conclusion leadership scholars may draw from the IBE's *Ethics at Work* report is that implementing ethical standards remains a major challenge of strategic leadership. What we can see in this report – and what makes it so unique – pertains to the relationship between leaders and followers.

The significance of this perspective can hardly be overestimated for, more often than not, it is neglected in favour of a more leader-centred approach, which is clearly incomplete: leadership without followership is a hypothetical construct that does not apply in reality. So, if you talk about the one yet not the other, the overall picture becomes seriously distorted.

The fact that the IBE report reflects the followership angle makes it so valuable for our work as leadership researchers. It effectively asks what it is that followers think and experience. And this, in turn, enables us to revisit leadership from that angle.

Also, the report shows that values management in companies still has a long way to go. This being said, there can never be a perfect equilibrium; all we can expect is a process of temporary success and failure. The reality on the ground keeps shifting, and the *Ethics at Work* report proves that the actual situation on the shop floor is often a far cry from companies' lofty declarations.

And, frankly, this does not come as a surprise. There is evidently a world of a difference between, on the one hand, just pasting a code of ethics on the corporate intranet and, on the other hand, having an organisation really follow the rules laid down there.

Companies have a genuine leadership responsibility to set up and operate organisational structures that will ensure that the rules are followed: if you want your staff to act within corridors of ethical behaviour, you need to institutionalise those corridors.

“

The Ethics at Work report proves that the actual situation on the shop floor is often a far cry from companies' lofty declarations

.....”

Here we have come full circle. Wherever one looks, the challenges arising from the results of the *Ethics at Work* report are ultimately leadership challenges. At the Leadership Excellence Institute Zeppelin, we attempt to address precisely these challenges both on the macro level, from a corporate governance point of view, and on the micro level, from a psychological perspective.

Especially the – mildly disheartening – figures for the German sample of the survey have given us assurance that this micro-macro strategy constitutes exactly what is needed to tackle existing problems. At the same time, they have shown us that there remains a lot of work to be done.



Prof. Josef Wieland

Director

The Leadership Excellence Institute Zeppelin | LEIZ

“

*Wherever one looks,
the challenges
arising from the
results of the *Ethics
at Work* report are
ultimately leadership
challenges*

.....”

The Leadership Excellence Institute Zeppelin | LEIZ was set up in 2013 with two focal areas: Institutional Economics and Economic Psychology. Its ongoing ambition is to forge these two approaches into one consistent leadership model, Relational Leadership.

LEIZ fulfils its mission by:

- Conducting research in and between the areas of Corporate Governance, Behavioural Business Ethics, Corporate Culture and Transcultural Management Studies
- Contributing extensively to Zeppelin University's undergraduate, postgraduate, and executive education
- Channelling its expertise into academic services to business, politics, and civil society.

Key Findings from Germany

Culture

In your organisation's daily operations, how often would you say honesty is practised?



Always/frequently	69%
Occasionally	20%
Rarely/never	8%
Don't know	2%

Speaking up

39% of employees in Germany who have been aware of misconduct at work decided not to speak up. The main reasons are...

1. I did not believe that corrective action would be taken **28%**
2. I felt I might alienate myself from my colleagues; I didn't think it was a serious issue at the time **23%**
3. I did not want to be seen as a troublemaker by management **21%**



Behaviour

25% of German employees have been aware of misconduct at work. The most common types of misconduct they noticed are...



Safety violations; Bullying and harassment	35%
Misreporting hours worked	34%
People treated inappropriately/unethically; Abusive behaviour	33%

17% of German employees have felt pressured to compromise ethical standards. The main pressures are...

1. We were under-resourced **36%**
2. Time pressure **35%**
3. I had to meet unrealistic objectives and deadlines **25%**

Ethics programme

Less than a quarter of employees in Germany are aware of their organisation providing advice or an information helpline for employees to get advice about behaving ethically at work.



My organisation...

- Has written standards of ethical business conduct that provide guidelines for my job **52%**
- Provides employees with a means of reporting misconduct confidentially **37%**
- Offers advice or an information helpline where I can get advice about behaving ethically at work **24%**
- Provides training on standards of ethical conduct **29%**

Introduction to the Research

What are employees' attitudes to and perceptions of ethics in their place of work? Do they feel able to speak up if they have been aware of misconduct? Are formal ethics programmes effective in embedding ethical values into organisational culture and influencing behaviour? What are the challenges for organisations and what should be the focus going forward?

The IBE has asked similar questions of the British workforce every three years since 2005. In 2012, we extended the survey to four additional major European markets: France, Germany, Italy and Spain.

The *Ethics at Work: 2018 survey of employees* publications illustrate the latest evolution and trends in employees' perceptions of ethics in the workplace. Given that organisations are increasingly taking an integrated approach to business ethics at the international level, in 2018 the number of countries included in the research has been expanded to cover France, Germany, Ireland, Italy, Portugal, Spain, Switzerland and the UK within Europe, as well as Australia, Canada, Singapore and New Zealand.

This survey report presents results from the IBE's 2018 research into ethics at work in Germany. Data was collected online by the independent research consultancy ComRes on behalf of the IBE and LEIZ in February 2018.

Please see *Ethics at Work: 2018 survey of employees – Europe* for further detail and background information as well as comparisons with the other European countries surveyed. *Ethics at Work* reports are available to download free of charge from the IBE website. ¹

The aims of the IBE *Ethics at Work: 2018 survey of employees – Germany* were as follows:

- To **develop** an understanding of employees' attitudes to and perceptions of ethics in the workplace in 2018
- To **identify** trends and developments through comparisons with data from the IBE's previous *Ethics at Work* surveys
- To **compare** how business ethics is viewed and understood by employees in different countries.

This report details survey findings from a nationally representative sample of 762 employees in Germany. The research methodology and respondent profile are presented in Appendix 1. The interview questionnaire (see Appendix 2) consists of 14 questions.

“

IBE asked questions of the workforce in Germany to gauge employees' perception of ethics in the workplace

.....”

¹ www.ibe.org.uk/research-and-publications

The report is structured in two chapters:

Chapter 1 highlights three key themes that emerged from the research and that define employees' views on ethics at work in 2018. These relate to assessing the ethical culture of an organisation, identifying ethical risks and supporting ethical standards.

Chapter 2 focuses on two specific issues that have a major impact on the culture of an organisation: the ability of employees to voice their ethics-related concerns and the role of line managers in promoting ethics in the workplace.

Four different subgroups of the employee population have been analysed to see if there are any differences in their experience of ethics in the workplace.

These are:

Gender (male/female)	
Age (younger employees aged 18-34/ mid-career employees aged 35-54/ older employees aged 55+)	
Sector (public and third sector/ private)	
Size of organisation (small and medium-sized enterprises – SMEs/ large organisations with more than 250 employees)	

The seniority of respondents has been used to analyse how attitudes to ethics at work change between managers and non-managers, as illustrated in Chapter 2.

To put the German results in context, throughout this report they are compared to the average data from all of the eight European countries surveyed in 2018, including Germany. The averages throughout the report reflect the percentage of all 6,119 respondents in France, Germany, Ireland, Italy, Portugal, Spain, Switzerland and the UK after each country's data was weighted to reflect the workforce by gender, age and region. Due to the difference in the methodology used in the UK and the number of countries surveyed, the European average is only shown for 2018.



Survey Themes

Taking the ‘ethical temperature’ of an organisation is not an easy task. ‘One-size-fits-all’ approaches rarely work when it comes to understanding people’s behaviour, and it is difficult to represent concepts such as honesty, integrity and fairness with numbers.

The IBE’s survey looks at three critical dimensions that responsible organisations need to take into account to ensure that their ethical values are effectively embedded in practice.

- Theme 1: **Assessing the ethical culture**
- Theme 2: **Identifying ethical risks**
- Theme 3: **Supporting ethics at work**

Theme 1: Assessing the ethical culture

The IBE’s experience shows that assessing ethical culture is essential to understanding the role that ethics plays in the organisation and how deeply the core values are rooted in the day-to-day decision-making process.

The results presented in this section illustrate the views of German employees on some indicators of corporate culture.

What is acceptable?

Are employees able to identify ethical issues relating to everyday choices that they might have to face in the workplace? To what extent do they apply ethical values to their decision-making?

To answer these questions, respondents to this survey were presented with nine common work-related scenarios and were asked whether or not they considered them acceptable.

