



Ethics at Work

2018 survey of employees

Singapore

By Guendalina Dondé, Loïc Frank
and Katja Somasundaram



Published by

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Ethics at Work: 2018 survey of employees – Singapore

ISBN 978-1-908534-38-5

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First published September 2019

by:

The Institute of Business Ethics
24 Greencoat Place
London SW1P 1BE

The Stewardship Institute
Coulet 2a St Prex
1162, Switzerland

Company No. 11594672
Registered Charity No. 1180741

Contents

	Page
Author, Research Associate and Acknowledgements	4
IBE Foreword	6
National Partner's Comment	7
Key Findings from Singapore	10
Introduction to the Research	11
Chapter 1 Survey Themes	13
Theme 1: Assessing the ethical culture	13
Theme 2: Identifying ethical risks	18
Theme 3: Supporting ethics at work	23
Chapter 2 Spotlight Issues	29
Issue 1: Speaking up	29
Issue 2: Ethical management	32
Summary and Conclusion	37
Appendices	
1: Methodology and Respondent Profile	39
2: Survey Questionnaire	40
Related IBE Publications	44

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Acknowledgements

The IBE and the Stewardship Institute would like to thank the following organisations for their generous support of this survey report.

Gold Supporter			
			
Silver Supporters			
	L'ORÉAL	<i>centrica</i>	Morgan Stanley
Bronze Supporter			
			

Many people and organisations have made this survey report possible. The IBE and the Stewardship Institute are grateful to ComRes for their help and support in producing the data for the report. We are also thankful for the input of all the IBE staff and Neil Pafford who designed the publication.

IBE Foreword

The IBE has been running the *Ethics at Work* survey since 2005, expanding the range of countries included in the survey over the years. This is the first time Singapore has been included, reflecting the support and interest shown by our National Partner, the Stewardship Institute.

Set against the backdrop of the current business environment, it is interesting to see how Singaporean employees view ethics at their place of work. The survey report also looks at how views differ according to age and gender, plus whether respondents work in the private or public/third sectors and in large or small organisations. These additional correlations highlight different attitudes and, hence, they reflect the culture within an organisation.

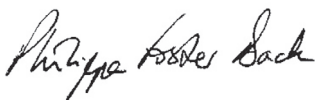
Singapore is a sophisticated and mature country, which is reflected in the results of this survey. However, like employees in other countries, those in Singapore still face the same pressures to compromise ethical standards and can be afraid to speak up about misconduct at work. There is an indication that Singaporean companies and organisations need to do more to support their employees.

We are pleased to present this joint publication and are grateful to all those who have provided additional financial support for this survey – who are listed on the Authors and Acknowledgements page. We look forward to our National Partner's further analysis and insights on the data set beyond the initial analysis reported here.

I would like to thank ComRes for undertaking the survey for us, which is part of a 12-country survey in the IBE's 2018 *Ethics at Work* series. Results from other country surveys have been published and are available on the IBE website (www.ibe.org.uk).

Finally, I am very grateful to Guendalina Dondé, IBE's Head of Research, for her analysis and authorship and to the Stewardship Institute for their additional research for the report.

We look forward to receiving your feedback and insight on these survey findings.



Philippa Foster Back CBE
Director
Institute of Business Ethics



National Partner's Comment*

Ethical conduct is an essential pre-condition for business to act as a positive force in society. Employee perceptions of ethics are an important signal of the state of ethics within an organisation. In addition to examining Singaporean employees' views of ethical culture, ethical risks and ethical standards within their organisation, this report also provides insight on how empowered employees feel to voice concerns, as well as the attitudes and behaviours of managers in the workplace.

It is interesting to note that when it comes to ethically questionable practices such as favouring family and friends for jobs, Singaporean respondents are less tolerant than Swiss or UK respondents. However, practices related to using company resources (such as the phone and internet) for personal ends are viewed as relatively more acceptable. Honesty is viewed as a central value: 72% report that honesty is always or frequently practised in their organisations; similarly, nearly three quarters of respondents think that their organisation acts responsibly in all its business dealings.

Awareness of misconduct is higher among Singaporean employees than Swiss or UK respondents. Inappropriate or unethical treatment of people, misreporting hours worked and safety violations were the most common types of misconduct reported. Employees with greater awareness of misconduct are more accepting of questionable ethical practices, perceive honesty as practised less often at work and are also less positive about the organisation's business dealings. They also report feeling pressured to compromise ethics and more negatively perceive their manager's ability to promote ethics. It seems that while awareness is important for detection, it may also erode trust in the organisation's ethical practices.

On the flip side, in organisations where a comprehensive ethic programme is in place, Singaporean respondents have a more positive view of how often honesty is practiced at work, how the organisation treats its stakeholders and how effective their managers are at promoting ethics. When incentives to encourage ethical behaviour are present, employees are more likely to speak up about misconduct (85% of employees who were offered incentives to act ethically and were aware of misconduct spoke up, compared to 48% of employees who were not offered such incentives) and to hold a positive view of their manager's effectiveness at promoting ethics (83% of employees who were offered incentives to act ethically said that their line manager sets a good example of ethical behaviour, compared to 58% of employees who were not offered such incentives).

“
*Ethical conduct
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society*
.....

How willing employees are to speak up when they witness misconduct is a critical indicator of ethical health. Only 60% of employees who were aware of misconduct decided to speak up, mostly commonly because they were unconvinced that corrective action would be taken. Women were more likely to give their reason for not reporting misconduct as fear of being viewed as troublemakers by management, which is somewhat concerning. Speaking up is a risk for the employee: in order to be effective, employees need to feel that whistleblowing will have impact. Relative to the UK and Switzerland, Singaporean employees were more likely to believe that their organisation disciplines employees who violate ethical standards.

A supportive environment provides an important foundation for ethics to thrive. While Singaporean employees are relatively more positive about their line manager, nearly half (42%) believe that their line manager rewards employees who obtain good results regardless of whether they use questionable practices. Also, a significantly higher percentage of Singaporean managers (41%) than those in Switzerland (22%) viewed petty fiddling as a business reality, and tolerated it as long as they were on time and within budget. In the most supportive organisations, employees view honesty as being more frequently practised, are less likely to have felt pressured to compromise their standards than those in unsupportive environments, are less aware of misconduct and more likely to report it when they encounter it. The implications are clear: managers need to set a good example, the organisation needs to live up to its stated ambition of stakeholder engagement and to unambiguously address misconduct when it occurs.



Professor Didier Cossin

Founder and President
The Stewardship Institute

“

How willing employees are to speak up when they witness misconduct is a critical indicator of ethical health

.....”

* The views expressed in this foreword are those of the author mentioned above. They do not necessarily reflect the views of the Institute of Business Ethics (IBE) or research partner ComRes.

The Stewardship Institute

The Stewardship Institute brings together leading economic actors from corporate and investment worlds to combine their knowledge and experience, encouraging business wealth creation towards positive social impact.

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By providing scientific research, investment and guidance, the Stewardship Institute builds and supports a network of change-makers who take action to advance societal goals and tackle societal challenges. We enable them to shape a strong and positive economy, socially sustainable and preferable to all.

For more information www.stewardshipinstitute.com

Professor Didier Cossin

Prof. Cossin is the founder and director of the IMD Global Board Center, the originator of the Four Pillars of Board Effectiveness methodology and an advocate of Stewardship. He is the founder of The Stewardship Institute, author and co-author of books such as *Inspiring Stewardship*, book chapters (such as *Governance Risk: A Guide for Investors*) and many articles in the fields of governance, investments, risks and stewardship, several of which have obtained citations of excellence or other awards.



Key Findings from Singapore

Culture

In your organisation's daily operations, how often would you say honesty is practised?



Always/frequently	72%
Occasionally	22%
Rarely/never	4%
Don't know	3%

Speaking up

36% of employees in Singapore who have been aware of misconduct at work decided not to speak up. The main reasons are...

1. I did not believe that corrective action would be taken **41%**
2. I felt I might jeopardise my job **31%**
3. I did not want to be seen as a troublemaker by management **30%**



Behaviour

35% of Singaporean employees have been aware of misconduct during the past year at work. The most common types of misconduct they noticed are...



People treated inappropriately/unethically	50%
Misreporting hours worked	37%
Safety violations	29%

24% of Singaporean employees have felt pressured to compromise ethics. The main pressures are...

1. I was following my boss's orders **33%**
2. Time pressure **27%**
3. I was trying to save my job **23%**

Ethics programme

The majority of respondents in Singapore are aware of each of the four building blocks of an ethics programme in their organisation.

My organisation...

- Has written standards of ethical business conduct that provide guidelines for my job **76%**
- Provides employees with a means of reporting misconduct confidentially **58%**
- Offers advice or an information helpline where I can get advice about behaving ethically at work **56%**
- Provides training on standards of ethical conduct **56%**



Introduction to the Research

What are employees' attitudes to and perceptions of ethics in their place of work? Do they feel able to speak up if they have been aware of misconduct? Are formal ethics programmes effective in embedding ethical values into organisational culture and influencing behaviour? What are the challenges for organisations and what should be the focus going forward?

The IBE and the Stewardship Institute asked questions of the Singaporean workforce for the first time in 2018 to gauge employees' perception of ethics in the workplace. This survey report presents results from the IBE's 2018 research into ethics at work in Singapore. Data was collected online by independent research consultancy ComRes on behalf of the IBE and the Stewardship Institute in February 2018.

This report forms part of a broader collection of *Ethics at Work* publications covering France, Germany, Ireland, Italy, Portugal, Spain, Switzerland and the UK within Europe, as well as Australia, Canada, Singapore and New Zealand. Reports for all of the countries surveyed will be available to download free of charge from the IBE website. ¹

The aims of the *Ethics at Work: 2018 survey of employees – Singapore* were as follows:

- To **develop** an understanding of employees' attitudes to and perceptions of ethics in the workplace in Singapore in 2018
- To **compare** how business ethics is viewed and understood by employees in different countries.

This report details survey findings from a nationally representative sample of 759 employees in Singapore. The research methodology and respondent profiles are presented in Appendix 1. The interview questionnaire (see Appendix 2) consists of 14 questions.

The report is structured in two chapters:

Chapter 1 highlights three key themes that emerged from the research and that define employees' views on ethics at work in 2018. These relate to assessing the ethical culture of an organisation, identifying ethical risks and supporting ethical standards.

Chapter 2 focuses on two specific issues that have a major impact on the culture of an organisation: the ability of employees to voice their ethics-related concerns and the role of line managers in promoting ethics in the workplace.

“

The IBE and the Stewardship Institute asked questions of the Singaporean workforce for the first time in 2018 to gauge employees' perception of ethics in the workplace

.....”

¹ www.ibe.org.uk/research-and-publications

Four different subgroups of the employee population have been analysed to see if there are any differences in their experience of ethics in the workplace.

These are:

Gender
(male/female)



Age
(younger employees aged 18-34/
mid-career employees aged 35-54/
older employees aged 55+)



Sector
(public and third sector/
private)



Size of organisation
(small and medium-sized
enterprises – SMEs/
large organisations with more than
250 employees)



The seniority of respondents has been used to analyse how attitudes to ethics at work change between managers and non-managers, as illustrated in Chapter 2.

Where relevant in order to provide context, the responses of employees in Singapore are compared to those from Switzerland, where the Stewardship Institute is based, and the United Kingdom, where the IBE is based.



Survey Themes

Taking the ‘ethical temperature’ of an organisation is not an easy task. ‘One-size-fits-all’ approaches rarely work when it comes to understanding people’s behaviour and it is difficult to represent concepts such as honesty, integrity and fairness with numbers.

The IBE’s survey approaches this task by looking at three critical dimensions that responsible organisations need to take into account to ensure that their ethical values are effectively embedded in practice.

- Theme 1: **Assessing the ethical culture** is essential to understanding the role that ethics plays in the organisation and how deeply the core values are rooted in the day-to-day decision-making process.
- Theme 2: **Identifying ethical risks** is important in order to understand which issues should be the focus of an organisation’s ethics programme, the aim of which is to ensure that employees do not feel pressured to compromise ethical standards.
- Theme 3: **Supporting ethics standards** at work by providing the fundamental components of an effective ethics programme minimises ethical risks and shapes organisational culture around core ethical values.

