



Institute of Business Ethics

# Business Ethics Briefing

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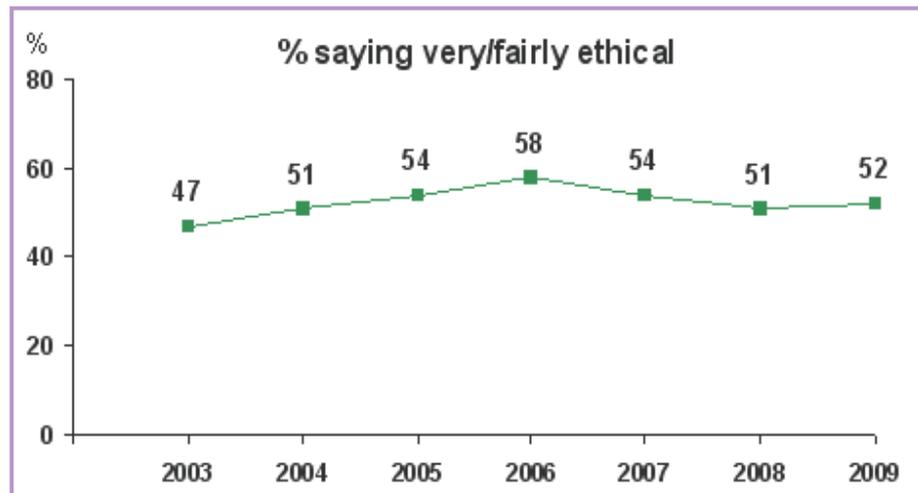
## *Attitudes of the British Public to Business Ethics*

Every year, the IBE asks a representative sample of British adults about their views of ethics in business. This year's findings show that business is viewed as behaving more ethically than last year and the issue of most concern to the public is executive pay. The face to face survey of 1,014 adults was conducted by Ipsos MORI in September 2009.

### **Behaviours**

52% of the British public thought that UK business behaved very/fairly ethically, a small increase from 2008 (51%). Whilst in the long term this is an increasing trend (from 47% in 2003) it is a fall from a high of 58% in 2006 (see Figure 1). Statistically significant differences can be found across gender and age groups. 54% of men view business as behaving ethically (up 3% from 2008) as opposed to 49% women (down 2% from 2008). 35-54 year olds have the most positive view, with 58% (up 12% from 2008) believing that UK business generally behaves ethically. 51% of 16-34 year olds hold this view, but interestingly this figure represents a 14% fall on the 2008 measurement. Those in the 55+ age group are least likely to believe that business acts in an ethical manner (46%).

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

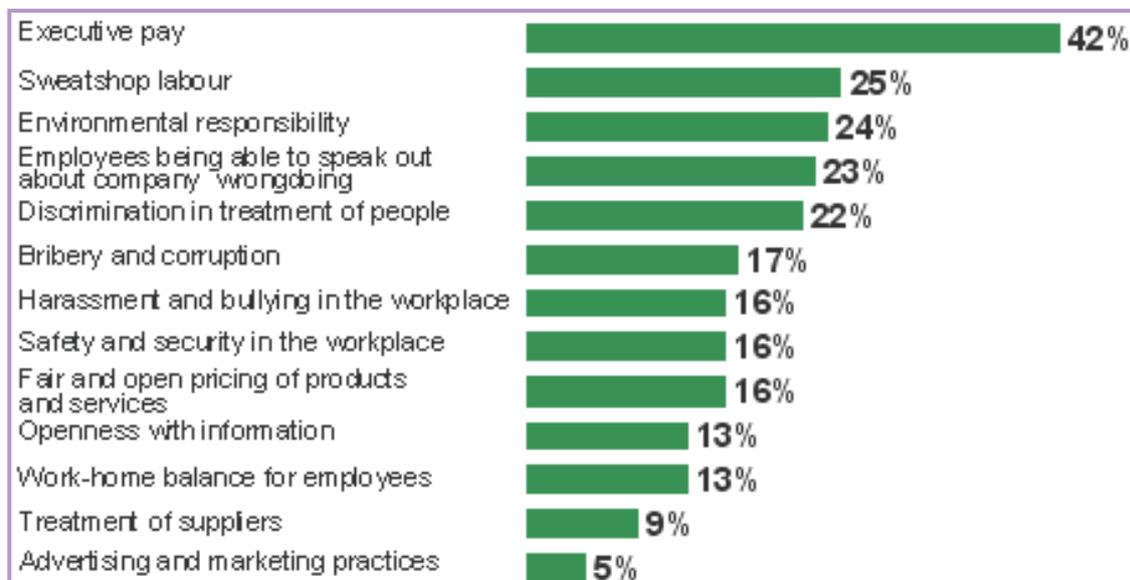


### **Issues**

Executive pay was regarded by 42% of respondents to be the most pressing business ethics issue in 2009. This issue has climbed to the top of this list this year; it stood at 25% in 2007 and 37% in 2008. The rise in concern over executive pay is understandable in the context of a global economic recession, mass redundancies and the significant media attention that has been given to the salaries paid to bosses for indifferent performance, particularly in organisations that were saved from collapse by the taxpayer.

25% of respondents considered sweatshop labour to be an issue that business should tackle, increasing by 4% from 2008. This change may reflect allegations in the media concerning the use of child labour in India and paying illegal workers less than the minimum wage in the U.K by Primark for example. Women (29%) are more likely than men (20%) to cite sweatshop labour as an area of concern, although the score is otherwise consistent across social and age groups.

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



Environmental responsibility has decreased in importance (down by 8%) from last year's survey. However it is still the third most common issue of concern. Analysis of the figures reveals striking differences across social classes on the importance of environmental responsibility; 30% of respondents in social classes ABC1 consider environmental responsibility to be an important issue, against 17% from social classes C2DE. Adults with degrees are also more likely to be concerned about environmental responsibility (34%) than those without (28%).

### Trends

When looking at views around the longer term trend, there is a slight rise of 2% (to 31%) in the number of respondents thinking that business is behaving more ethically than ten years ago. Correspondingly, 9% less (27%) than last year think business behaves less ethically than ten years ago. These figures hide some variations across sub-groups: respondents in social classes ABC1 are more likely to view business as more ethical than 10 years ago than those in classes C2DE (35% vs. 25%); whilst the proportion of 16-34 year olds view business as becoming more ethical over time than those in the 35-54 and 55+ year age groups.

### Further reading

- Full survey results, including complementary questions asked by Centrica, are available at: <http://www.ibe.org.uk/publications/Centrica-IBE-Ipsos%20MORI,%20Sept%202009.pdf>.
- Employee Views of Ethics at Work: The 2008 National Survey by Simon Webley and Andrea Werner. Available from <http://www.ibe.org.uk/publications/listofpublications.htm>.

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