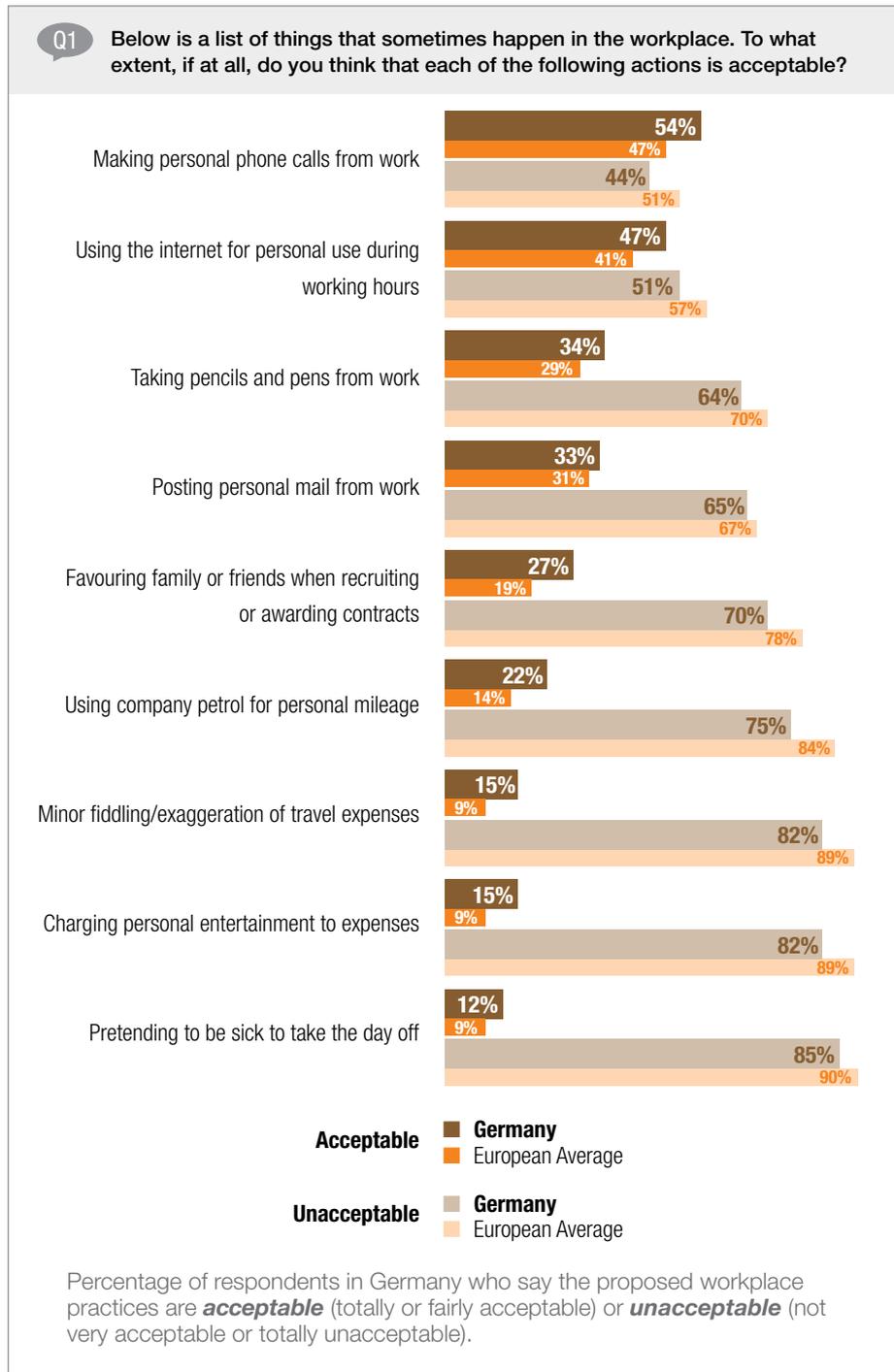
Figure 1 shows that pretending to be sick to take the day off; charging personal entertainment to expenses and minor fiddling/exaggeration of travel expenses are considered the most unacceptable practices in Germany, which is in line with the European average.

It is worth noting that German employees are more likely to take a lenient approach than the European average to each of the practices. In particular, favouring family or friends when recruiting or awarding contracts seems to be more acceptable in Germany than the European average (70% vs 78%).

Although some of these issues may seem trivial, these answers are important indicators of what kinds of behaviour are considered acceptable in the workplace, and where employees’ ethical boundaries lie. Employees either ignoring or being unable to identify the ethical dimensions of a specific situation will increase the ethics risk for organisations.

“
German employees seem to take a more lenient approach than the European average to a series of questionable workplace practices
.....

Figure 1 Acceptability of common workplace practices



Men are significantly more likely than women to say that charging personal entertainment to expenses is acceptable (17% compared to 11%).



Younger employees aged 18-34 are more likely to find each of the workplace practices acceptable than their older colleagues. In particular, 25% of younger employees find it acceptable to pretend to be sick to take the day off, compared to 8% of mid-career employees aged 35-54 and 5% of older employees aged 55+.



Employees in **large organisations** are more likely to say that it is acceptable to pretend to be sick to take the day off than employees in SMEs (15% vs 10%).

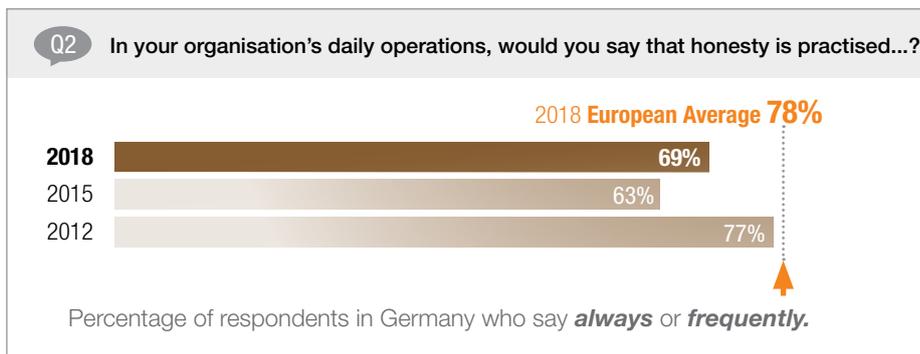
Is honesty applied in practice?

Another important issue to understand in order to assess the workplace culture is how employees perceive their organisation's commitment to ethical values, and the degree to which this is effectively embedded in practice. This can be seen through employees' views of the behaviour of their colleagues and managers.

While the ethical values that organisations adopt are varied, honesty is one of the most frequently mentioned value-words in business. Figure 2 presents the percentages of German employees who think honesty is practised always or frequently in their organisation’s daily operations, compared with the European average.

Employees in Germany are less likely to have a positive view of honesty at work than the European average (69% vs 78% in 2018). After a fall in the proportion of German employees who said that honesty is practised at least frequently in 2015, the proportion has risen again in 2018.

Figure 2 Employees’ views of how frequently honesty is practised



PUBLIC
PRIVATE

Employees in the **public/third sector** are more likely to find seven of the nine workplace practices acceptable than employees in the private sector. For example, 21% say that minor fiddling/exaggeration of travel expenses is acceptable compared to 12% of private sector employees.

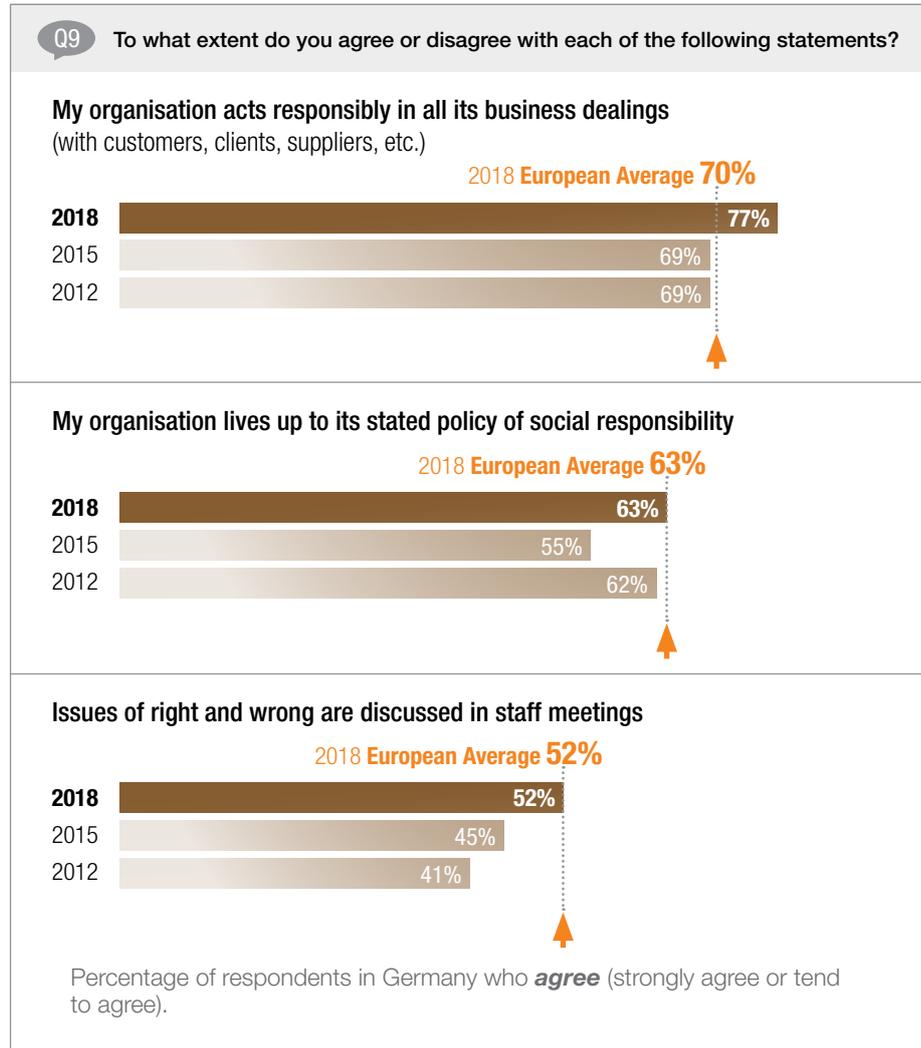
How are stakeholders treated?