Theme 1: Assessing the ethical culture

“I used to believe that culture was ‘soft,’ and had little bearing on our bottom line. What I believe today is that our culture has everything to do with our bottom line, now and into the future,” ² wrote Vern Dosch, President and Chief Executive Officer (CEO) of the 50-year-old information technology (IT) company National Information Solutions Cooperative, based in the US.

Dosch is not the only one who has recognised the importance of a strong corporate culture for the long-term sustainability of an organisation. A poor or weak corporate culture has been a root cause of some of the major corporate scandals that have tarnished business reputation in recent years. These scandals provoked the media and the general public alike to call for organisations to put in place more robust procedures to assess and improve their corporate culture. ³ The internal investigation that Uber undertook to look into its corporate culture is one example of how the business community has begun to address this. ⁴

“
A poor or weak corporate culture has been a root cause of some of the major corporate scandals that have tarnished business reputation in recent years

² Vern Dosch (2015) *Wired Differently*

³ The IBE monitors the media and provides business ethics news and stories via email and online at www.ibe.org.uk. Over the years, the IBE has highlighted many news stories that link corporate scandals to organisational culture.

⁴ Financial Times (5 June 2017) *Uber hires Harvard Business School professor to overhaul culture*

There has been much debate on how organisations can understand what defines their culture, how to shape it and how to measure it. One way of doing this is to ask the employees themselves by including questions on ethics in employee surveys. ⁵

The results presented in this section illustrate the views of employees in Singapore on some of the indicators of a corporate culture.

Did you know?

Corporate culture

Corporate culture refers to the beliefs, values and behaviours that determine how a company's employees and management conduct their business and manage the relations with individuals and groups with whom they have dealings inside and outside the organisation (stakeholders). Corporate culture is often implied, not expressly defined, and develops organically over time from the example set at the top and from the traits of the people the organisation employs.

A healthy corporate culture is vital to protect and generate value for an organisation and it is therefore important to have a continuous focus on culture. According to the Monetary Authority of Singapore:

"Clear accountability and proper conduct are important elements of good governance and sound business practice. Persistent misconduct and a lack of individual accountability by persons in charge will erode public confidence in our FIs [Financial Institutions]. We expect the boards and senior management of FIs to instil a strong culture of responsibility and ethical conduct." ⁶

Mr David Gerald, Founder, President and CEO of the Securities Investors Association Singapore (SIAS), says that more needs to be done to look at and improve corporate culture in Singaporean companies. *"Very few organisations intentionally address their culture, which if nurtured conscientiously, can have the profound effect of propelling an organisation forward"* he says, noting that a poor corporate culture has also been linked to many corporate scandals. *"There is a need to better understand how boards are addressing culture in their organisations."* ⁷

“

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What is acceptable?

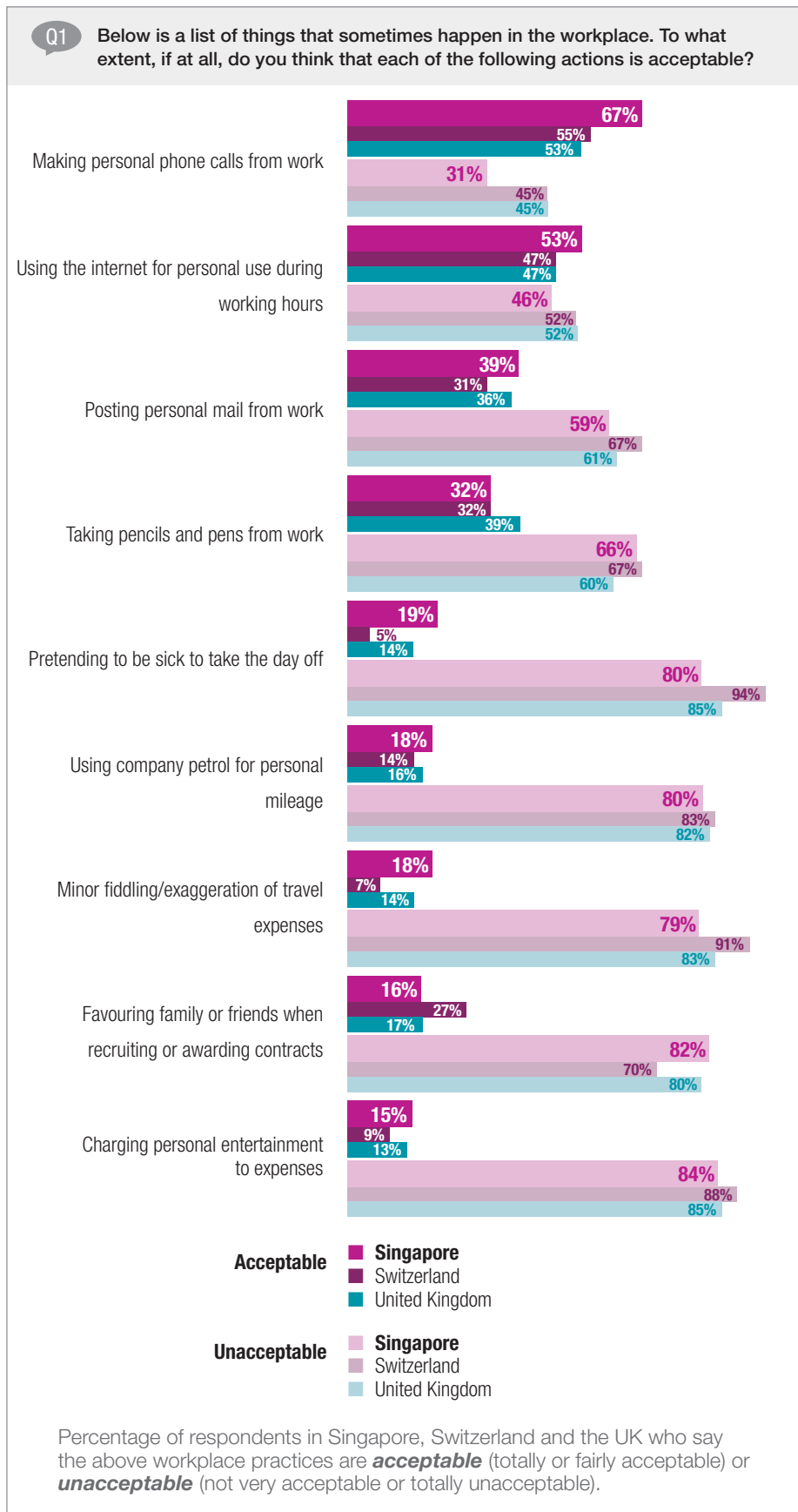
Are employees able to identify ethical issues relating to everyday choices that they might have to face in the workplace? To what extent do they apply ethical values to their decision-making?

⁵ IBE (2018) *Culture Indicators: understanding corporate behaviour*

⁶ Monetary Authority of Singapore (26 April 2018) *MAS to strengthen individual accountability of senior managers in financial institutions*

⁷ The Straits Times (18 September 2017) *Singapore firms need to focus on improving corporate culture: SIAS chief*

Figure 1 Acceptability of common workplace practices



Men are more likely than women to find four of the questionable workplace practices acceptable. For example, 22% say they find minor fiddling/exaggeration of travel expenses acceptable compared to 14% of women.



Younger employees aged 18-34 are more likely to find nearly all of the questionable practices more acceptable than their mid-career colleagues aged 35-54 and older employees aged 55+. In particular, pretending to be sick to take the day off is regarded as acceptable by 31% of younger employees, but only 10% of older employees.



Employees who work for **large organisations** (21%) are more likely to find it acceptable to use company petrol for personal mileage than those who work for SMEs (14%).

To answer these questions, respondents to this survey were presented with nine common work-related scenarios and were asked whether or not they considered them acceptable. Although some of these may seem trivial, these answers are important indicators of what kinds of behaviour are considered acceptable in the workplace, and where employees' ethical boundaries lie.

As Figure 1 shows, Singaporean employees consider that favouring family or friends when recruiting or awarding contracts; charging personal entertainment to expenses and pretending to be sick to take the day off are the least acceptable of the workplace practices tested.

On the other side of the spectrum, Singaporean survey respondents have a more relaxed attitude to making personal phone calls from work and using the internet for personal use during work hours. It is worth noting that employees in Singapore seem to be more lenient in their approach to these two practices than employees in Switzerland and the UK. While 67% of employees in Singapore find it acceptable to make personal phone calls during work hours, only 55% in Switzerland and 53% in the UK say the same.

Employees in Singapore are also more likely to agree that it is acceptable to pretend to be sick in order to take the day off work. A fifth (19%) of respondents agree, while this figure is lower in both the UK (14%) and Switzerland (5%).

Ethics in practice

What do organisations say in their current codes of ethics?

"Company vehicles are strictly to be used for work purposes only. Employees must not, without authorisation, drive company vehicles for personal use."

Singtel (as available in July 2019) Group Code of Conduct

Is honesty applied in practice?

Another important issue to understand in order to assess workplace culture is how employees perceive their organisation's commitment to ethical values, and the degree to which this is effectively embedded in practice. This can be seen through employees' views of the actions of their colleagues and managers.

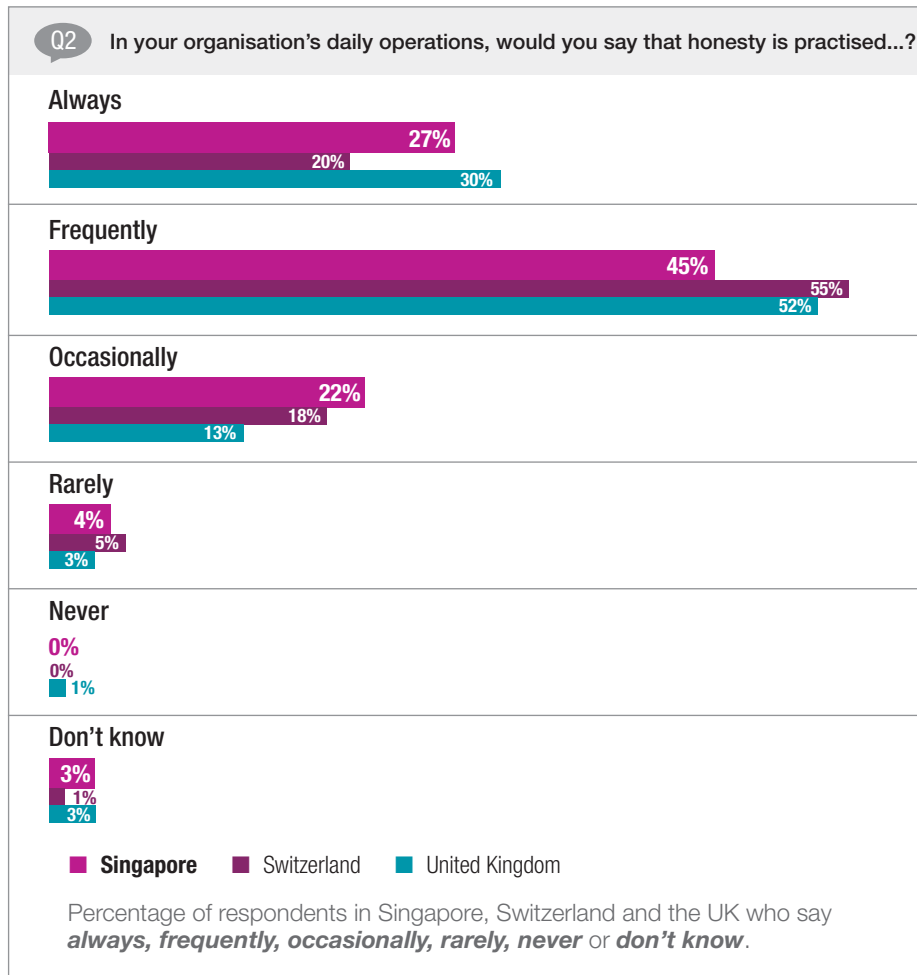
While the ethical values that organisations adopt are varied, honesty is one of the most frequently mentioned value-words in business – it is easily recognisable by everybody and often used in everyday language. This is also true in the negative, where examples easily come to mind as to what dishonest behaviour might look like in the workplace as well as outside.

