

**INSTITUTE OF  
BUSINESS  
ETHICS**

## **Edelman Trust Barometer 2016, Global Results – IBE Summary**

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## About the Survey

The 2016 Edelman Trust Barometer is the firm's 16th annual trust and credibility survey.

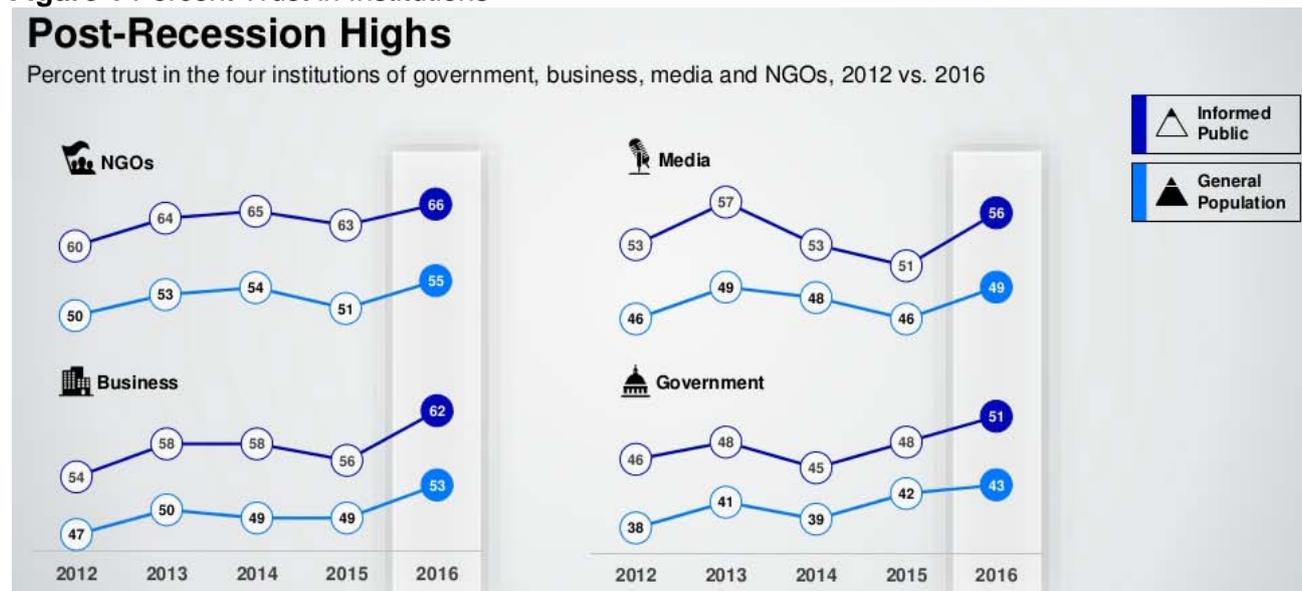
The survey was powered by research firm Edelman Berland and consisted of 20-minute online interviews conducted on October 13th – November 16th, 2015. The 2016 Edelman Trust Barometer surveyed more than 33,000 respondents with an oversample of 1,150 general population respondents ages 18 and over and 500 informed public respondents in the US and China and 200 informed public respondents in all other countries representing 15 percent of the total population across 28 countries.

## Main Findings

Trust in all four institutions climbed to its highest level in 2016, ushered by a surge of trust among the 'Informed Public'.<sup>1</sup>

Of the four institutions, business registered the largest increase in trust among both the informed public and the larger general population. NGOs have historically always been the most trusted institution, but now (amongst the general population) the difference is only 2 percentage points (55% trust NGOs, 53% trust business). See Figure 1.