To understand employees’ perceptions of their organisation’s engagement with stakeholders, respondents were asked to comment on whether they believe that their organisation acts responsibly in all its business dealings with key stakeholder groups such as customers, clients, suppliers, etc. Respondents were also asked more specific questions relating to internal and external stakeholders: whether their organisation lives up to its stated policy of social responsibility and whether ethical issues are discussed in staff meetings.

Results from 2018 show that the views of German employees on how their organisation engages with its stakeholders are in line with or higher than the European average. It is encouraging to see that, compared to previous findings, German employees are more likely to say that their organisation acts responsibly in all its business dealings. In 2018, 77% of German employees agree with this statement, which is an increase from 69% in 2012 and 2015. It is also higher than the 2018 European average of 70%.

“
Compared to the past, German employees are more likely to say that their organisation acts responsibly in all its business dealings
.....

Figure 3 Perceptions of engagement with internal and external stakeholders



Theme 2: Identifying ethical risks

This survey focuses on two measures that indicate an increased risk of ethical lapses and unethical behaviour: employees’ awareness of misconduct in the workplace and potential pressure on employees to compromise their organisation’s ethical standards.

How common is unethical behaviour?

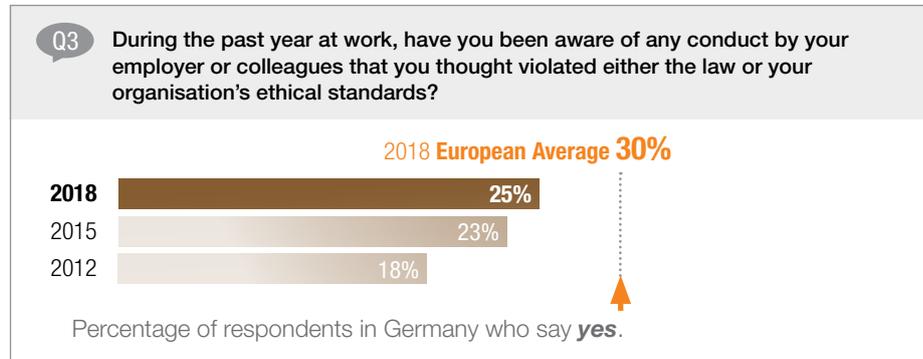
Respondents were asked to state whether, during the past year at work, they have been aware of any misconduct – i.e. any conduct by their employer or colleagues that they thought violated either the law or their organisation’s ethical standards. Figure 4 illustrates the results.

In 2018, a quarter (25%) of employees in Germany say they have been aware of misconduct during the past year at work, which is lower than the European average of 30%. However, the overall percentage of German employees who have been aware of misconduct has risen steadily since 2012.

“
A quarter of employees in Germany say they have been aware of misconduct during the past year at work
.....”

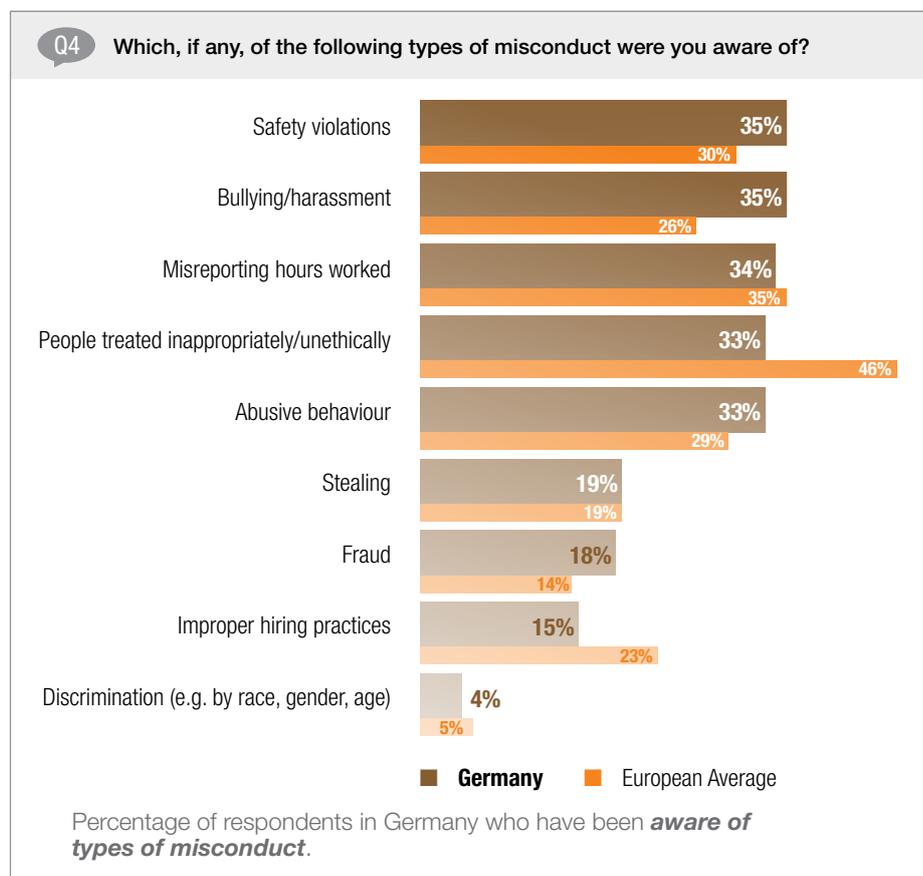
These results lend themselves to different interpretations. On the one hand, they might highlight increased ethical risks coming from more widespread misconduct at work. However, they might also indicate that respondents could have an increased ability to identify ethical issues.

Figure 4 Awareness of ethical violations over time



Those respondents who have been aware of misconduct were then asked to specify the types of misconduct they had encountered, as illustrated in Figure 5. Safety violations (35%) and bullying/harassment (35%) are the most frequent type of misconduct mentioned, followed by misreporting hours worked (34%).

Figure 5 Types of misconduct of which employees were aware



Men are more likely to be aware of safety violations than women (43% compared to 26%). In contrast, women are more likely to be aware of people being treated inappropriately/unethically than men (41% compared to 27%).



Mid-career employees aged 35-54 are more likely than younger employees aged 18-34 to be aware of instances of misreporting hours worked (45% vs 22%).

Focus on...



Implications of being aware of misconduct

This survey shows that, in Germany, employees who have been aware of legal or ethical violations during the past year at work are more likely to have:

! A negative perception of how frequently honesty is practised at work. Employees who have been aware of misconduct at work are more likely to say that honesty is rarely or never practised in their organisation's daily operations (15%) than employees who have not been aware of misconduct (6%).

! A negative outlook on how the organisation engages with its stakeholders. Employees who have been aware of misconduct at work are less likely to say that their organisation lives up to its stated policy of social responsibility (53% compared to 70% of employees who have not been aware of misconduct). They are also less likely to say that their organisation acts responsibly in all its business dealings (70% compared to 80% of employees who have not been aware of misconduct).

! Felt pressured to compromise ethics. Over two fifths (44%) of employees who have been aware of misconduct at work have felt pressured to compromise their organisation's ethical standards, compared to 6% of employees who have not been aware of misconduct.

! A negative perception of the ability of managers to promote ethics. Employees who have been aware of misconduct at work are less likely to say that their line manager sets a good example of ethical behaviour (56% compared to 68% of employees who have not been aware of misconduct). They are also less likely to say that their line manager explains the importance of honesty and ethics in the work they do (46% compared to 54% of employees who have not been aware of misconduct). At the same time, employees who have been aware of misconduct are also more likely to say that their line manager rewards good results even if they use practices that are ethically questionable (40% compared to 24% of employees who have not been aware of misconduct).

Are employees pressured to compromise ethics?

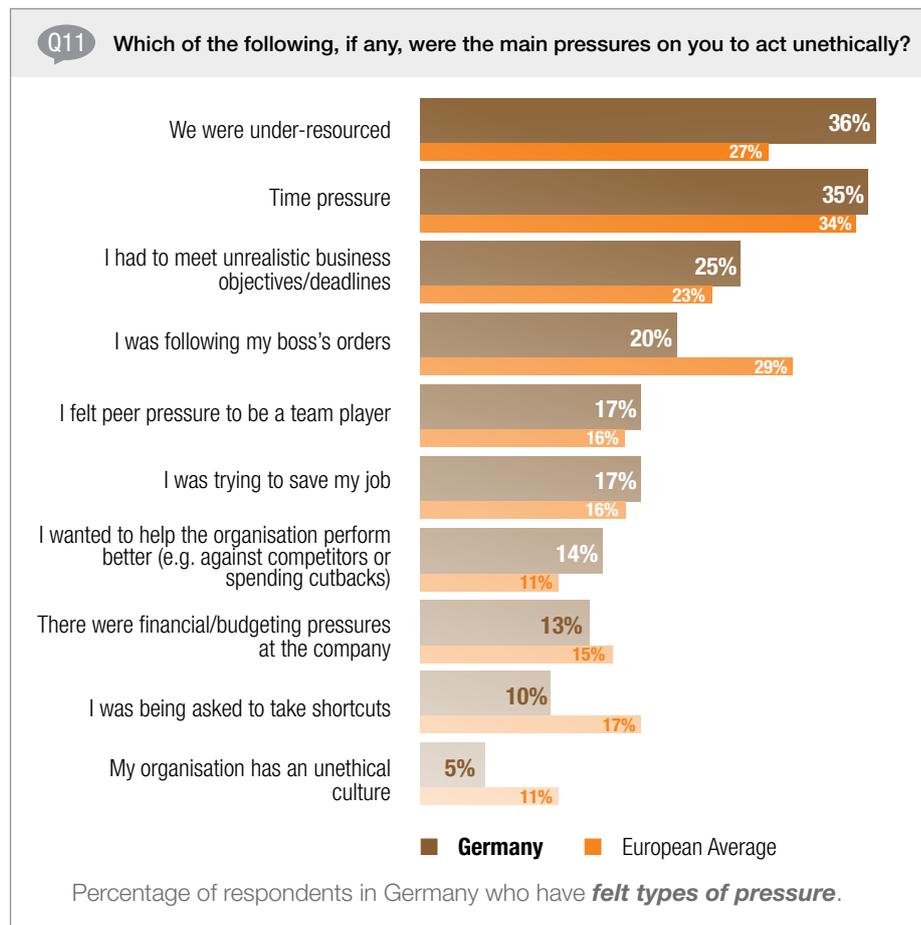
Almost one in five German employees (17%) say they have felt some form of pressure to compromise their current organisation's ethical standards. This is in line with the European average of 16%. It is, however, higher than in 2015, when only 12% of German employees said they had felt pressured to compromise ethical standards at work.