This is particularly relevant in today's digital environment, where so-called 'fake news' can spread quickly through social media and it can be difficult to tell what is true and what is not. This situation places an important responsibility on organisations: being perceived as honest in all dealings is an essential part of creating a consistent bond of trust with the public, employees and other stakeholders.

“.....
Being perceived as honest in all dealings is an essential part of creating a consistent bond of trust with the public, employees and other stakeholders
.....”

Figure 2 shows how employees in Singapore view how frequently honesty is practised within their organisation’s daily operations. Fewer than 1% of respondents in Singapore think that honesty is never practised in their workplace.

Figure 2 Employees’ views of how frequently honesty is practised



Older employees

aged 55+ are more likely to say that honesty is always practised in their organisation’s daily operations (35%) than younger employees aged 18-34 (24%).



Respondents who work in the **private sector** are more inclined than those in the public/third sector to believe that honesty is practised in their organisation’s daily operations. Only 3% of private sector employees say that honesty is never or rarely practised, in comparison with 7% of public/third sector employees.



Employees in **SMEs** are more likely to believe that honesty is always practised in their organisation’s daily operations (29%) than respondents who work for large organisations (24%).

How are stakeholders treated?

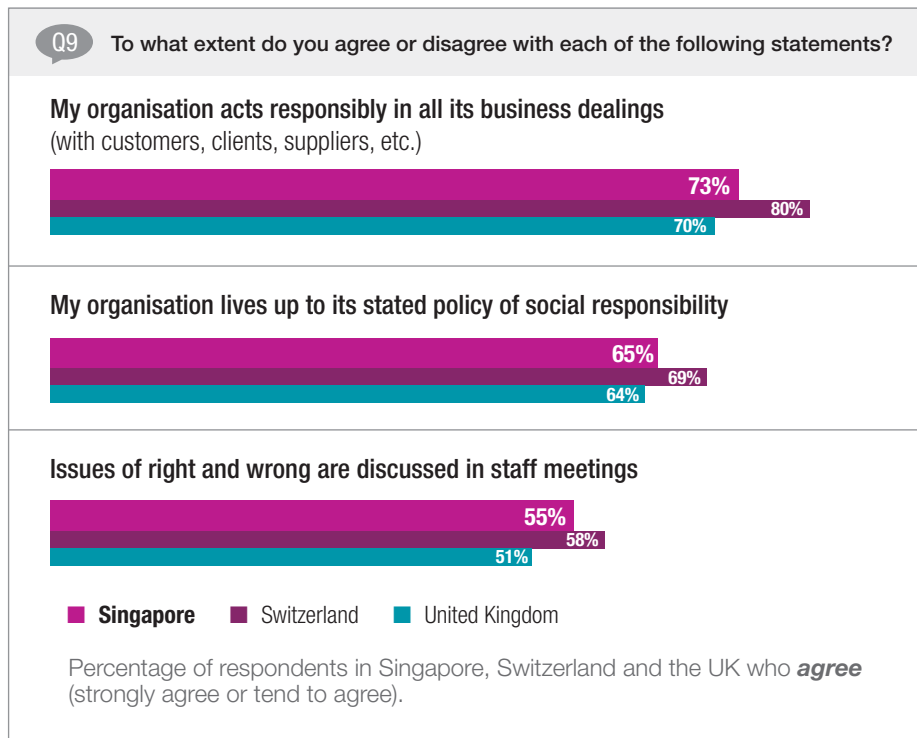
Professor Edward Freeman, generally recognised as the father of the stakeholder approach to business ethics, defines stakeholders as “any group or individual who can affect or is affected by the achievement of the organisation’s objectives”.⁸ It follows that the way an organisation shapes and manages its relationships with key stakeholder groups is an important indicator of its corporate culture.

To understand employees’ perceptions of their organisation’s engagement with stakeholders, respondents were asked to comment on whether they believe that their organisation acts responsibly in all its business dealings with key stakeholder groups such as customers, clients, suppliers, etc. Respondents were also asked more specific questions relating to internal and external stakeholders: whether their organisation lives up to its stated policy of social responsibility and whether ethical issues are discussed in staff meetings (see Figure 3).


⁸ R. Edward Freeman (1984) *Strategic Management: a stakeholder approach*


As the results show, three quarters (73%) of Singaporean respondents think that their organisation acts responsibly in all its business dealings. The majority of them also say that their organisation lives up to its stated corporate responsibility policy (65%) and that issues of right and wrong are discussed in staff meetings (55%). Overall, a slightly higher proportion of employees in Singapore agree with each of the statements relating to their organisation’s engagement with stakeholders than in the UK. However, employees in Switzerland are the most likely to agree with each of the statements on stakeholder engagement.


Figure 3 Perceptions of engagement with internal and external stakeholders



“
73% of Singaporean respondents think their organisation acts responsibly in all its business dealings
.....”


Men are more likely than women to say that issues of right and wrong are addressed at team meetings (60% vs 50%).


Younger employees aged 18-34 are more likely than mid-career employees aged 35-54 to say that their organisation acts responsibly in all its business dealings (78% vs 69%).


Employees in **large organisations** are more likely to say that their organisation lives up to its stated policy of social responsibility than those in SMEs (71% vs 61%).

Theme 2: Identifying ethical risks

The consequences that unethical behaviour can have on a business are well known. Hardly a week goes by without some reference to a major illegal act or ethical lapse in business practice. Organisations are encouraged to be constantly vigilant to protect themselves against this risk.

How can an organisation insure itself against the risk of losing its reputation and the trust of its customers and suppliers? There are no quick or easy answers to this question. But there are practical, preventative measures that any organisation can take to minimise the risk of corporate irresponsibility and its consequences.

Did you know?

Ethical risk

The concept of ethical risk refers to the negative consequences of unexpected ethical lapses within an organisation. Leon van Vuuren, Executive Director of The Ethics Institute (TEI), South Africa and author of Ethics Risk Handbook, explains that *“ethics risk is a dimension of risk in the same way that legal, operational, IT, finance and HR risks are. As the non-management of ethics risks could give rise to as many, if not more, reputational and financial costs for an organisation as any other type of risk, it warrants equal attention. As such, ethics risk is a component of the broader organisational risk framework. The risk management processes of an organisation are also highly dependent on the ethical culture of the organisation to enable effective risk management.”*⁹

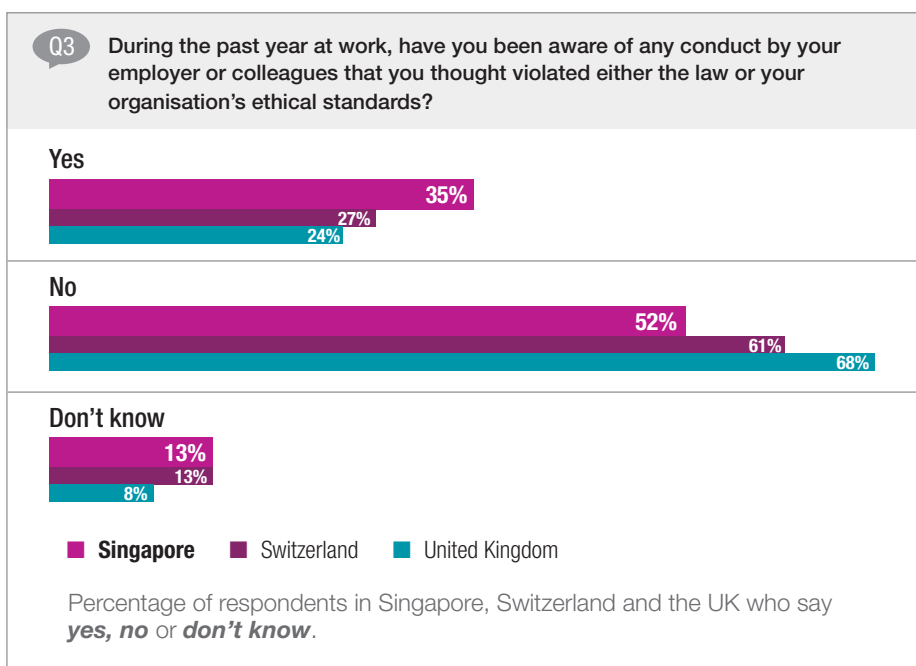
“.....
There are practical, preventative measures that any organisation can take to minimise the risk of corporate irresponsibility and its consequences
.....

This survey focuses on two ‘red flags’ that indicate an increased risk of ethical lapses: employees’ awareness of misconduct in the workplace and potential pressure on employees to compromise their organisation’s ethical standards.

How common is unethical behaviour?

The effects of widespread misconduct in the workplace can be very serious. There is a direct negative impact that follows from the unethical act itself, affecting the people involved and, potentially, the performance of the organisation. However, there is also a second type of effect that shouldn’t be underestimated: people learn by example and tend to replicate their peers’ and managers’ behaviour. If employees observe that unethical behaviour is commonplace in their organisation and tolerated, they will think that it is acceptable as part of their organisational culture.

Figure 4 Awareness of ethical violations



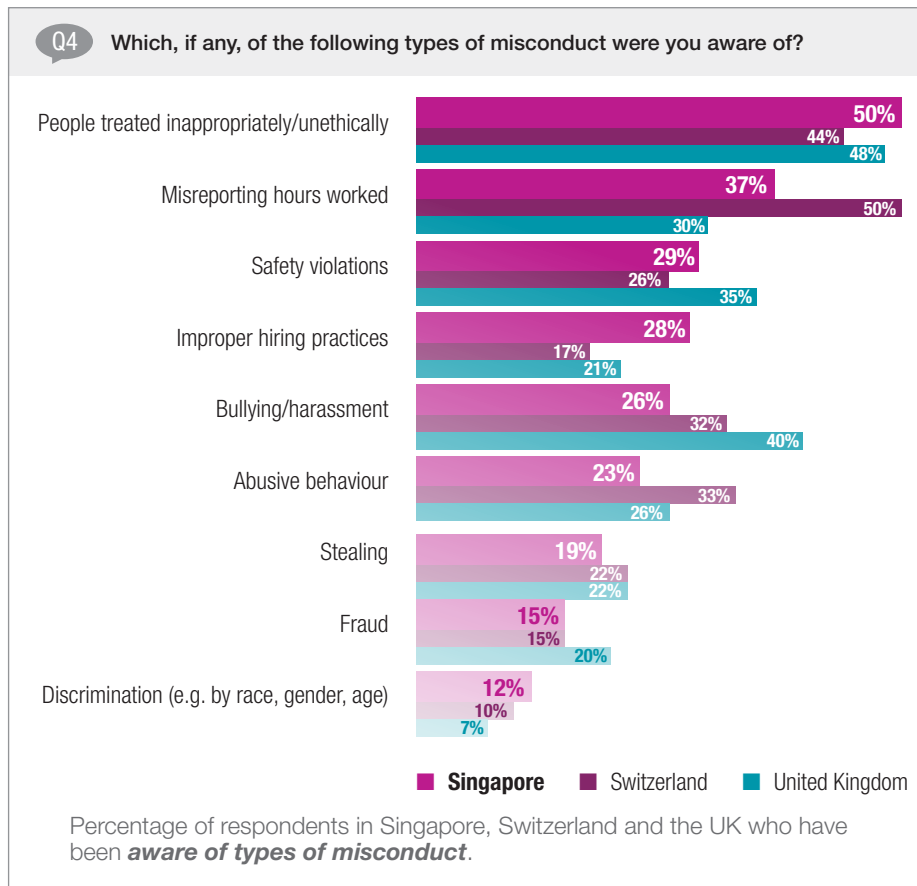
⁹ TEI (2016) *Ethics Risk Handbook*

Respondents were asked to state whether, during the past year at work, they have been aware of any conduct by their employer or colleagues that violated either the law or their organisation’s ethical standards. Figure 4 illustrates the results.

