

National Business Ethics Survey of the U.S. Workforce

Ethics Resource Center

2014

OBJECTIVE:

This survey was conducted in order to capture trends in workplace ethics to identify drivers that improve ethical workforce behavior.

METHODS USED:

First, responses were randomly collected from individuals who were 18 years of age or older who are currently employed at least 20 hours per week for their primary employer and working for a company that employs at least two people. Approximately 1,600 responses were collected through phone and online surveys. Second, was to collect approximately 1,600 responses from employees in companies with 90,000 or more employees.

KEY FINDINGS:

- Observed workplace misconduct is now at a historic low and the percentage of workers who felt pressure to compromise standards fell substantially.
- 60% of reported misconduct involved someone with managerial authority, the very people who should be setting a good example of ethical conduct.
- The percentage of companies providing ethics training rose from 74% to 81% between 2011 and 2013.
- 67% included ethical conduct as a performance measure in employee evaluations up from 60% in 2011.
- Abusive behavior was witnessed by 18% of workers, followed by lying to employees with 17% , discrimination with 12% and sexual harassment with 7%.
- Extremely serious forms of misconduct such as falsifying company financial data and public reports or bribing officials were observed less frequently in 2013.
 - 3% of employees were aware of misleading information on financial reports and 2% observed someone offering a bribe to a public official.
- One third of rule breaking was represented as isolated incidents. Ongoing and continuous behavior such as abusive and intimidating behavior seems to be more prevalent.
- Frequency of misconduct reflects the strength of the company's ethics culture.
 - 60% of misconduct committed in companies with strong ethics culture was a one-time occurrence while frequency of the act rose as the culture declined
- 12% observed misconduct as a companywide behavior.
- More than 20% who reported misconduct said they experienced retaliation in return.
- Willingness to report misconduct in the future was 86% for victims of retaliation compared to 95% for those who had not suffered retribution for past reporting.

- Despite the substantial investments in programs, the rate of reporting has not changed much with a narrow range of 63% - 65% over the last 3 years. Data suggests it could be due to employees working out solutions on their own without involving management.
- 92% of those reporting misconduct turned to someone inside the company, usually to their direct supervisor.
- Reporting rates are higher (72%) at companies where the employees think retaliation is not tolerated compared to those who think retaliation is tolerated (54%).
- 95% of workers who would recommend their company as a place to work said they would report future misconduct compared to just 64% who were strongly negative about recommending their company to others.

RECOMMENDATIONS:

- Maintain commitment to ethics and compliance programs and seek industry leadership.
- Focus on efforts to empower employees and deepen their commitment to the company and its long-term success.
- Develop ongoing programs and structures to monitor misconduct within the company.
- Develop initiatives to address the most common forms of misconduct.
- Educate workers about Dodd-Frank and other laws designed to encourage whistleblowers and protect them from retaliation.

[Full Report](#)