“

17% of German employees say they have felt some form of pressure to compromise their current organisation's standards of ethical behaviour

.....”

Figure 6 Types of pressure to compromise ethical standards



Focus on...

Implications of pressures to compromise ethical standards

This survey shows that employees in Germany who have felt pressured to compromise their current organisation's standards of ethical conduct are more likely to have:

! Lenient attitudes to some questionable workplace practices.

Employees who have felt pressured to compromise ethics are more likely than those who have not felt pressured to find a wider range of questionable workplace practices acceptable. For instance, favouring family or friends when recruiting or awarding contracts (40% vs 23%).

! A negative perception of how frequently honesty is practised at work. Employees who have felt pressured to compromise ethics are less likely to say that honesty is always or frequently practised (59% vs 73%).

! A negative outlook on how the organisation engages with its stakeholders. Employees who have felt pressured to compromise ethics are less likely to agree that their organisation acts responsibly in all its business dealings (66% vs 81%).

continues >

Focus on... *continued*

! Been aware of misconduct at work. Two thirds (66%) of employees who have felt pressured to compromise ethics also reported that they have been aware of instances of misconduct during the past year at work, in comparison to 16% of those who have not felt pressured.

! A negative perception of the ability of managers to promote ethics. Respondents who have felt pressured to compromise ethics are more likely than those who have not felt pressured to say that their line manager rewards employees who get good results even if they use practices that are ethically questionable (48% vs 24%).

Theme 3: Supporting ethics at work

The third theme covered in this chapter focuses on the tools that organisations put in place to promote and support ethics at work.

What percentage of organisations provide an ethics programme?

Respondents were asked whether their organisation offers the following building blocks of a formal ethics programme:

- A code of ethics or similar document (written standards of ethical business conduct that provide guidelines for my job)
- A 'Speak Up line' to report misconduct (a means of reporting misconduct confidentially, without giving my name or other information that could easily identify me)
- An 'Advice line' to ask for advice or information (advice or an information helpline where I can get advice about behaving ethically at work)
- Ethics training (training on standards of ethical conduct).

In Germany, only one in ten employees (12%) say that their organisation provides all four building blocks of an ethics programme, compared to a European average of 19%. A quarter (25%) of employees say their organisation offers none of the building blocks, in comparison to a European average of 21%.

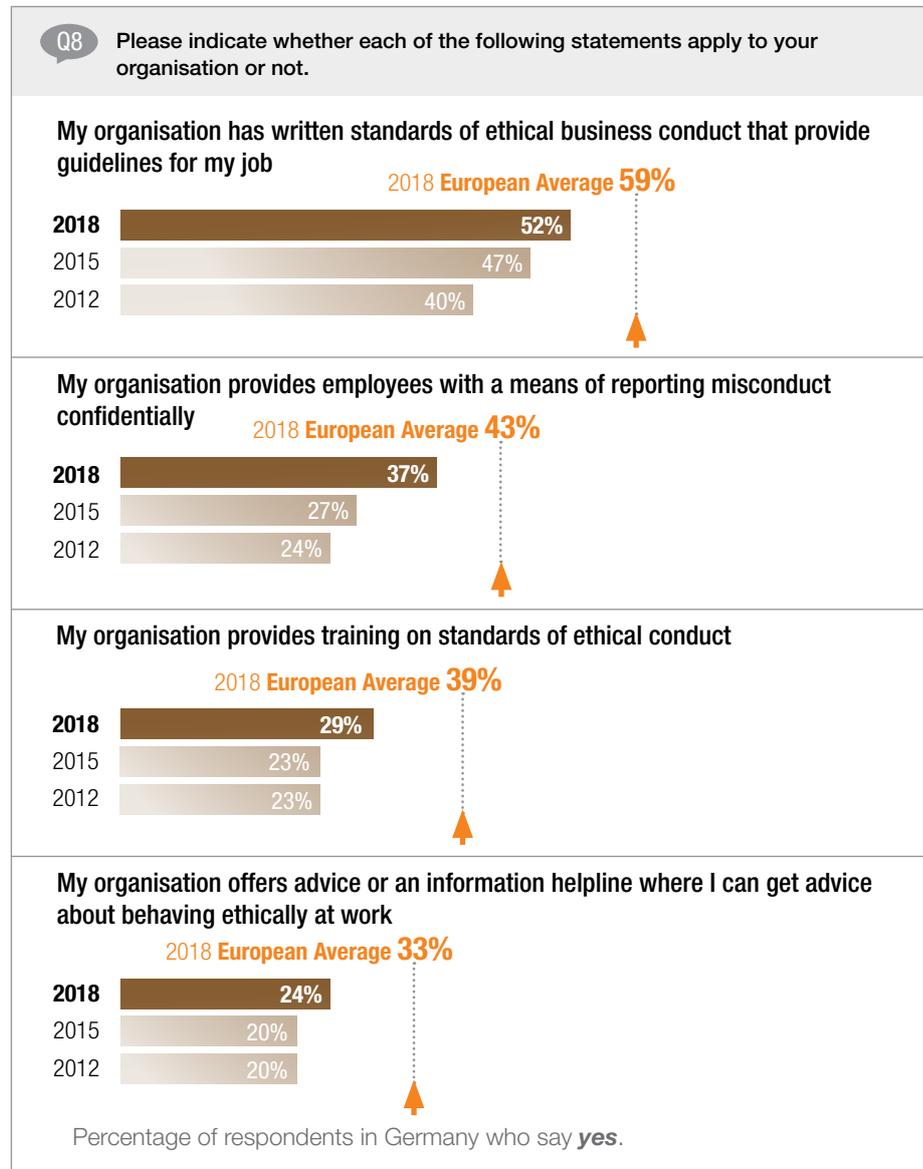
As Figure 7 illustrates, employees in Germany are consistently less likely to be aware of each of the building blocks of an ethics programme than the European average.

“

Employees in Germany are consistently less likely to be aware of each of the building blocks of an ethics programme than the European average

.....”

Figure 7 Employee awareness of the building blocks of a formal ethics programme



Men are more likely than women to say their organisation provides a means to report misconduct confidentially (42% vs 30%) and offers advice or an information helpline (27% vs 20%).



Younger employees aged 18-34 are more likely to be aware of each of the four building blocks than older employees aged 55+. For instance, awareness of the provision of ethics training is higher among these younger employees (36% vs 21% of those aged 55+) and offering advice or an information helpline (28% vs 18%).



Employees in the **public/third sector** are more likely to say that their organisation provides ethics training than employees in the private sector (34% vs 27%).

Focus on...

The impact of providing formal support for ethics in the workplace

This survey shows that employees in Germany whose organisations have a comprehensive ethics programme (all four building blocks) are more likely than those whose employers do not have an ethics programme (none of the building blocks) to have:

✓ A positive outlook on how the organisation engages with its stakeholders. Respondents from organisations with a comprehensive ethics programme are more likely to have a positive outlook on how their organisation engages with stakeholders than those in organisations with no ethics programme. For example, a higher proportion agree that their organisation lives up to its stated policy of social responsibility (83% vs 55%).

continues >

Focus on... *continued*

? **A positive perception of the ability of managers to promote ethics but also to think that managers reward employees for good results, even if they use questionable practices.** Employees in organisations that provide a comprehensive ethics programme are more likely than those in organisations without an ethics programme to agree with statements indicating that their manager promotes ethics at work. For example, agreeing that their line manager explains the importance of honesty and ethics at work (79% vs 31%).

However, 48% of employees in organisations with a comprehensive ethics programme say that their line manager rewards those who get good results, even if they use practices that are ethically questionable. This is compared to only 19% of employees in organisations without an ethics programme.

! **Lenient attitudes to some questionable workplace practices.**

Employees who work in organisations with a comprehensive ethics programme are more likely than employees who work in organisations with no ethics programme to think that the majority of the questionable workplace practices tested are acceptable. For example, favouring family or friends when recruiting or awarding contracts (30% vs 19%); pretending to be sick to take the day off (20% vs 6%) and charging personal entertainment to expenses (25% vs 8%).

These results seem counterintuitive, especially in comparison with other countries. However, it might prompt some thoughts about the nature of ethics programmes in Germany. If codes of ethics are presented as a list of dos and don'ts rather than tools to support ethical decision-making, then people might gather that they are free to engage in everything that is not explicitly forbidden in the code.