Of the three countries analysed for this survey report, Singaporean employees are the most likely to have witnessed this kind of misconduct at work. On average, one in three respondents in Singapore (35%) has been aware of misconduct during the past year at work.

Respondents who were aware of instances of misconduct were then asked to specify further details, as illustrated in Figure 5. People treated inappropriately/unethically is by far the most common type of misconduct mentioned (50%). Other common issues of misconduct are misreporting hours worked (37%) and safety violations (29%). Employees in Singapore are more likely than those in Switzerland and the UK to have been aware of improper hiring practices (28% in Singapore vs 21% in the UK and 17% in Switzerland).

Figure 5 Types of misconduct of which employees were aware



“
35% of respondents in Singapore say they have been aware of misconduct during the past year at work
.....

“
People treated inappropriately/unethically is by far the most common type of misconduct mentioned by employees in Singapore
.....

Focus on...

Implications of being aware of misconduct

This survey suggests that, in Singapore, employees who have been aware of legal or ethical violations during the past year at work are more likely to have:

! Lenient attitudes to some questionable workplace practices.

Employees who have been aware of misconduct at work are more likely than those who have not been aware of misconduct to say that the following ethically questionable practices are acceptable: favouring family or friends when recruiting or awarding contracts (23% vs 12%); pretending to be sick to take the day off (25% vs 16%) and minor fiddling/exaggeration of travel expenses (23% vs 16%).

! **A negative perception of how frequently honesty is practised at work.** 64% of employees who have been aware of misconduct say that honesty is practised at least frequently in their organisation's daily operations, in comparison with 79% of respondents who have not been aware of misconduct.

! **A negative outlook on how the organisation engages with its stakeholders.** Employees who have not been aware of misconduct at work have a more positive outlook with regard to each of the statements on stakeholder engagement than those who have been aware of misconduct. 66% of employees who have been aware of misconduct agree that their organisation acts responsibly in all its business dealings, compared to 82% of employees who have not been aware of misconduct. Employees who have been aware of misconduct are also less likely than those who have not been aware of misconduct to agree that their organisation lives up to its stated policy of social responsibility (58% vs 75%) and to say that issues of right and wrong are discussed in staff meetings (50% vs 63%).

! **Felt pressured to compromise ethics.** 45% of employees who have been aware of misconduct at work have also felt pressured to compromise their current organisation's ethical standards, compared to 11% of employees who have not been aware of misconduct.

! **A negative perception of the ability of managers to promote ethics.** 19% of employees who have been aware of misconduct at work disagree that their line manager explains the importance of honesty and ethics at work, in contrast with just 7% of those who have not been aware of misconduct.

Are employees pressured to compromise ethics?

Another important red flag that organisations need to consider is whether employees feel pressured to compromise their organisation's ethical standards. An organisation's formal commitment to ethical values can be easily undermined by a manager suggesting, explicitly or implicitly, that 'it doesn't matter how it gets done as long as it gets done' or convincing employees that 'everybody does it and it is part of the culture'.



Men who have been aware of misconduct in the past year at work are more likely than women in the same position to have been aware of safety violations (38% vs 19%). In contrast, **women** who have been aware of misconduct are more likely than men to say they have been aware of discrimination (17% vs 8%).



Mid-career employees aged 35-54 who have been aware of misconduct are more likely than younger employees aged 18-34 in the same position to be aware of safety violations (35% vs 22%); abusive behaviour (30% vs 13%) and improper hiring practices (35% vs 22%).



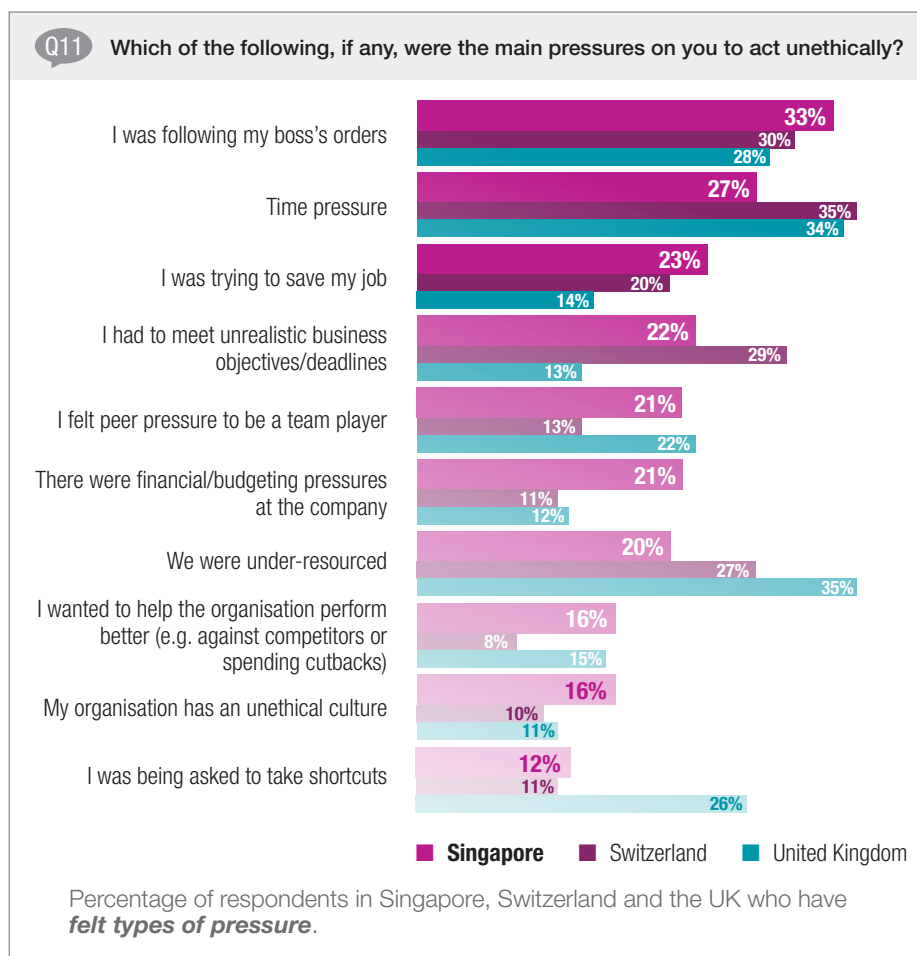
Employees in **large organisations** who have been aware of misconduct in the past year at work are more likely to say they have been aware of safety violations (35%) than those working in the same position in SMEs (23%).

In Singapore, 24% of respondents say that they have felt pressured to compromise their current organisation’s ethical standards. Figure 6 illustrates the sources of pressure to compromise ethical standards that have been experienced by the 24% of employees who have felt pressured.

Following their boss’s orders is the most common pressure for employees in Singapore (33%). This is followed by time pressure (27%) and employees saying that they were trying to save their job (23%). Employees in Singapore are significantly more likely to have felt pressured to compromise their organisation’s ethical standards because of financial or budgeting pressures (21%) than employees in the UK (12%) and Switzerland (11%).

“
24% of employees in Singapore say that they have felt pressured to compromise their current organisation’s ethical standards

Figure 6 Types of pressure to compromise ethical standards



Mid-career employees aged 35-54 who have felt pressured to act unethically are more likely to have done so because they were following their boss’s orders (41%) than younger employees aged 18-34 in the same position (25%).

Focus on...

Implications of pressures to compromise ethical standards

This survey shows that employees in Singapore who have felt pressured to compromise their current organisation’s standards of ethical conduct are more likely to have:

continues >

Focus on... *continued*

! Lenient attitudes to some questionable workplace practices.

Employees who have felt pressured to compromise ethics are more likely to find six of the nine questionable workplace practices in Figure 1 acceptable. In particular, 30% of employees who have felt pressured to act unethically think that favouring family or friends when recruiting or awarding contracts is acceptable, compared to 11% of employees who have not felt pressured.

! Been aware of misconduct at work. 66% of those who have felt pressured to compromise their organisation's ethical standards also say that they have been aware of misconduct during the past year at work. Only 25% of those who have not felt pressured have been aware of misconduct.

! A negative perception of the ability of managers to promote ethics. Employees who have felt pressured to compromise their organisation's ethical standards are less likely to say that their line manager sets a good example of ethical business behaviour than those who have not felt pressured (61% vs 69%).



Employees in the **private sector** who have felt pressured to act unethically are more likely than employees in the same position in the public/third sector to say that they have felt pressured because they were under-resourced (25% vs 9%).

In contrast, **public/third sector** employees who have felt pressured are more likely than private sector employees in this situation to say they have felt pressured because they wanted their organisation to perform better (25% vs 13%).



Employees in **SMEs** who have felt pressured to act unethically are more likely than employees in large organisations in the same position to say that they have felt pressured because their organisation was under-resourced (28% vs 15%).

Theme 3: Supporting ethics at work

The third theme covered in this chapter focuses on the tools that organisations can put in place to promote and support ethics at work. The IBE describes the process of building an ethical culture in business as a journey that starts with an organisation's ethical values (see Figure 7). Values can be seen as the compass that guides behaviour. They are usually expressed through a code of ethics (or similar document) that provides guidance to employees on how the core values of the organisation are applied in practice. If values are the compass, a code is the map that guides employees in their daily decision-making.

A comprehensive ethics programme provides the additional tools that organisations are advised to develop to make sure their core values are effectively embedded and implemented. These tools include appropriate communication campaigns; regular training; resources that encourage an open and supportive environment – including frameworks for making decisions and speaking up – and monitoring processes.

What percentage of organisations provide an ethics programme?

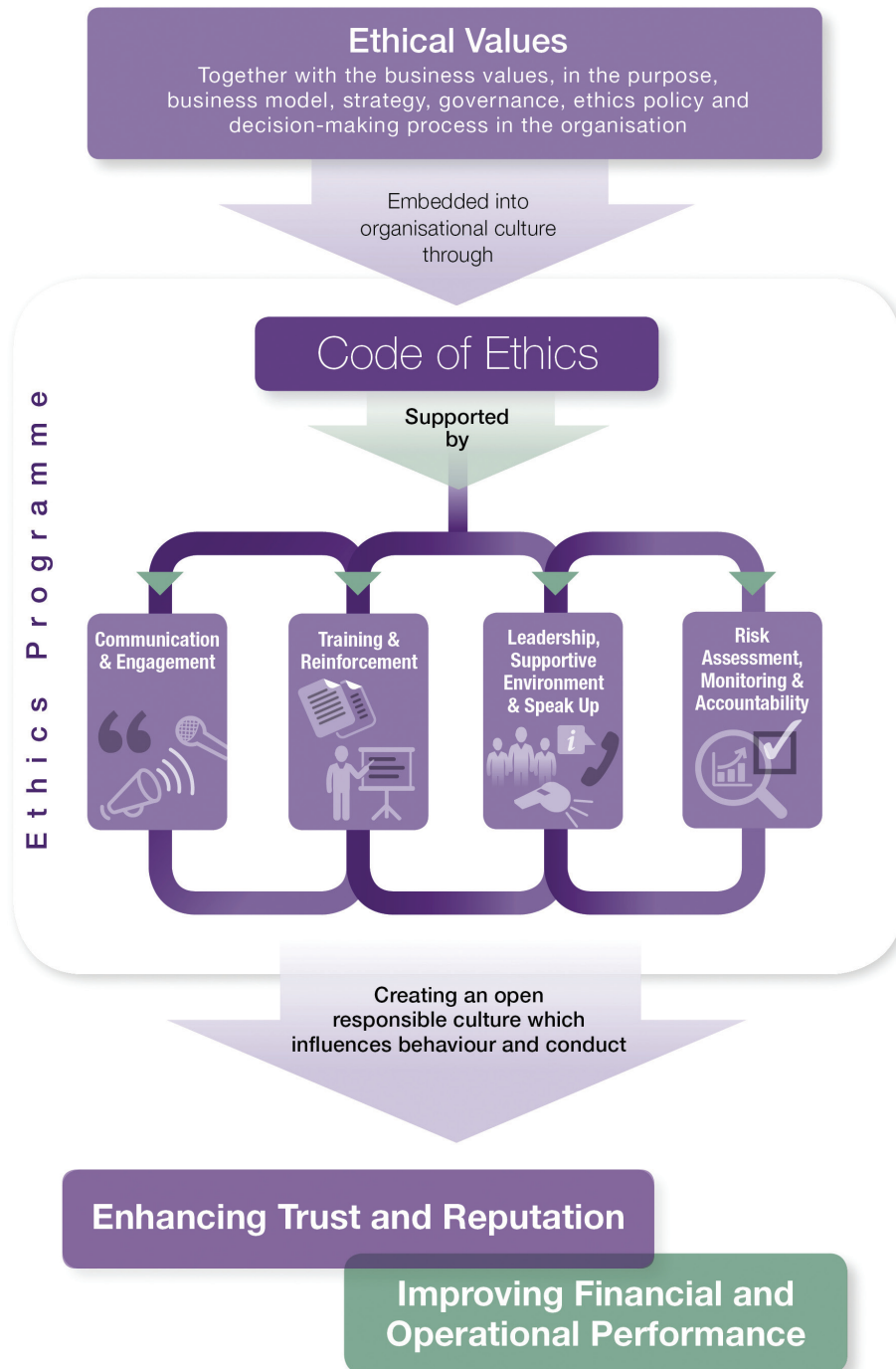
Respondents were asked whether their organisation offers the following building blocks of a formal ethics programme:

