1999 National Business Ethics Study (also called 1999 Employee Relationship Report Benchmark)

A survey by Walker Information Inc. in association with The Hudson Institute, September, 1999

Study Background:

- Represents all U.S. (lower 48 states) workers from business, non-profit, and government organizations of at least fifty employees.
- Represents a cross section of industries.
- Examines employees' perceptions of integrity and other perceptions of the workplace.
- Response rate of the survey is 75% (2,293 out of 3,075.)
- Survey results were collected from mid-April through May of 1999.

Study Results:

- Less than half (47%) of the employees believe that their senior leaders are people of high integrity
- 56% feel that integrity has been well communicated internally.
- 55% say there is little pressure to cut corners on ethical/compliance issues.
- 59% say their organization is highly ethical, 25% are neutral or not sure, and 16% do not believe their workplace is highly ethical.

Types of Integrity Violations Occurring:

- Nearly a third of all employees (30%) know of or suspect ethical violations in their organizations in the past two years.

Some Industry Sectors Struggle with Integrity Issues More than Others:

Industry Sector Which Sets the Pace for Workplace Integrity:

Financial Services
Financial Services scored highest on 7 out of the 10 measures. Employees from this sector were particularly inclined to believe that:

- Their company was highly ethical overall
- Their senior leaders have high personal integrity
- Their firm doesn't back off from ethical standards in the pursuit of profiles
- They witness fewer ethical violations than in other industry groups.

**Integrity at Work Relates to Employee Commitment and Loyalty**

- Employees were more truly loyal (both committed to the organization and planning to stay) when they believed their workplace had ethical practices.
- Employees with negative views of workplace integrity were more likely to be trapped (low commitment, yet staying) or at risk (low commitment and low intention of staying)
- Over half (55%) of those rating their organization highly ethical are also truly loyal - this compares with just 24% of those neutral about the ethics at work, and just 9% of those who flat do not believe their organization is ethical.
- Nearly 8 in 10 of those doubting their senior leaders' integrity are, from a loyalty standpoint, classified as either trapped (planning to stay, but not really committed - 36%), or high risk (neither planning to stay nor committed - 43%)

**Some Summary Conclusions**

- Views on integrity in the workplace are mixed
- Less than Half of Working Americans Believe that Their Senior Leaders are People of High Integrity.
- Employee Perceptions of Ethics Within the Organization Have High Connection with Commitment and Loyalty to the Organization.
- Some Industry Sectors Struggle with Integrity Issues More Than Others.
- Some Industry Sectors Set the Pace for Workplace Integrity.
- Employers Must Define What Integrity and Ethics Mean in Their Specific Industry or Workplace.

**More information about this survey could be obtained from: Walker Information**
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