Employees in **large organisations** are more likely than employees in SMEs to say that their organisation provides each of the building blocks of an ethics programme. This is particularly the case with written standards of ethical business conduct (67% vs 42%).

How do employers incentivise ethical behaviour?

Respondents were asked whether their organisation provides incentives to encourage employees to live up to its ethical standards. Three in ten German employees (29%) say that their organisation provides these incentives, which is somewhat higher than the average across all European countries surveyed (23%).

Respondents who indicated that their organisation does offer incentives to encourage ethical behaviour were also asked for additional information regarding the types of incentive offered. Over two fifths (45%) of German employees whose organisation offers incentives say that ethics is part of their annual appraisal/review. This is the same as the European average. Other incentives that were tested are public commendation of ethical behaviour such as employee awards (27% compared to a European average of 29%) and taking ethical considerations into account in assessing bonus payments (26% compared to a European average of 29%).

“

29% of German respondents say their organisation provides incentives to encourage employees to live up to its ethical standards

.....”

Focus on...

The impact of providing incentives to encourage ethical behaviour

This survey shows that although incentives to encourage ethical behaviour can potentially have a positive impact on employees' perceptions of ethics at work, in some cases there may be a gap between the objective that an organisation is trying to achieve through its incentive scheme and the practical impact of the incentives offered to employees. Employees in Germany who are aware of their organisation providing incentives are more likely to have:

✔ **A positive perception of how frequently honesty is practised at work.** 77% of respondents in organisations that provide incentives to encourage ethical behaviour say that honesty is always or frequently practised, compared to 68% of those whose organisations do not provide incentives.

✔ **A positive outlook on how the organisation engages with its stakeholders.** Employees in organisations with incentives are significantly more likely to agree with each of the statements relating to stakeholder engagement than those without such incentives. For example, saying that issues of right and wrong are discussed in team meetings (75% vs 39%).

✔ **Spoken up about misconduct.** Employees in organisations that provide incentives are more likely to speak up about misconduct. 71% of those who have been aware of a legal or ethical violation at work and whose organisation provides incentives to encourage ethical behaviour say that they raised their concerns, compared to only 45% of respondents in this position in organisations without incentives.

Of those reporting a concern, 80% of those in organisations with incentives say they are satisfied with the outcome of speaking up, while only 39% of those in organisations without incentives say they are satisfied.

❓ **A positive perception of the ability of managers to promote ethics but also to think that managers reward employees for good results, even if they use questionable practices.** Employees in organisations that provide incentives to act ethically are more likely than those in organisations without incentives to agree that their line manager sets a good example of ethical behaviour (83% vs 54%); explains the importance of honesty and ethics at work (76% vs 38%) and supports them in following their organisation's standards of ethical behaviour (81% vs 44%).

However, they are also more likely to say that their line manager rewards employees who get good results even if they are achieved through ethically questionable practices (46% vs 20% of those whose organisations do not provide incentives).

❗ **Lenient attitudes to some workplace practices.** Employees in organisations that provide incentives are more likely than those in organisations without incentives to think that most of the nine questionable workplace practices identified in Figure 1 are acceptable. For example, charging personal entertainment to expenses (26% vs 11%).

continues >

Focus on... *continued*



! Felt pressured to compromise ethics. A quarter (25%) of respondents in organisations that provide incentives have felt pressured to compromise ethical standards compared to only 15% of respondents in organisations without incentives.

These rather counterintuitive findings might indicate that organisations need to design their incentive schemes with special care. Focussing primarily on specific Key Performance Indicators (KPIs) might detract an employee's attention from wider ethical dilemmas. It is important that employees are encouraged to think about and make ethical decisions for themselves and not just comply with a list of organisational requirements.

Spotlight Issues

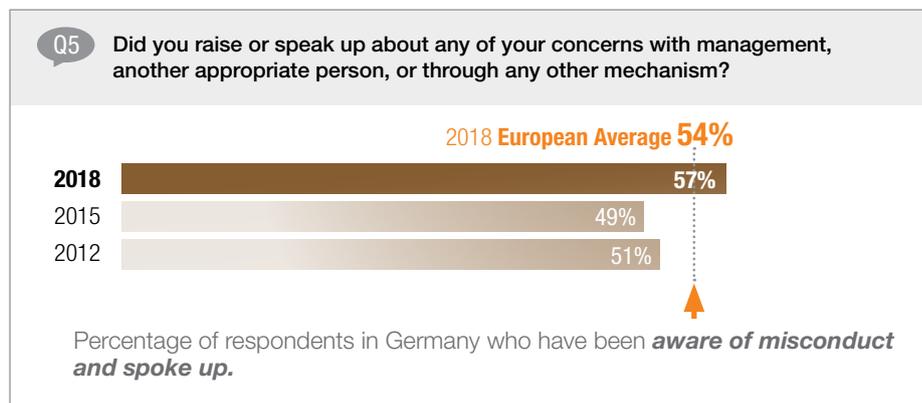
Issue 1: Speaking up

The freedom to raise concerns is a core component of a supportive ethical business culture, where employees are confident they will be supported to do the right thing.

The 25% of respondents in Germany who have been aware of misconduct during the past year at work were asked whether they raised – or decided to speak up about – any of their concerns internally, directly to management or using any of the mechanisms available in their organisation. A majority (57%) of the employees who were aware of misconduct did speak up, which is similar to the European average of 54%. It is encouraging to see that the 2018 percentage for German employees who spoke up is the highest figure since this question was first asked in 2012.

“
The freedom to raise concerns is a core component of a supportive ethical business culture
.....

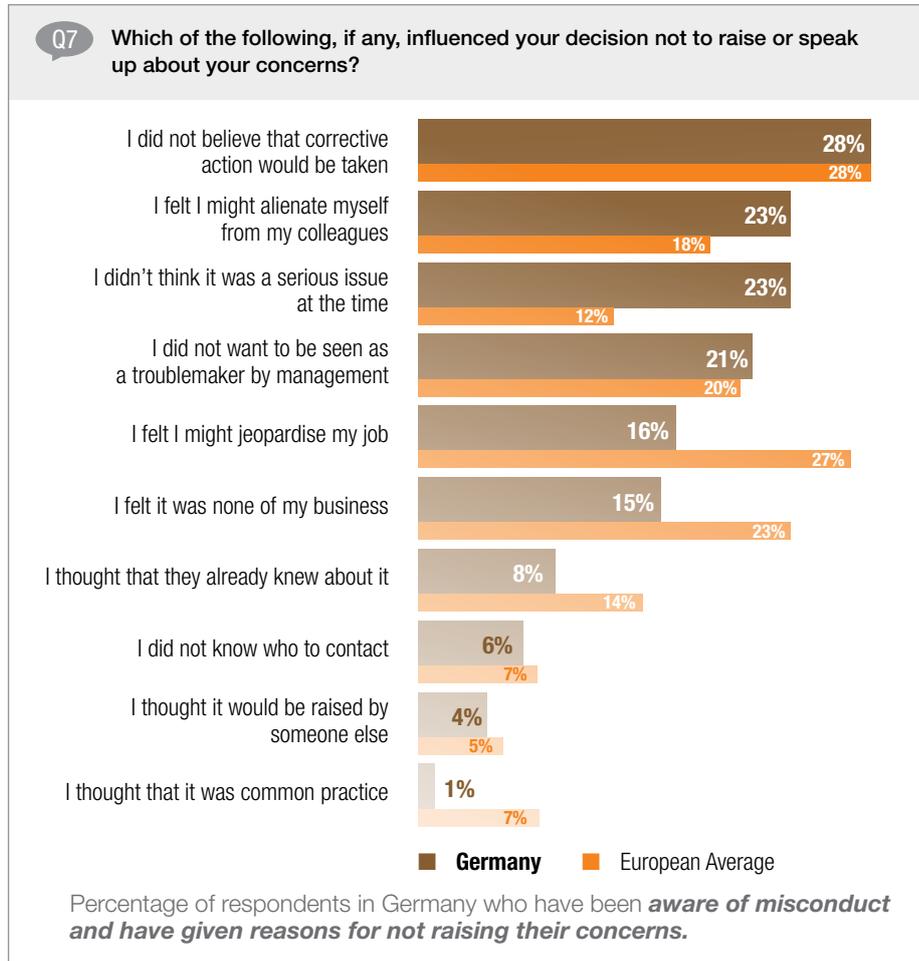
Figure 8 Employees raising concerns about misconduct



The 39% of respondents who have been aware of legal or ethical misconduct in the last year but did not raise their concerns were asked an additional question to assess what they considered to be the barriers to speaking up (see Figure 9). It is worth noting that German employees who were aware of misconduct are significantly more likely than the European average to say that they did not raise their concerns because they didn't think it was a serious issue at the time (23% vs 12% respectively). This might indicate that employees in Germany could benefit from more specific training on standards of ethical conduct to help them identify ethical dilemmas. This is particularly the case because German employees are less likely to be aware of misconduct than the European average (25% vs 30% respectively).

It is clear that employees are concerned about the impact of speaking up and, in particular, whether their situation would improve as a result of doing so. Reporting concerns can require courage, particularly in an unsupportive environment. Employees won't take the risk if they believe that nothing will be done about it.

Figure 9 Reasons why employees did not raise concerns about misconduct



To understand whether employees' concerns are justified, respondents who have been aware of misconduct and raised their concerns were asked whether they were satisfied with the outcome of doing so. More than half (55%) of German respondents reported that they are satisfied with their organisation's response to them speaking up, a similar proportion to the European average of 51%.