- A code of ethics or similar document (written standards of ethical business conduct that provide guidelines for my job)
- A 'Speak Up line' to report misconduct (a means of reporting misconduct confidentially, without giving my name or other information that could easily identify me)
- An 'Advice line' to ask for advice or information (advice or an information helpline where I can get advice about behaving ethically at work)
- Ethics training (training on standards of ethical conduct).



.....
*Values can be seen
 as the compass that
 guides behaviour*

Figure 7 The IBE Business Ethics Framework



On average, 11% of respondents in Singapore say that their organisation offers none of the building blocks of an ethics programme (compared to 20% in Switzerland and 13% in the UK), while 38% say their organisation offers all of them (compared to 38% in the UK and 12% in Switzerland).

Results show that it is common for employees in Singapore to be aware of their organisation having written standards of ethical business conduct. Three quarters (76%) of employees say they are aware of written standards, which is more than the UK (69%) and Switzerland (61%).

“
11% of respondents in Singapore say their organisation offers none of the building blocks of an ethics programme, while 38% say their organisation offers all of them
.....

Figure 8 Employee awareness of the building blocks of a formal ethics programme



Men seem to be more aware than women of their organisation having all of the building blocks of an ethics programme. For example, men are more likely than women to be aware of their organisation offering advice or an information helpline (62% vs 48%) and providing ethics training (61% vs 50%).



Younger employees aged 18-34 are more likely to be aware that their organisation has a means to report misconduct (66%) than mid-career employees aged 35-54 (55%) and older employees aged 55+ (53%).



Employees in the **public/third sector** are more likely than those in the private sector to be aware of their organisation having written standards of ethical conduct (83% vs 75%); offering ethics training (64% vs 54%) and providing advice or an information helpline (63% vs 53%).

Focus on...

The impact of providing formal support for ethics in the workplace

This survey shows that employees in Singapore whose organisations have a comprehensive ethics programme (all four building blocks) are more likely than those whose employers do not have an ethics programme (none of the building blocks) to have:

✓ **A positive perception of how frequently honesty is practised at work.** 81% of employees whose organisation has a comprehensive ethics programme say that honesty is practised frequently in their organisation's daily operations, compared to 62% of those whose organisation has no ethics programme.

✓ **A positive outlook on how the organisation engages with its stakeholders.** Employees in organisations with a comprehensive ethics programme are more likely than those in organisations with no ethics programme to agree that their organisation acts responsibly in all its business dealings (89% vs 50%); that their organisation lives up to its stated policy of social responsibility (86% vs 33%) and that issues of right and wrong are discussed at team meetings (79% vs 23%).

continues >

Focus on... *continued*



✓ A positive perception of the ability of managers to promote ethics. Employees in organisations with a comprehensive ethics programme are more likely than those in organisations without an ethics programme to say that the line manager promotes ethics in the workplace. A total of 79% of employees working in organisations with an ethics programme say that issues of right and wrong are discussed in staff meetings (compared to 23% of employees in organisations with no ethics programme); 82% say that their line managers sets a good example of ethical business behaviour (compared to 44%) and 86% say that their line manager supports them in following their organisation’s standards of ethical behaviour (compared to 39%).



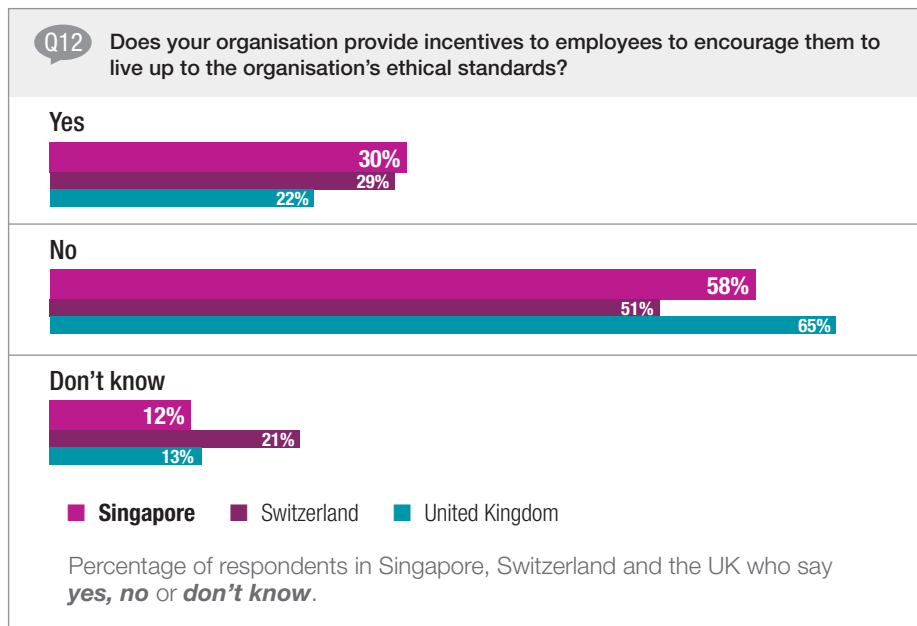
Employees in **large organisations** are more likely to report awareness of each of the four building blocks of an ethics programme than those in SMEs. For example, 84% of employees in large organisations are aware of their organisation having written standards of business conduct compared to 70% in SMEs.

How do employers incentivise ethical behaviour?

In order to enhance the effectiveness of an ethics programme, it is important that organisations support the building blocks presented in the section above with other types of incentive aimed at ensuring that ethics is embedded in every aspect of an employee’s daily work. Respondents were asked whether their organisation provides incentives to employees to encourage them to live up to the organisation’s ethical standards.

Employees in Singapore (30%) and Switzerland (29%) seem more aware of their organisation providing incentives to encourage employees to live up to their organisation’s ethical standards than those in the UK (22%).

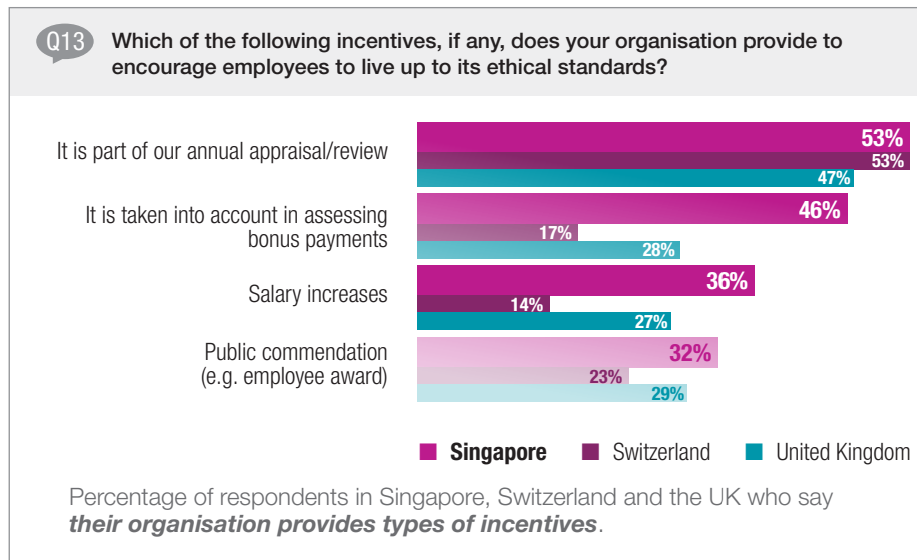
Figure 9 Employee awareness of incentives to live up to ethical standards



“
30% of respondents in Singapore say their organisation provides incentives to encourage employees to live up to its ethical standards
..... ”

Respondents who indicated that their organisation offers incentives to encourage ethical behaviour were also asked about the type of incentives offered (see Figure 10). In Singapore, including ethics in employees' annual appraisal/review is the most common incentive tested (53%). Almost half of respondents (46%) say that ethics is taken into consideration when assessing bonus payments, a figure that stands out significantly in comparison to the UK (28%) and Switzerland (17%).

Figure 10 Prominence of types of incentives



“
53% of employees in Singapore say that ethics is part of their annual appraisal/review



Men seem to be more aware that their organisation provides incentives (34%) than women (23%).



Mid-career employees aged 35-54 are more likely to say that ethics is part of their annual appraisal/review than their younger colleagues aged 18-34 (63% vs 40%).



Those in the **private sector** are more likely to say that ethics is taken into account in their annual appraisal/review process (56%) than respondents from the public/third sector (41%).



Employees in **large organisations** are more likely to say that their organisation publicly commends ethical behaviour (40%) than those in SMEs (23%).

Focus on...

The impact of providing incentives to encourage ethical behaviour

This survey shows that although incentives to encourage ethical behaviour can potentially have a positive impact on employees' perceptions of ethics at work, in some cases there may be a gap between the objective that an organisation is trying to achieve through its incentive scheme and the practical impact of the incentives offered to employees. Employees in Singapore who are aware of their organisation providing incentives are more likely to have:

✓ **A positive perception of how frequently honesty is practised at work.** Employees in organisations that provide incentives to encourage ethical behaviour are more likely to say that honesty is practised always or frequently in their organisation's daily operations (82%) than those in organisations that do not provide such incentives (67%).

✓ **A positive outlook on how the organisation engages with its stakeholders.** Employees in organisations that provide incentives to encourage ethical behaviour are more likely to agree that their organisation lives up to its stated policy of social responsibility (85%) than those in organisations that do not offer incentives (59%).

continues >

Focus on... *continued*

✓ Spoken up about misconduct at work. 85% of respondents who have been aware of misconduct in organisations with incentives to encourage ethical behaviour say they reported or spoke up about their concerns. In contrast, only 48% of employees in a similar position in organisations with no incentives say that they spoke up.

🟡 A more positive perception of the ability of managers to promote ethics but also to think that managers reward employees for good results, even if they use questionable practices. Respondents who work for organisations that offer incentives to encourage ethical behaviour are more likely than employees in organisations without incentives to agree that their line manager supports them in following their organisation's standards of ethical behaviour (83% vs 61%) and sets a good example of ethical business behaviour (83% vs 58%).

At the same time, 65% of those whose organisations provide incentives to act ethically also agree that their line manager rewards employees who get good results even if they use ethically questionable practices. Only 33% of respondents whose organisations do not provide incentives agree with this statement.