Figure 1 Percent Trust in Institutions

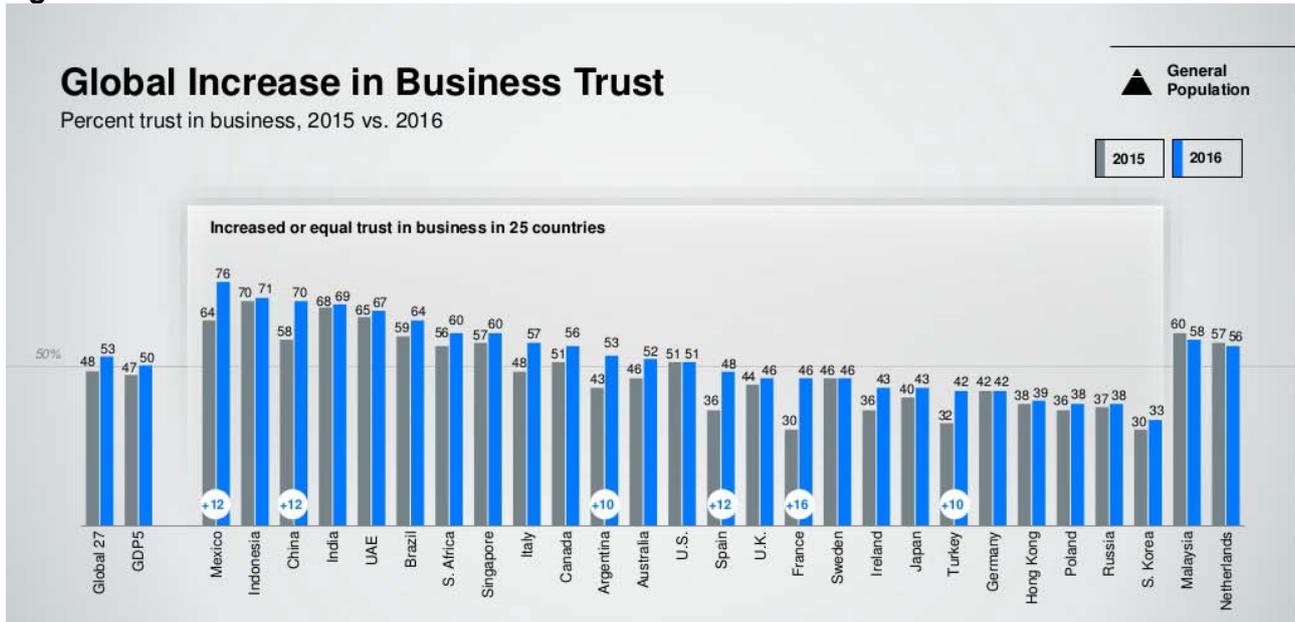


Trust in business varies significantly around the world, with **Mexican** respondents the most trusting of business globally.

In the **UK**, trust in business is more elusive, with less than half of the general population (46%) saying that they trust business. This is consistent with the findings from 2015. Respondents in **France** reported the largest rise in trust in business with the level of trust increasing by 16 percentage points between 2015 and 2016. Other large increases in trust were also recorded in **Mexico, China** and **Spain** (+12 percentage points) and **Argentina** and **Turkey** (+10 percentage points). The uptick for business is a global phenomenon. **In 25 of 28 countries, trust in business increased or remained steady.** See Figure 2.

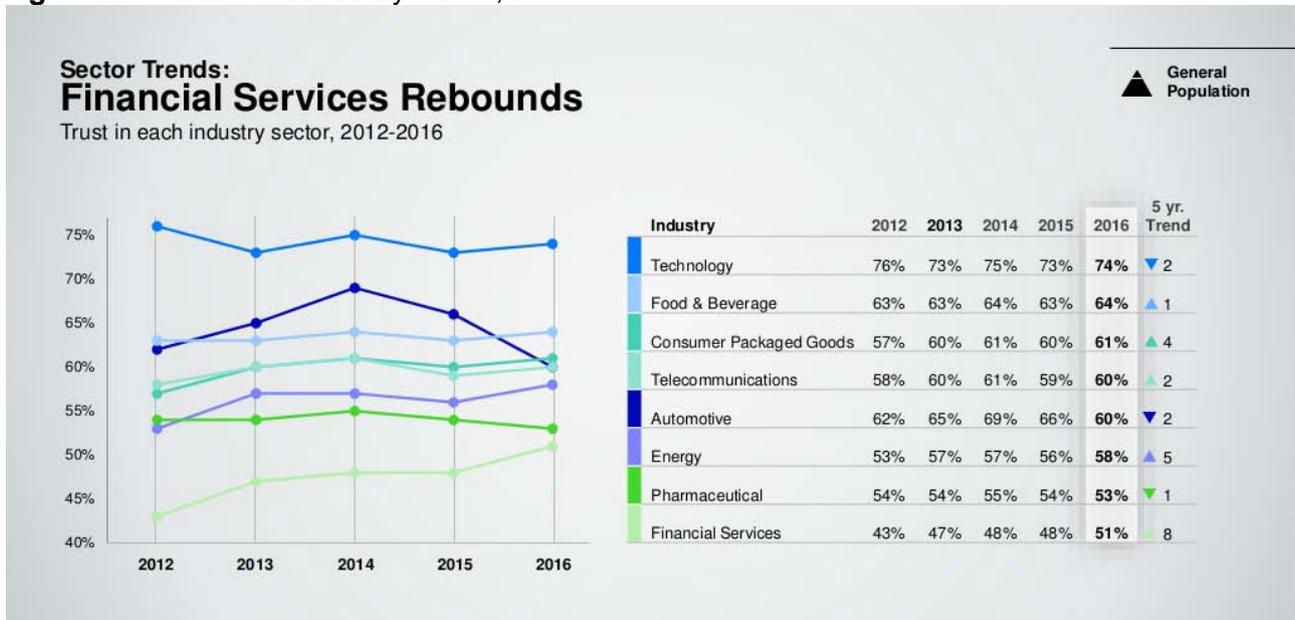
<sup>1</sup> Members of the 'Informed Public' are defined by Edelman as those who meet all of the following criteria: (1) aged 25-64, (2) College educated, (3) In top 25% of household income per age group in each country, (4) Report significant media consumption and engagement in business news and public policy.