Another important indicator that shows whether employees think their organisation is taking ethical misconduct seriously is the action taken against employees who violate the organisation's ethical standards. Many organisations highlight the consequences of violations of ethical standards in their code of ethics. However, far fewer organisations publish data externally on ethical breaches and disciplinary actions including dismissals.

Separate research conducted in 2017 by the IBE shows that only 16 FTSE 100 companies include this type of information in their sustainability or corporate responsibility report. Three of these 16 companies stated that no material breaches of the code of conduct were reported during the previous year, which might raise questions on the ability of the organisation to recognise breaches and act on them.

“
55% of German respondents who have been aware of misconduct and spoke up are satisfied with their organisation's response to them raising their concerns
.....”

This survey shows that only 47% of employees in Germany believe that their organisation disciplines employees who violate its ethical standards. This result is below the European average of 53%.

Issue 2: Ethical management

This survey analyses the attitudes of managers to business ethics through two different lenses: managers' first-hand views and the perceptions that employees have of their managers.

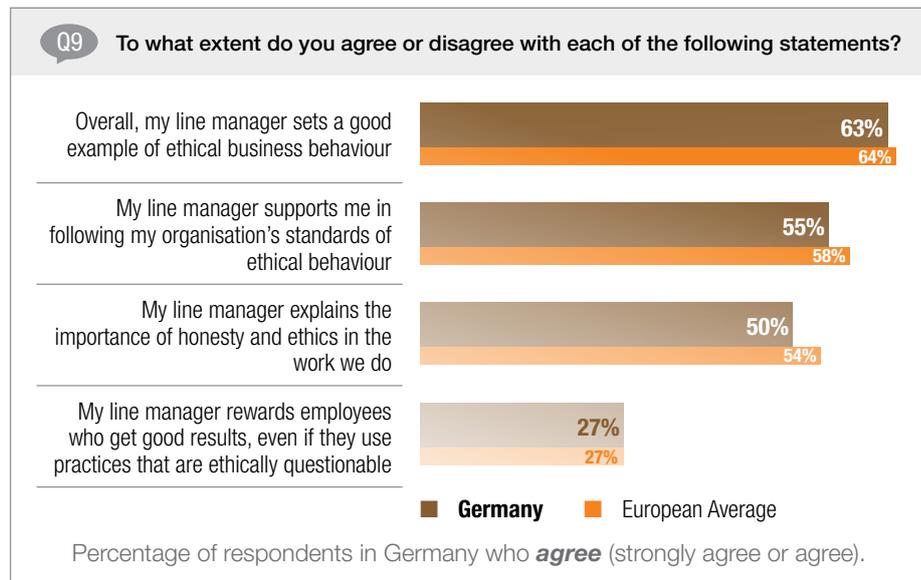
The survey uses four indicators to gauge employee perception of their managers' attitudes towards ethics, as shown in Figure 10.

Most respondents in Germany are positive about the behaviour of their line manager, although they seem slightly less so than the European average.



Less than half (47%) of employees in Germany believe that their organisation disciplines employees who violate its ethical standards

Figure 10 Perception of management behaviour



Younger employees

aged 18-34 are more likely to say that their line manager rewards good results even if they have been achieved using ethically questionable practices (33% vs 22% of older employees aged 55+).

Focus on...

The impact of providing a work environment that is regarded as supportive to ethics ²

This survey shows that employees in Germany who work in organisations with an environment that is perceived as supportive to ethics are more likely to have:

- ✓ **A positive perception of how frequently honesty is practised at work.** Employees in the most supportive organisations are more likely to say that honesty is practised always or frequently (77%) than those in unsupportive organisations (43%).

continues >

² The supportiveness of the organisation is defined by how many statements employees agree or tend to agree with at Q9 (see Appendix 2). This excludes the statement on the line manager rewarding employees who get good results despite using ethically questionable practices, as this is framed in the negative. The most supportive organisations agree or tend to agree with all of the statements and unsupportive organisations are those in which respondents disagree or tend to disagree with three or more of the statements.

Focus on... *continued*



✔ **Not been aware of misconduct at work.** Employees in the most supportive organisations are less likely to say that they have been aware of unethical behaviour in the past year: 23% of employees in supportive organisations say they have been aware of misconduct, compared to 43% of employees in unsupportive organisations.

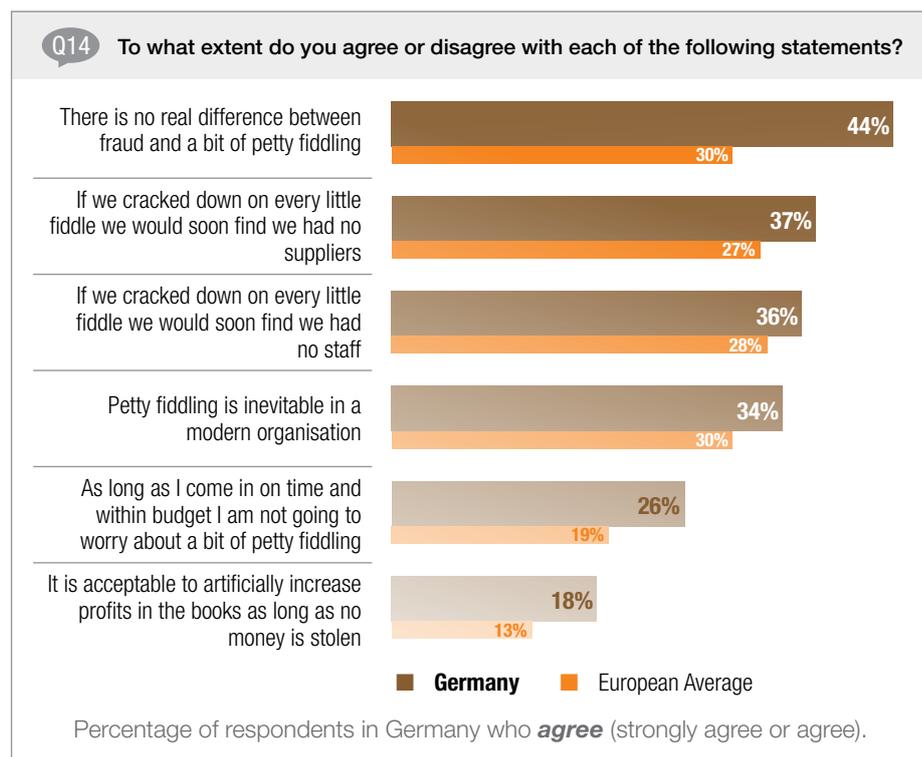
✔ **Not felt pressured to compromise ethics.** Employees in the most supportive organisations are less likely to say that they have felt pressured to compromise their organisation’s ethical standards. Only 12% of employees in the most supportive organisations say that they have felt pressure to compromise their organisation’s current ethical standards, compared to 25% of employees in unsupportive organisations.

What are managers’ views of ethics at work?

In order to set a good example of ethical behaviour and support employees in living up to their organisation’s ethical standards, it is important that people in a managerial position understand their responsibilities in leading by example on the application of ethical values to the day-to-day tasks in the workplace.

To understand this, the 22% of respondents in Germany who identified themselves as managers were asked to give their opinion on a series of statements that describe examples of ‘petty fiddling’ that can occur in an organisation. An example of petty fiddling is an employee charging their company for small items such as a taxi ride when they used public transport instead.

Figure 11 Managers’ attitudes to petty fiddling



Younger managers aged 18-34 are more likely to agree with most of the statements proposed than managers in other age groups. For example, 44% of them say that as long as they come in on time and within budget they are not going to worry about a bit of petty fiddling, compared to 20% of mid-career managers aged 35-54 and 15% of older managers aged 55+.

As Figure 11 illustrates, managers in Germany are slightly more likely to have lenient attitudes to petty fiddling than the European average. For example, over two fifths (44%) of managers in Germany agree that there is no real difference between fraud and a bit of petty fiddling compared to a European average of 30%.

Focus on...

Attitudes of managers towards ethics at work

This survey provides a picture of how managers in Germany approach ethics at work. In comparison with non-managers they are more likely to have:

- ✓ **A positive perception of how frequently honesty is practised at work.** Managers are more likely than non-managers to say that honesty is practised always or frequently in their organisation's daily operations (81% vs 66%).
- ✓ **Spoken up about misconduct at work.** Managers who have been aware of misconduct are more likely to have spoken up about their concerns. 72% of managers who were aware of misconduct say they raised their concerns, compared to 51% of non-managers.
- ! **Lenient attitudes to some questionable workplace practices.** Managers are more likely than non-managers to find some of the workplace practices proposed in Figure 1 acceptable. For example, a quarter (25%) of managers find it acceptable to charge personal entertainment to expenses compared to 12% of non-managers.
- ! **Been aware of misconduct at work.** Almost a third of managers (31%) say they have been aware of misconduct during the past year, compared to 23% of non-managers.
- ! **Felt pressured to compromise ethics.** Managers are more likely to say they have felt pressured to compromise their organisation's ethical standards than non-managers (27% vs 14%).

“
Managers are more likely to have been aware of misconduct at work than non-managers
.....