🔴 Felt pressured to compromise ethics. 37% of employees whose organisation provides incentives to encourage ethical behaviour have felt pressured to compromise their current organisation's ethical standards, compared to 20% of respondents in organisations that offer no incentives for ethical behaviour.

This rather counterintuitive evidence shows that it is important for organisations to monitor the practical impact of the incentives provided and design their incentive schemes with special care. Focussing primarily on specific Key Performance Indicators (KPIs) might distract an employee's attention from wider ethical dilemmas. It is important that employees are encouraged to think about and make ethical decisions for themselves and not just comply with a list of organisational requirements.

“

It is important that employees are encouraged to think about and make ethical decisions for themselves

.....”

Spotlight Issues

Issue 1: Speaking up

The freedom to raise concerns is a core component of an open and supportive ethical business culture, where employees are confident that they will be supported to do the right thing.

IBE research shows that most global organisations provide mechanisms to support those who wish to speak up, raise concerns or ask questions when unsure about what course of action to take.¹⁰ Speak Up arrangements are an element of good governance and can act as an early warning system for potential risks.

Did you know?

Speaking up or whistleblowing?

The terms ‘whistleblowing’ or ‘Speak Up’ are often used interchangeably and can cover disclosure of a wide range of legal and ethical issues.

The term whistleblowing originates from when a pit whistle was blown at times of an accident in a mine. [...] It implies letting everyone know there is a problem by creating a noise or disturbance because something bad has happened. [...] In recent years, the connotation of whistleblowing has come to mean disclosing concerns outside an organisation, usually by informing the media or a regulator.

The IBE differentiates between whistleblowing and speaking up. ‘Blowing the whistle’ externally may be considered a last resort, occurring when concerns have not been listened to or acted upon internally. Speaking up implies raising a concern internally so that it can be remedied, hopefully before it becomes a bigger problem.

The IBE prefers the term Speak Up as it has more positive and constructive connotations for organisations wishing to encourage employees to raise concerns.¹¹

The 35% of respondents in Singapore who have been aware of misconduct during the past year at work (see Figure 4) were asked whether they raised – or decided to speak up about – any of their concerns directly to management, to another appropriate person or through any other mechanism. Only 60% of Singaporean employees who have been aware of misconduct spoke up or raised their concerns, while 36% did not.¹²

The 36% of respondents who have been aware of misconduct but did not raise their concerns were asked an additional question to assess what they considered to be the barriers to speaking up (see Figure 11).

“
36% of respondents in Singapore who have been aware of misconduct in the workplace did not speak up or raise their concerns.
.....”

¹⁰ IBE (2017) *Corporate Ethics Policies and Programmes: 2016 UK and Continental Europe survey*

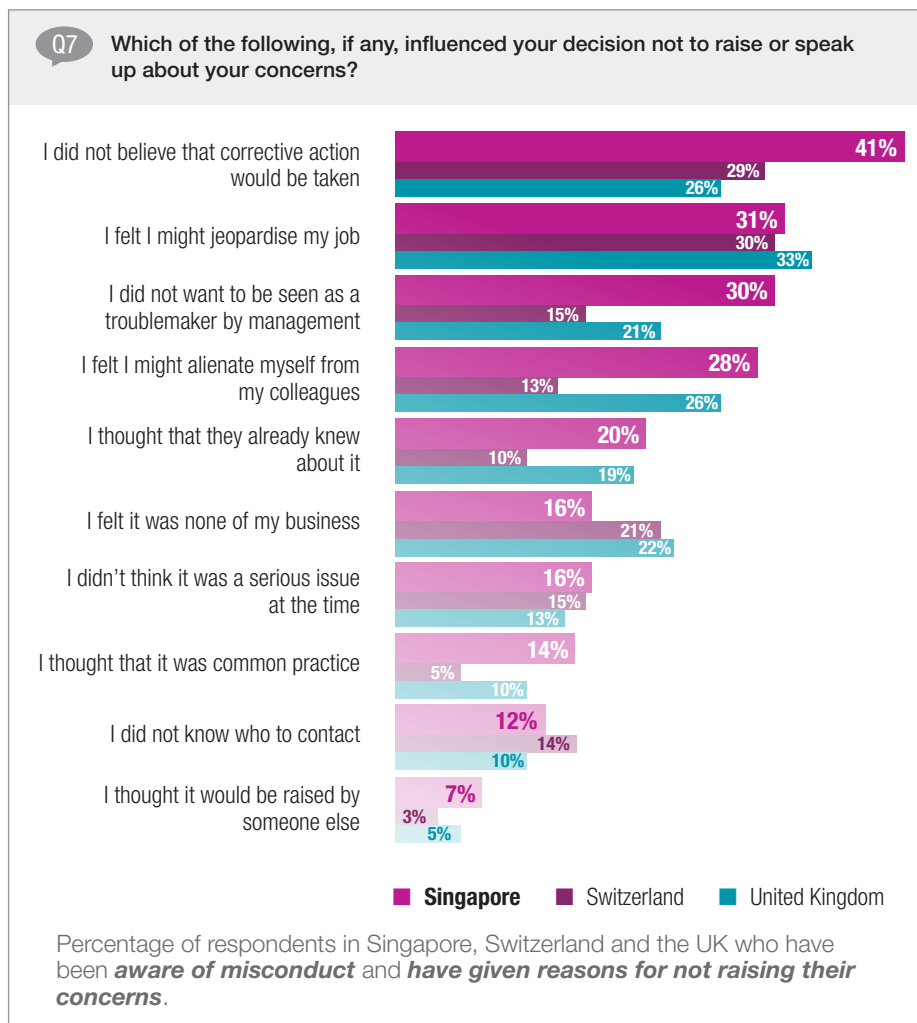
¹¹ IBE (2017) *Encouraging a Speak Up Culture*

¹² The remaining 3% chose the ‘don’t know’ option as their response.

The most prominent reasons given by employees in Singapore for not raising their concerns were that they did not believe that corrective action would be taken (41%), followed by concern that they might jeopardise their job (31%).

It stands out that 41% of employees in Singapore did not speak up because they did not believe that corrective action would be taken. Significantly fewer employees in Switzerland (29%) and the UK (26%) give this as a reason for not raising concerns.

Figure 11 Reasons why employees did not raise concerns about misconduct

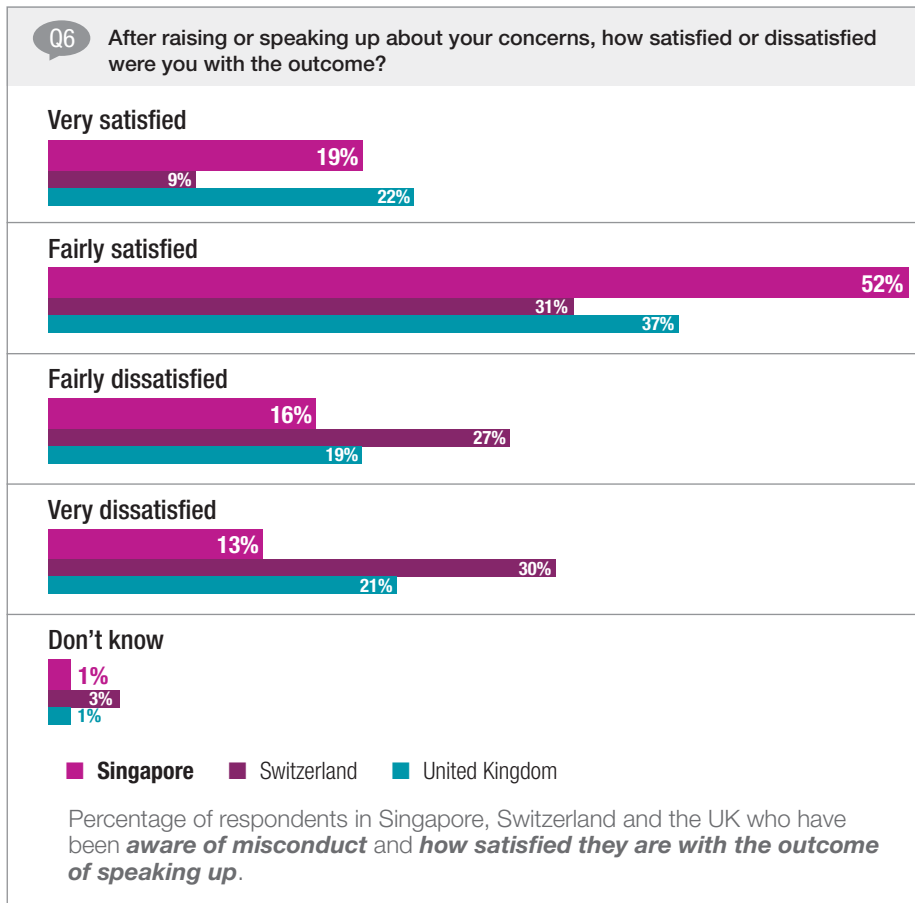


It is clear that employees are concerned about the impact of speaking up and, in particular, whether their situation would improve as a result of doing so. Reporting concerns can require courage, particularly in an unsupportive environment. Employees won't take the risk if they believe that nothing will be done about it.

“
Reporting concerns can require courage, particularly in an unsupportive environment
.....”

To understand whether employees' concerns about speaking up are justified, respondents who had raised concerns were asked whether they were satisfied with the outcome of doing so. Figure 12 shows that a majority of employees in Singapore who have been aware of misconduct and reported their concerns are satisfied with the outcome (71%). This puts them ahead of employees in the UK (59% say they are satisfied with the outcome of speaking up) and even further ahead of employees in Switzerland (where only 41% say they are satisfied).

Figure 12 Employee satisfaction with the outcome of speaking up



Men who have been aware of misconduct seem more likely to speak up than women (71% vs 46%). **Women** are more likely than men to say they did not want to be seen as a troublemaker by management (37% vs 18%). Men are more likely than women to be very satisfied with the outcome of speaking up (24% vs 10%) and believe that their organisation disciplines employees for violating ethical standards (69% vs 58%).



Employees in **large organisations** are more likely to say that their organisation disciplines employees who violate ethical standards than employees in SMEs (72% vs 57%).

Another important indicator that shows whether employees think their organisation is taking ethical misconduct seriously is the action taken against employees who violate the organisation's ethical standards.

Many organisations highlight the consequences of violations of ethical standards in their code of ethics. However, far fewer organisations publish data externally on ethical breaches and disciplinary actions including dismissals. Separate research conducted in the UK by the IBE in 2017 shows that only 16 FTSE 100 companies include this type of information in their sustainability or corporate responsibility report. Three of these 16 companies stated that no material breaches of the code of conduct were reported during the previous year, which might raise questions about the ability of organisations to recognise breaches and act on them.

Ethics in practice

What do organisations say?

“Under the whistle-blowing programme, all staff including Management are responsible for reporting any suspected wrongdoing. In addition, they are required to comply with the Staff Regulations, which set out the code of conduct and discipline expected of them. This includes upholding professional integrity, maintaining confidentiality, reporting any conflict of interest, and whistle-blowing. All whistle-blower reports are reviewed by the AC at its quarterly meetings to ensure independent assessment, investigation and adequate resolution.”

Singapore Airlines (2017) Annual Report 2016-17

“A whistle-blowing policy and other procedures are in place to provide the Group’s staff and external parties who have dealings with the Group, with well-defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace. It also allows for the independent investigation of any reported incidents and appropriate actions for follow up. The objective of the whistle-blowing policy is to encourage the reporting of such matters – that staff or external parties making any reports in good faith will be able to do so with confidence that they will be treated fairly, and to the furthest extent possible, be protected from reprisal.”

CapitaLand (2017) Global Sustainability Report 2017

“
64% of employees
in Singapore believe
that their organisation
disciplines
employees who
violate their
organisation’s ethical
standards
.....”

This survey shows that employees in Singapore are more likely to believe that their organisation disciplines employees who violate ethical standards (64%) than those in the UK (59%) and Switzerland (51%).