Figure 2 Global Trust in Business



In 2016, no institution recorded a larger gain in trust among the general population than business – a phenomenon aided in part by a gradual recovery of the financial services sector. **Registering an eight-point rise over the last five years, financial services moved to 51 percent in 2016, a larger gain than any other sector.** It does however, remain as the least trusted industry sector. Technology continues to be the industry sector leader. See Figure 3.

Figure 3 Trust in each industry sector, 2012-16



Globally, almost two-thirds of employees (65%) trust the company they work for to do what is right.

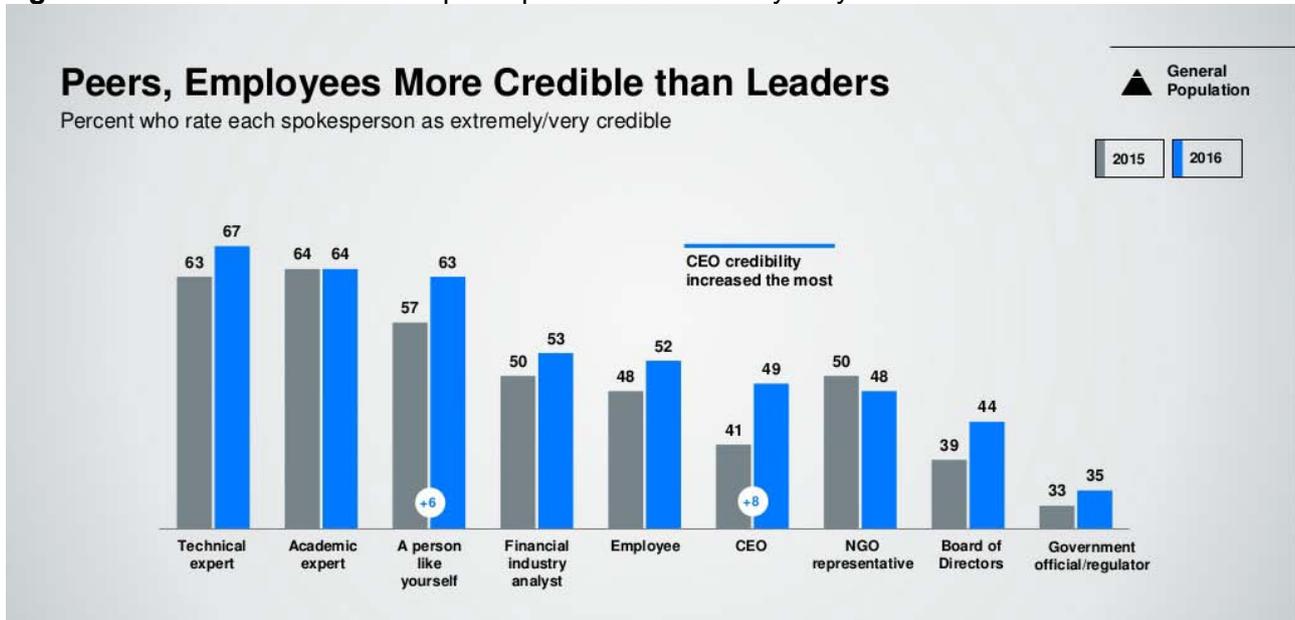
However, there are significant variations by country with those in **Japan, Russia and France** considered to be ‘distrusters’ of their employer (trust levels < 50%). Those in **Sweden, Australia, South Korea, Poland, the UK, Italy and Hong Kong** are considered to be ‘neutral’ towards their employer (levels of trust between 50-59%). Respondents in **Mexico (89%), Colombia (85%) and India (83%)** are the most trusting of business. See Figure 4.

Figure 4 Employee Trust in the Organisation They Work For



**Adding to business' new found position of strength is the recharged credibility of the CEO as a spokesperson.** Globally, CEOs experienced an eight-point uptick in credibility, more than experts, analysts, employees or even “a person like yourself”. However, peers (“a person like yourself”) (63%) and employees (52%) are still considered to be a more credible spokesperson for the company than its leaders: CEO (49%), Board of Directors (44%). See Figure 5.

Figure 5 Percent who rate each spokesperson as extremely/very credible



Lastly, the report also provides insight as to the characteristics required for CEOs to build trust. Typically most CEOs believe that their duty is to focus on the operational and financial aspects of the company when communicating with external stakeholders. While important, this narrative alone is insufficient for fostering connection and building trust. In a world where influence has moved to the mass, making the human connection through the story of personal experience and shared struggle is more important than ever. **Almost eight in 10 say that hearing information about personal values is important to building trust in a leader.** Just as important in building trust is hearing about the obstacles a CEO has overcome, their personal success story, and how their education has shaped them.