Summary and Conclusion

The data presented in this survey report highlights important issues about current attitudes to ethics in the workplace and raises crucial questions for organisations. It is important to stress that, in order to paint a meaningful picture, the results related to each indicator need to be read in the wider context, in parallel with other elements. For instance, higher awareness of misconduct could show that employees are failing to live up to the organisation's values. However, it could also be a positive sign of increased 'ethical literacy' among employees who have learned to identify and act upon ethical dilemmas in their workplace.

With this in mind, the survey sheds light on several challenges that organisations might want to consider going forward.

Are organisations providing adequate ethics training for employees?

In comparison with the European average, it stands out that German employees are more likely to have lenient attitudes to some ethically questionable workplace practices. For example, a fifth of German employees find it acceptable to use company petrol for personal mileage (22% vs a European average of 14%) and a quarter say it is acceptable to favour family or friends when recruiting or awarding contracts (27% vs a European average of 19%). These results indicate that German employees may not be aware of the far-reaching consequences that ethical violations can have for organisations as a whole.

Although it is encouraging to see that German employees are increasingly aware of their organisation having elements of an ethics programme, only 12% say that their organisation provides all four building blocks of a comprehensive ethics programme. Anecdotal evidence collected by IBE shows that investing in a formalised ethics programme can benefit organisations in various ways.

The 2018 *Ethics at Work* findings show that German employees who have been aware of misconduct in the past year at work are almost twice as likely as the European average to say that they did not speak up because they didn't think it was a serious issue at the time (23% vs 12%). This indicates that employees may not be able to identify ethical violations.

Organisations could improve this by providing ethics training and an ethics helpline for employees to get advice on ethics at work. Set against this background, it is concerning that only 29% of German respondents say that their organisation provides training on standards of ethical conduct, which is considerably lower than the European average (39%). Similarly, only 24% of employees in Germany say that their organisation offers advice or an information helpline where employees can get advice about behaving ethically at work, compared to a European average of 33%.

“

These survey results indicate that German employees may not be aware of the far-reaching consequences that ethical violations can have for organisations as a whole

.....”

Are managers prepared to lead on ethics?

The relationship between managers and employees is crucial to creating an ethical culture. Employees in Germany generally have a positive perception of their manager's ability to promote ethics at work. However, 27% of employees say that their manager rewards employees who get good results even if they have been achieved using ethically questionable practices.

Managers also seem to have more lenient attitudes to some workplace practices. For example, a quarter (25%) of managers find it acceptable to charge personal entertainment to expenses compared to 12% of non-managers.

There is also a significant difference between how younger and older managers approach issues of petty fiddling. For instance, 42% of younger managers aged 18-34 agree that they are not going to worry about a bit of petty fiddling as long as they come in on time and budget, compared to only 4% of older managers aged 55+. These findings are concerning because managers have a responsibility to lead by example, especially on ethics. Organisations should think about providing specific ethics training to managers in order to address this issue.

How are schemes to incentivise ethical behaviour designed? Are they achieving their intended purpose?

Practical incentives that motivate and encourage people to behave ethically are an important tool that organisations can use to embed their values in practice. For example, providing incentives is correlated with employees' positive perception of how frequently honesty is practised in their organisation's daily operations. In addition, employees who have been aware of misconduct in organisations with incentives are more likely to have spoken up than those in a similar position in organisations without incentives (71% vs 45% respectively).

However, the survey shows that sometimes incentive schemes might have unintended negative consequences. For example, German employees in organisations that incentivise ethical behaviour seem more likely to be lenient towards some ethically questionable workplace practices than those in organisations that do not provide incentives. Examples include favouring family or friends when recruiting or awarding contracts (42% vs 22%) and using company petrol for personal mileage (34% vs 21%).

Employees in organisations with incentives are also more likely to have felt pressured to compromise their organisation's standards of ethical behaviour (25% vs 15%). It is vital that organisations design and test their incentive schemes to ensure that they are effective.

“

It is vital that organisations design and test their incentive schemes to ensure that they are effective

.....”

Appendix 1

Methodology and Respondent Profile

This survey report presents the findings of public research undertaken by ComRes on behalf of the IBE and LEIZ. ComRes is a member of the British Polling Council and abides by its rules. The IBE has asked similar questions of the British workforce every three years since 2005. In 2012, the IBE extended part of the survey to four additional major European markets: France, Germany, Italy and Spain.

The *Ethics at Work: 2018 survey of employees* illustrates the latest evolution and trends in employees' perceptions of ethics in the workplace. Given that organisations are increasingly taking an integrated approach to business ethics at the international level, the number of countries included in the research has been expanded to cover France, Germany, Ireland, Italy, Portugal, Spain, Switzerland and the UK within Europe, as well as Australia, Canada, Singapore and New Zealand.

This report describes the German findings and provides comparisons with European averages for 2018. The averages throughout the report reflect the percentage of the 6,119 European employees after each country's data was weighted to reflect the workforce by gender, age and region.

The survey was completed by a representative sample of about 750 working adults in each country aged 18+, including 762 working adults in Germany. The survey was undertaken between 5th and 25th February 2018.

COUNTRY	Total number of respondents	GENDER			AGE				SECTOR		MANAGERS		SIZE ³	
		Male	Female	Prefer not to say	18-34	35-54	55+	Prefer not to say	Public/Third	Private	Manager	Non-manager	SME	Large
Europe	6,119	3,256	2,834	29	1,804	3,127	1,184	4	2,025	4,094	1,862	4,257	3,255	2,418
Germany	762	402	354	6	228	364	170	-	263	499	170	592	386	332

Please note that the data in the table above is unweighted. For the purposes of analysis and reporting, the data was weighted to make the sample representative of the working populations (age 18+) in each of the countries surveyed by gender, age, and region.

The survey was conducted online, in the native language of the country being surveyed, and questions were 'randomised' to avoid any undue bias there may have been when answering potentially sensitive questions. In some cases, percentages do not add up exactly to 100%. This is due to a number of reasons, including rounding, participants being able to select more than one response to the question, or additional options (e.g. don't know or other).

³ Please note that a small number of sole traders also participated in the survey.

Appendix 2

Survey Questionnaire

The survey questionnaire consisted of 14 questions, although not all questions were answered by all respondents. Eligibility for certain questions was dependent on responses to previous questions.

Q1. Below is a list of things that sometimes happen in the workplace. To what extent, if at all, do you think that each of the following actions is acceptable?

Please select one answer per row.

Totally acceptable **Fairly acceptable** **Not very acceptable** **Totally unacceptable** **Don't know**

- Taking pencils and pens from work
- Posting personal mail from work (e.g. letters or parcels)
- Making personal phone calls from work
- Using the internet for personal use during working hours
- Using company petrol for personal mileage
- Charging personal entertainment to expenses
- Pretending to be sick to take the day off
- Minor fiddling of travel expenses
- Favouring family or friends when recruiting or awarding contracts

Base 2018 = 762 employees in Germany.

European average: Base 2018 = 6,119 employees in Europe.

Q2. In your organisation's daily operations, would you say that honesty is practised...?

Please select one response only.

Always **Frequently** **Occasionally** **Rarely** **Never** **Don't know**

Base 2018 = 762 employees in Germany.

Base 2015 = 750 employees in Germany.

Base 2012 = 750 employees in Germany.

European average: Base 2018 = 6,119 employees in Europe.

Q3. During the past year at work, have you been aware of any conduct by your employer or colleagues that you thought violated either the law or your organisation's ethical standards? Please select one response only.

Yes **No** **Don't know**

Base 2018 = 762 employees in Germany.

Base 2015 = 750 employees in Germany.

Base 2012 = 750 employees in Germany.

European average: Base 2018 = 6,119 employees in Europe.

Q4. Asked to respondents who answered yes to Q3.

Which, if any, of the following types of misconduct were you aware of?

Please select all that apply.

- **Abusive behaviour**
- **Misreporting hours worked**
- **Safety violations**
- **Discrimination (e.g. by race, gender, age)**
- **Stealing**
- **Improper hiring practices (e.g. favouring family or friends)**
- **Fraud**
- **Bullying/harassment**
- **People treated inappropriately/unethically**
- **Other**

Base 2018 = 191 employees in Germany who were aware of illegal or unethical practices at work.

European average: Base 2018 = 1,854 employees in Europe who were aware of illegal or unethical practices at work.

Q5. Asked to respondents who answered yes to Q3.

Did you raise any of your concerns with management, another appropriate person, or through any other mechanism? Please select one response only.

Yes No Don't know

Base 2018 = 191 employees in Germany who were aware of illegal or unethical practices at work.

Base 2015 = 175 employees in Germany who were aware of illegal or unethical practices at work.

Base 2012 = 134 employees in Germany who were aware of illegal or unethical practices at work.

European average: Base 2018 = 1,854 employees in Europe who were aware of illegal or unethical practices at work.

Q6. Asked to respondents who answered yes to Q5.

After raising or speaking up about your concerns, how satisfied or dissatisfied were you with the outcome? Please select one response only.

Very satisfied Fairly satisfied Fairly dissatisfied Very dissatisfied Don't know

Base 2018 = 108 employees in Germany who were aware of legal or ethical violations at work and raised their concerns.

European average: Base 2018 = 1,008 employees in Europe who were aware of legal or ethical violations at work and raised their concerns.

Q7. *Asked to respondents who answered no to Q5.*

Which of the following, if any, influenced your decision not to raise or speak up about your concerns? *Please select all that apply.*

- I felt it was none of my business
- I felt I might jeopardise my job
- I did not believe that corrective action would be taken
- I felt I might alienate myself from my colleagues
- I did not want to be seen as a troublemaker by management
- I did not know who to contact
- I thought that it was common practice
- I thought it would be raised by someone else
- I thought that they already knew about it
- I didn't think it was a serious issue at the time
- Other (Please specify)
- Don't know

Base 2018 = 74 employees in Germany who were aware of legal or ethical violations at work but did not raise their concerns.