Issue 2: Ethical management

The attitudes and behaviours of managers in the workplace is a topic of significant focus and concern. The term ‘manager’ applies to different groups and encompasses diverse roles in different organisations. However, the role that managers play in promoting ethics and embedding the organisation’s core values in the corporate culture is a crucial one. Their role is particularly critical because managers are generally positioned between those on the front line and senior leadership. While this means they can help bridge the gap between the top and the bottom of the organisation, this position is not without its risks.

Managers are often under pressure from both those above and below them, and this can encourage them to ‘cut ethical corners’ to achieve results. The nature of their role is such that they are often looked at as role models by their team, which means they can significantly influence perceptions and behaviour in their organisation.

This survey report analyses the attitudes of managers to business ethics through two different lenses: managers’ first-hand views and the perceptions that employees have of their managers.

“
Managers are often
under pressure
from both those
above and below
them, and this can
encourage them to
‘cut ethical corners’
to achieve results
.....”

This survey uses four indicators to gauge employee perception of managers' attitudes towards ethics. These are whether managers are seen to set a good example of ethical business behaviour; support employees in following their organisation's standards of ethical behaviour; explain the importance of honesty and ethics at work and, conversely, reward employees who get good results, even if they use practices that are ethically questionable.

Although employees in Singapore are generally positive about the behaviour of their line manager, 42% believe that their line manager rewards employees who get good results, even if they use practices that are ethically questionable (see Figure 13). In other words, they appear to be more likely to prioritise 'what' is achieved over the 'how' it is done. Only 33% of employees in the UK and 25% in Switzerland think the same is true of their line manager.

“
 66% of respondents in Singapore think that their line manager supports them in following their organisation's standards of ethical behaviour
 ”

Figure 13 Perception of management behaviour



♂ ♀
Men are more likely than women to say that their line manager rewards employees who get good results, even if they use practices that are ethically questionable (46% vs 36%).

🏢
 Employees in **large organisations** are more likely to say that their line manager sets a good example of ethical business behaviour than those in SMEs (69% vs 61%).

Focus on...

The impact of providing a work environment that is regarded as supportive to ethics¹³

This survey shows that employees in Singapore who work in organisations with an environment that is perceived as supportive to ethics are more likely to have:

- ✔ **A positive perception of how frequently honesty is practised at work.** 19% of employees who work in an unsupportive environment say that honesty is rarely or never practised in their organisation's daily operations. Less than 1% of respondents who work in the most supportive environments say the same.

continues >

¹³ The supportiveness of the organisation is defined by how many statements employees agree or tend to agree with at Q9 (see Appendix 2). This excludes the statement on the line manager rewarding employees who get good results despite using ethically questionable practices, as this is framed in the negative. The most supportive organisations agree or tend to agree with all of the statements and unsupportive organisations are those in which respondents disagree or tend to disagree with three or more of the statements.

Focus on... *continued*

✓ **Not been aware of misconduct at work.** 71% of employees in unsupportive organisations have been aware of misconduct, in comparison with only 30% in the most supportive organisations.

✓ **Spoken up about misconduct at work.** Respondents in the most supportive organisations who have been aware of misconduct are more likely to have raised their concerns (86%) than those in a similar position in unsupportive organisations (44%).

✓ **Not felt pressured to compromise ethics.** Employees in the most supportive organisations are less likely to have felt pressured to compromise their current organisation's ethical standards (72%) than those in organisations that are unsupportive (42%).

Did you know?**Supportive environment for ethics**

Creating a supportive environment for ethical behaviour is essential to applying business ethics in practice and closing the 'say-do gap' between an organisation's formal commitments and what happens on the front line.

In this survey, the following elements are considered as indicators of a supportive environment for ethics in an organisation:

- **Tone from the top** includes the ability of managers to set a good example of ethical business behaviour; explain the importance of honesty and ethics at work and support employees in following the organisation's standards of behaviour
- **Stakeholder engagement** refers to whether an organisation discusses issues of right and wrong at staff meetings, lives up to its stated policy of social responsibility and acts responsibly in all its business dealings
- **Addressing misconduct** captures the ability of an organisation to discipline employees who violate its ethical standards.

What are managers' views of ethics at work?

In order to set a good example of ethical behaviour and support employees in living up to their organisation's ethical standards, it is important that people in a managerial position understand their responsibilities in leading by example on the application of ethical values to the day-to-day tasks in the workplace.

To understand this, the 48% of respondents in Singapore who identified themselves as managers were asked to give their opinion on a series of statements that describe examples of 'petty fiddling' that can occur in an organisation. Figure 14 illustrates the results. An example of petty fiddling is an employee charging their company for small items such as a taxi ride when they used public transport instead.

Ethics in practice

What do organisations say?

“Our managers are responsible for building effective work environments that engage all employees in performing to the highest standards. Leading by example, managers must be positive role models, inspiring others to follow our Code and to conduct business according to the highest standards of ethics and professional behavior.”

Citibank (2017) *A Citi of Leaders: enabling growth and progress – Our Code of Conduct*

What do organisations do?

“The owner of Patisserie Valerie has said an accounting scandal it revealed in October was worse than it thought. Its probe has found “extensive” misstatement of its accounts and “very significant manipulation of the balance sheet and profit and loss accounts”. This includes thousands of false entries in its ledgers, it said in a statement.

Profitability and cash flow had been overstated and were “materially below” figures announced in October, it said. In October it said those figures were likely to be £120m revenue for the year and earnings of £12m.”¹⁴

“

41% of managers in Singapore think that petty fiddling is inevitable in a modern organisation

.....



Male managers are more likely than female managers to say that, as long as they come in on time and within budget, they are not going to worry about a bit of petty fiddling (40% vs 27%).

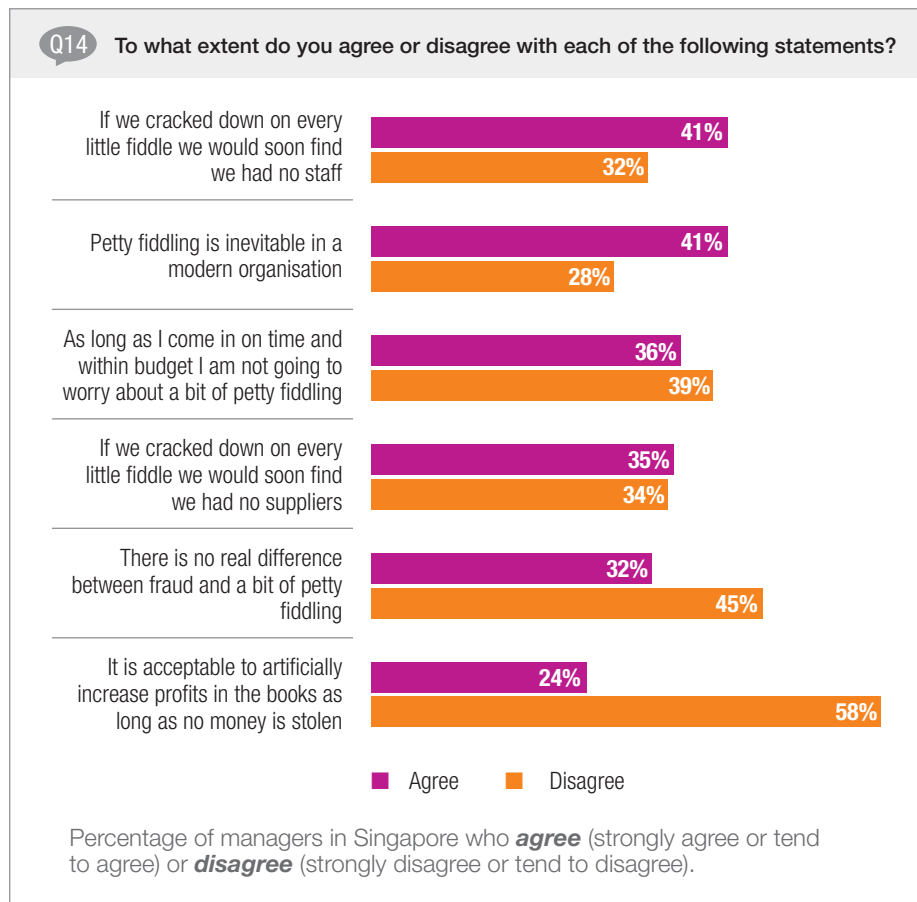


Younger managers aged 18-34 are more likely to say that it is acceptable to artificially increase profits in the books as long as no money is stolen (37%) than mid-career managers aged 35-54 (22%) and older managers aged 55+ (13%).



Managers in **large organisations** are more likely to agree that there is no real difference between fraud and a bit of petty fiddling than managers in SMEs (38% vs 26%).

Figure 14 Managers’ attitudes to petty fiddling



¹⁴ BBC (16 January 2019) *Patisserie Valerie says accounting scandal worse than thought*

Two fifths of managers in Singapore agree that petty fiddling is inevitable in a modern organisation (41%), which is nearly double the percentage of those in Switzerland who agree with this statement (22%). A significant minority of managers in Singapore also say that, if they cracked down on every little fiddle, they would soon find that they had no staff (41%) and no suppliers (35%).

The percentage of managers in Singapore who think that they are not going to worry about a bit of petty fiddling as long as they come in on time and within budget (36%) is more than double that of managers in Switzerland (16%).

Focus on...

Attitudes of managers towards ethics at work

This survey provides a picture of how managers in Singapore approach ethics at work. In comparison with non-managers, they are more likely to have:

-  **A positive perception of how frequently honesty is practised at work.** Managers are more likely than non-managers to say that honesty is practised frequently or always in their organisation's daily operations (76% vs 68%).
-  **A positive outlook on how the organisation engages with stakeholders.** Managers are more likely than non-managers to say that their organisation acts responsibly in all its business dealings (77% vs 70%) and that their organisation disciplines employees who violate their organisation's ethical standards (71% vs 59%).
-  **Spoken up about misconduct at work.** Managers who have been aware of misconduct are more likely to have reported their concerns than non-managers: 72% of managers spoke up compared to 46% of non-managers.
-  **Awareness of the building blocks of an ethics programme.** Managers are more likely to be aware of three out of the four building blocks of an ethics programme. The only exception is their awareness of ethics training, for which there is no statistically significant difference between managers and non-managers.
-  **Lenient attitudes to some questionable workplace practices.** Managers are more likely than non-managers to find two of the questionable workplace practices in Figure 1 acceptable. These are making personal phone calls from work (71% vs 64%) and using company petrol for personal mileage (22% vs 14%).
-  **Been aware of misconduct.** Managers are more likely to say they have been aware of misconduct than non-managers (40% vs 31%).
-  **Felt pressured to compromise ethics.** Managers are more likely to have felt pressured to compromise their current organisation's ethical standards than non-managers (29% vs 18%).

“.....
Managers in Singapore are more likely have been aware of misconduct and to have felt pressured to compromise ethical standards than non-managers
.....”



Summary and Conclusion

The data presented in this survey report highlights important issues about current attitudes to ethics in the workplace and raises crucial questions for organisations. It is important to stress that, in order to paint a meaningful picture, the results related to each indicator need to be read in the wider context, in parallel with other elements. For instance, higher awareness of misconduct could show that employees are failing to live up to the organisation's values. However, it could also be a positive sign of increased 'ethical literacy' among employees who have learned to identify and act upon ethical dilemmas in their workplace.

In Singapore, employees whose organisations provide written standards of ethical business conduct (such as a code of ethics or similar) and other building blocks of an ethics programme are more likely to also report that honesty is always or at least frequently practised in their organisation. Furthermore, employees who work in an organisation with a comprehensive ethics programme have a more positive perception of the attitudes of managers to business ethics in terms of their ability to set a good example of ethical business behaviour; support employees in following their organisation's standards of ethical behaviour and explain the importance of honesty and ethics at work. Employees in organisations with a comprehensive ethics programme are more likely to speak up about misconduct they have witnessed and, overall, they have a more positive view on the indicators that relate to how their organisation interacts with stakeholders. These results show that building a strong ethics programme is a crucial part of promoting ethical behaviour in the workplace.

