

Sharp Decline in Those Who Think Businesses Behave Ethically

Institute of Business Ethics (IBE)

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Objective:

The purpose of this annual survey is to discover the British public's perception of business.

Methods:

A nationally representative quota sample of 991 British adults aged 16 and over was interviewed throughout Great Britain on Ipsos MORI's Capibus survey. Interviews were carried out using CAPI (Computer Assisted Personal Interviewing), face-to-face in respondents' homes between September 14-26, 2012. Data have been weighted to reflect the adult British population in terms of age, sex, socio-economic class and region.

- 48% of those surveyed say that British business generally behaves "very" or "fairly" ethically, a 10% decline from last year's 58%
 - Of these people, only 3% said they think business is behaving "very" ethically
- 34% of people think that executive pay needs to be addressed in corporate behavior than any other issue
- 27% say that corporate tax avoidance needs the most addressing
- 22% say that discrimination needs the most addressing
- 25% say business behaves the *same* as it did ten years ago (a decrease of 5% compared to last year's 30%)
- As in 2011, 28% of the public think British business behaves *more* ethically now than 10 years ago
- 28% think business behaves *less* ethically now than 10 years ago (a similar proportion to 2011's 29%)

Conclusion:

There has been a significant drop (by 19%) of the percentage of those aged 35-54 who had positive views of businesses. Additionally there remain mixed views on how ethically business behaves compared with 10 years ago. According to IBE Director Philippa Foster Back, "This year's results should act as another wake-up call to business that action needs to be taken in order to restore trust with the British public." She also points out that the amount of money that executives are paid does not sit well with the public because "while the country tightens its belt, extravagant bonuses and rewards for failure tarnish business's reputation." With the scandals such as LIBOR surfacing, "the ethics of business has yet again become an issue of direct concern to the general public."

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