European average: Base 2018 = 806 employees in Europe who were aware of legal or ethical violations at work but did not raise their concerns.

Q8. Please indicate whether each of the following statements apply to your organisation or not. *Please select one response only.*

Yes No Don't know

- My organisation has written standards of ethical business conduct that provide guidelines for my job (for example a code of ethics, a policy statement on ethics or guidance on proper business conduct)
- My organisation provides employees with a means of reporting misconduct confidentially, without giving their name or other information that could easily identify them
- My organisation offers advice or an information helpline where I can get advice about behaving ethically at work
- My organisation provides training on standards of ethical conduct

Base 2018 = 762 employees in Germany.

Base 2015 = 750 employees in Germany.

Base 2012 = 750 employees in Germany.

European average: Base 2018 = 6,119 employees in Europe.

Q9. To what extent do you agree or disagree with each of the following statements?

Please select one answer per row.

Strongly agree Tend to agree Neither agree nor disagree Tend to disagree Strongly disagree
Don't know

- Overall, my line manager sets a good example of ethical business behaviour
- My line manager explains the importance of honesty and ethics in the work we do
- My line manager rewards employees who get good results, even if they use practices that are ethically questionable
- My line manager supports me in following my organisation's standards of ethical behaviour
- My organisation disciplines employees who violate my organisation's ethical standards
- My organisation acts responsibly in all its business dealings (with customers, clients, suppliers, etc.)
- My organisation lives up to its stated policy of social responsibility
- Issues of right and wrong are discussed in staff meetings

Base 2018 = 762 employees in Germany.

Base 2015 = 750 employees in Germany.

Base 2012 = 750 employees in Germany.

European average: Base 2018 = 6,119 employees in Europe.

Q10. Have you felt pressured to compromise your current organisation's standards of ethical conduct? *Please select one response only.*

Yes No Don't know

Base 2018 = 762 employees in Germany.

Base 2015 = 750 employees in Germany.

European average: Base 2018 = 6,119 employees in Europe.

Q11. Asked to respondents who answered yes to Q10.

Which of the following, if any, were the main pressures on you to act unethically?

Please select a maximum of three responses.

- I had to meet unrealistic business objectives/deadlines
- I was following my boss's orders
- I felt peer pressure to be a team player
- I wanted to help the organisation perform better (e.g. against competitors or spending cutbacks)
- I was trying to save my job
- My organisation has an unethical culture
- I was being asked to take shortcuts
- There were financial/budgeting pressures at the company
- We were under-resourced
- Time pressure
- Other (Please specify)
- Don't know

Base 2018 = 127 employees in Germany who have felt pressured to compromise their organisation's standards of ethical conduct.

European average: Base 2018 = 970 employees in Europe who have felt pressured to compromise their organisation's standards of ethical conduct.

Q12. Does your organisation provide incentives to employees to encourage them to live up to the organisation's ethical standards? *Please select one response only.*

Yes No Don't know

Base 2018 = 762 employees in Germany.

Base 2015 = 750 employees in Germany.

European average: Base 2018 = 6,119 employees in Europe.

Q13. *Asked to respondents who answered yes to Q12.*

Which of the following incentives, if any, does your organisation provide to encourage employees to live up to its ethical standards? *Please select all that apply.*

- **It is part of our annual appraisal/review**
- **It is taken into account in assessing bonus payments**
- **Salary increases**
- **Public commendation (e.g. employee awards)**
- **Other (Please specify)**
- **Don't know**

Base 2018 = 223 employees in Germany who say their organisation provides incentives to promote ethical standards.

European average: Base 2018 = 1,400 employees in Europe who say their organisation provides incentives to promote ethical standards.

Q14. *Asked to respondents who identified themselves as managers.*

To what extent do you agree or disagree with each of the following statements?

Please select one answer per row.

Strongly agree Tend to agree Neither agree nor disagree Tend to disagree Strongly disagree
Don't know

- **Petty fiddling is inevitable in a modern organisation**
- **If we cracked down on every little fiddle we would soon find we had no staff**
- **If we cracked down on every little fiddle we would soon find we had no suppliers**
- **As long as I come in on time and within budget I am not going to worry about a bit of petty fiddling**
- **There is no real difference between fraud and a bit of petty fiddling**
- **It is acceptable to artificially increase profits in the books as long as no money is stolen**

Base 2018 = 170 managers in Germany.

European average: Base 2018 = 1,862 managers in Europe.

Related IBE Publications

IBE publications provide thought leadership and practical guidance to those involved in developing and promoting business ethics, including senior business people, corporate governance professionals and ethics and compliance practitioners. Some recent publications related to this topic which you might be interested in include:

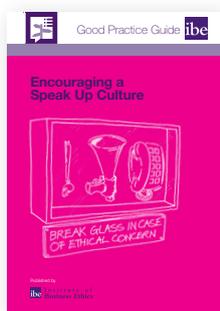


Ethics at Work: 2018 survey of employees

Guendalina Dondé and Katja Somasundaram

Employees' views are a key indicator of the ethical temperature in today's organisations. *Ethics at Work: 2018 survey of employees* is the only survey of its kind that provides real insight into employees' views on ethics across all sectors and job roles. It covers Europe, Australia, Canada, New Zealand and Singapore.

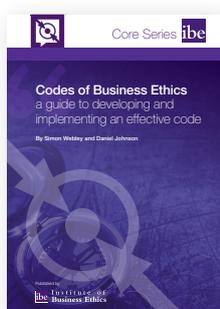
The survey, first introduced in 2005, asks employees how they experience ethical dilemmas in their day-to-day working lives. It looks at whether they have witnessed misconduct; whether they have reported it; the pressures they are under and what stops them speaking up. The *Ethics at Work* reports examine employees' experiences and the impact of formal ethics programmes on embedding ethical values into organisational culture and influencing behaviour.



Good Practice Guide: encouraging a Speak Up culture

Katherine Bradshaw

The freedom to raise concerns without fear of retaliation is a core component of a supportive ethical business culture – one where employees are confident they will be supported to 'do the right thing'. *Encouraging a Speak Up Culture* is the latest IBE Good Practice Guide. It examines practical ways that organisations can encourage a Speak Up culture by establishing a procedure to give employees the confidence to raise concerns about anything they find unsafe, unethical or unlawful without fear of retaliation. If companies do not support their employees in this way, they risk a concern becoming a crisis.



Codes of Business Ethics: a guide to developing and implementing an effective code

Simon Webley and Daniel Johnson

Updated guidance from the IBE on how to develop and implement an effective code of ethics. This Core IBE Report addresses many of the questions that arise when organisations wish to provide support and guidance to staff in ethical decision-making. It is intended to apply to organisations of any size, regardless of the sector in which they operate and will assist those charged with implementing or updating their organisation's code of ethics. *Codes of Business Ethics* follows the IBE 9-Step Model and shares examples of good practice.

Other IBE Resources



E-learning

The IBE's e-learning package *Understanding Business Ethics* is available in English, French, German and Spanish.

This short introductory online training course is designed to raise awareness of business ethics and provide an understanding of why ethical standards in the workplace matter.

The course is designed to support employees at all levels, in organisations of any size and in any sector to 'do the right thing'. The programme takes approximately 35 minutes to complete.

The IBE's e-learning package is used by professional bodies to develop ethical sensitivity in their members and for CPD (Continuing Professional Development) accreditation.

If you would like to offer this to multiple users, please contact us.



Say No Toolkit

The IBE's *Say No Toolkit* is a decision-making tool to help organisations encourage employees to make the right decision in difficult situations. The *Say No Toolkit* delivers immediate guidance to employees on a wide range of common business issues, especially those that could lead to accusations of bribery.

Employees tap through a series of questions about the situation they face and the tool will provide the right decision to take: Say No, Say Yes or Ask. The answer also makes it clear why it is important to make that decision so your employees can have the confidence and the knowledge to respond correctly.

Organisations can use both the IBE *Say No Toolkit* app and website for free. The app can be downloaded on to any smartphone or tablet.

Simply go to www.saynotoolkit.net

The *Say No Toolkit* can be customised and branded to suit your organisation's needs and detailed procedures. For more information email info@ibe.org.uk or call the IBE office on +44 20 7798 6040.

For details of all IBE publications and resources visit our website www.ibe.org.uk

Ethics at Work

2018 survey of employees

Germany

Employees' views are a key indicator of the ethical temperature in German organisations.

What do employees think about the ethical business practices of their employer? Are formal ethics programmes effective in embedding ethical values into organisational culture and influencing behaviour? What are the challenges for organisations and what should be the focus going forward?

This survey report presents the IBE survey findings, which give a snapshot of the business ethics landscape in Germany and include comparisons with European averages. The report focuses on three key themes. These relate to assessing the ethical culture of an organisation; identifying ethical risks and supporting ethics standards. Two specific issues that have a major impact on the culture of an organisation are also addressed: the ability of employees to voice their ethics-related concerns and the role of line managers in promoting ethics in the workplace.

Organisations can use the data provided to benchmark the views of their own employees with regard to levels of awareness of misconduct; willingness to raise concerns; perceptions of ethical culture and much more.