“

Building a strong ethics programme is a crucial part of promoting ethical behaviour in the workplace

.....”

Do ethics programmes prevent ethical lapses? Does having an ethics programme lead to more ethical behaviour?

It is encouraging to see that a high proportion of employees in Singapore are aware of their organisation having the building blocks of a formal ethics programme. Survey respondents in Singapore are, in particular, more likely to be aware of their organisation having written standards of ethical conduct (76%) in comparison to employees in the UK (69%) and Switzerland (61%). In addition, employees in Singapore are more likely than those in Switzerland to say that their organisation provides ethics training (56% vs 30%).

At the same time, it stands out that employees in Singapore are also more likely to be aware of ethical misconduct than respondents from Switzerland and the UK (35% compared to 27% and 24% respectively).

What role should managers play in promoting an ethical culture?

Managers have a crucial role to play in promoting an ethical culture. However, the survey results show that managers have more lenient attitudes towards some workplace practices such as making personal phone calls from work and charging company petrol for personal mileage. It is also concerning that a significant number of employees in Singapore report that their line manager rewards good results even if they are achieved through ethically questionable means.

Managers have a responsibility to lead by example and reassure other employees that they will be supported in doing the right thing. However, the findings suggest that managers are not always up to this task. Almost a third of respondents (30%) in Singapore who have been aware of misconduct say that they did not speak up about their concerns because they did not want to be seen as a troublemaker by management (in comparison with 21% in the UK and 15% in Switzerland).

Do employees trust their organisation to deal with concerns raised by employees? How do organisations communicate this to employees?

It is important that employees recognise the effectiveness of their organisation's ethics programme and trust the processes in place, especially when raising a concern. In this regard, organisations in Singapore still lag behind some other countries. Two fifths of respondents (41%) say they did not raise concerns because they did not believe that corrective action would be taken (compared to 29% in Switzerland and 26% in the UK).

Conversely, employees in Singapore seem to be more satisfied with the outcome of raising a concern than those in some other countries: 71% report that they are at least fairly satisfied with the outcome, in comparison with 59% in the UK and only 41% in Switzerland. This contradiction suggests that organisations in Singapore are much better at handling ethical concerns than employees think they are. It is crucial that organisations communicate about the outcomes of investigations and provide feedback to the wider organisation. Addressing issues effectively and communicating about outcomes will give employees confidence to speak up, while also showing external stakeholders that the organisation is serious about ethics.

How are the schemes to incentivise ethical behaviour designed? Are they achieving their intended purpose?

Practical incentives that motivate and encourage people to behave ethically are an important tool that organisations can use to embed their values in practice. For example, providing incentives has a positive impact on Singaporean employees' perception of how frequently honesty is practised at work and employees in organisations with incentives are more likely to have spoken up about misconduct.

However, the survey shows that the presence of incentive schemes is also correlated to some less ethical attitudes or behaviours. Taking ethics into account in assessing bonus payments features considerably more prominently in organisations that provide some sort of incentive in Singapore (46%) than in the UK (28%) or Switzerland (17%). At the same time, a significantly higher proportion of employees in Singapore report that their manager rewards good results even if they are achieved through ethically questionable practices (42%) in comparison with the UK (33%) and Switzerland (25%).

This suggests that incentive schemes are not universally successful in shifting attitudes and behaviours, or perhaps even accidentally reinforce some less ethical organisational cultures. It is vital that organisations design and test their incentive schemes to ensure that they are effective.

“

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Appendix 1

Methodology and Respondent Profile

This survey report presents the findings of public research undertaken by ComRes on behalf of the IBE and the Stewardship Institute. ComRes is a member of the British Polling Council and abides by its rules.

The Institute of Business Ethics (IBE) has asked similar questions of the British workforce every three years since 2005. In 2012, the IBE extended part of the survey to four additional major European markets: France, Germany, Italy and Spain.

The *Ethics at Work: 2018 survey of employees* illustrates the latest evolution and trends in employees' perceptions of ethics in the workplace. Given that organisations are increasingly taking an integrated approach to business ethics at the international level, the number of countries included in the research has been expanded to cover France, Germany, Ireland, Italy, Portugal, Spain, Switzerland and the UK within Europe, as well as Australia, Canada, Singapore and New Zealand.

This report describes the Singaporean findings and provides comparison with Switzerland and the UK. The survey was completed by a representative sample of about 750 working adults in each country aged 18+, including 759 working adults in Singapore. The survey was undertaken between 5th and 25th February 2018.

COUNTRY	Total number of respondents	GENDER			AGE				SECTOR		MANAGERS		SIZE ¹⁵	
		Male	Female	Prefer not to say	18-34	35-54	55+	Prefer not to say	Public/Third	Private	Manager	Non-manager	SME	Large
Singapore	759	409	343	7	230	361	167	1	173	586	366	393	370	369
Switzerland	756	393	356	7	255	350	150	1	307	449	178	578	455	261
UK	764	400	364	-	266	346	152	-	315	449	312	452	360	345

Please note that the data in the table above is unweighted. For the purposes of analysis and reporting, the data was weighted to make the sample representative of the working populations (age 18+) in each of the countries surveyed by gender, age, and region.

The survey was conducted online, in the native language of the country being surveyed, and questions were 'randomised' to avoid any undue bias there may have been when answering potentially sensitive questions. In some cases, percentages do not add up exactly to 100%. This is due to a number of reasons, including rounding, participants being able to select more than one response to the question, or additional options not shown (e.g. don't know or other).

¹⁵ Please note that a small number of sole traders also participated in the survey.



Appendix 2

Survey Questionnaire

The survey questionnaire consisted of 14 questions, although not all questions were answered by all respondents. Eligibility for certain questions was dependent on responses to previous questions.

Q1. Below is a list of things that sometimes happen in the workplace. To what extent, if at all, do you think that each of the following actions is acceptable?

Please select one answer per row.

Totally acceptable **Fairly acceptable** **Not very acceptable** **Totally unacceptable** **Don't know**

- Taking pencils and pens from work
- Posting personal mail from work (e.g. letters or parcels)
- Making personal phone calls from work
- Using the internet for personal use during working hours
- Using company petrol for personal mileage
- Charging personal entertainment to expenses
- Pretending to be sick to take the day off
- Minor fiddling of travel expenses
- Favouring family or friends when recruiting or awarding contracts

Base 2018 = 759 employees in Singapore, 756 in Switzerland and 764 in the UK.

Q2. In your organisation's daily operations, would you say that honesty is practised...?

Please select one response only.

Always **Frequently** **Occasionally** **Rarely** **Never** **Don't know**

Base 2018 = 759 employees in Singapore, 756 in Switzerland and 764 in the UK.

Q3. During the past year at work, have you been aware of any conduct by your employer or colleagues that you thought violated either the law or your organisation's ethical standards? Please select one response only.

Yes **No** **Don't know**

Base 2018 = 759 employees in Singapore, 756 in Switzerland and 764 in the UK.

Q4. Asked to respondents who answered yes to Q3.

Which, if any, of the following types of misconduct were you aware of?

Please select all that apply.

- **Abusive behaviour**
- **Misreporting hours worked**
- **Safety violations**
- **Discrimination (e.g. by race, gender, age)**
- **Stealing**
- **Improper hiring practices (e.g. favouring family or friends)**
- **Fraud**
- **Bullying/harassment**
- **People treated inappropriately/unethically**
- **Other**

Base 2018 = 264 employees in Singapore, 202 in Switzerland and 184 in the UK who were aware of legal or ethical violations at work.

Q5. *Asked to respondents who answered yes to Q3.*

Did you raise any of your concerns with management, another appropriate person, or through any other mechanism? *Please select one response only.*

Yes No Don't know

Base 2018 = 264 employees in Singapore, 202 in Switzerland and 184 in the UK who were aware of legal or ethical violations at work.

Q6. *Asked to respondents who answered yes to Q5.*

After raising or speaking up about your concerns, how satisfied or dissatisfied were you with the outcome? *Please select one response only.*

Very satisfied Fairly satisfied Fairly dissatisfied Very dissatisfied Don't know

Base 2018 = 159 employees in Singapore, 118 in Switzerland and 122 in the UK who were aware of legal or ethical violations at work and raised their concerns.

Q7. *Asked to respondents who answered no to Q5.*

Which of the following, if any, influenced your decision not to raise or speak up about your concerns? *Please select all that apply.*

- I felt it was none of my business
- I felt I might jeopardise my job
- I did not believe that corrective action would be taken
- I felt I might alienate myself from my colleagues
- I did not want to be seen as a troublemaker by management
- I did not know who to contact
- I thought that it was common practice
- I thought it would be raised by someone else
- I thought that they already knew about it
- I didn't think it was a serious issue at the time
- Other (Please specify)
- Don't know

Base 2018 = 96 employees in Singapore, 80 in Switzerland and 61 in the UK who were aware of legal or ethical violations at work but did not raise their concerns.

Q8. **Please indicate whether each of the following statements apply to your organisation or not.** *Please select one response only.*

Yes No Don't know

- **My organisation has written standards of ethical business conduct that provide guidelines for my job (for example a code of ethics, a policy statement on ethics or guidance on proper business conduct)**
- **My organisation provides employees with a means of reporting misconduct confidentially, without giving their name or other information that could easily identify them**
- **My organisation offers advice or an information helpline where I can get advice about behaving ethically at work**
- **My organisation provides training on standards of ethical conduct**

Base 2018 = 759 employees in Singapore, 756 in Switzerland and 764 in the UK.

Q9. To what extent do you agree or disagree with each of the following statements?

Please select one answer per row.

Strongly agree **Tend to agree** **Neither agree nor disagree** **Tend to disagree** **Strongly disagree**
Don't know

- Overall, my line manager sets a good example of ethical business behaviour
- My line manager explains the importance of honesty and ethics in the work we do
- My line manager rewards employees who get good results, even if they use practices that are ethically questionable
- My line manager supports me in following my organisation's standards of ethical behaviour
- My organisation disciplines employees who violate my organisation's ethical standards
- My organisation acts responsibly in all its business dealings (with customers, clients, suppliers, etc.)
- My organisation lives up to its stated policy of social responsibility
- Issues of right and wrong are discussed in staff meetings

Base 2018 = 759 employees in Singapore, 756 in Switzerland and 764 in the UK.

Q10. Have you felt pressured to compromise your current organisation's standards of ethical conduct? Please select one response only.

Yes **No** **Don't know**

Base 2018 = 759 employees in Singapore, 756 in Switzerland and 764 in the UK.

Q11. Asked to respondents who answered yes to Q10.**Which of the following, if any, were the main pressures on you to act unethically?**

Please select a maximum of three responses.

- I had to meet unrealistic business objectives/deadlines
- I was following my boss's orders
- I felt peer pressure to be a team player
- I wanted to help the organisation perform better (e.g. against competitors or spending cutbacks)
- I was trying to save my job
- My organisation has an unethical culture
- I was being asked to take shortcuts
- There were financial/budgeting pressures at the company
- We were under-resourced
- Time pressure
- Other (Please specify)
- Don't know

Base 2018 = 180 employees in Singapore, 120 in Switzerland and 91 in the UK who have felt pressured to compromise their organisation's standards of ethical conduct.

Q12. Does your organisation provide incentives to employees to encourage them to live up to the organisation's ethical standards? Please select one response only.

Yes **No** **Don't know**

Base 2018 = 759 employees in Singapore, 756 in Switzerland and 764 in the UK.

Q13. *Asked to respondents who answered yes to Q12.*

Which of the following incentives, if any, does your organisation provide to encourage employees to live up to its ethical standards? *Please select all that apply.*

- It is part of our annual appraisal/review
- It is taken into account in assessing bonus payments
- Salary increases
- Public commendation (e.g. employee awards)
- Other (Please specify)
- Don't know

Base 2018 = 230 employees in Singapore, 217 in Switzerland and 169 in the UK who say their organisation provides incentives to encourage employees to live up to its ethical standards.

Q14. *Asked to respondents who identified themselves as managers.*

To what extent do you agree or disagree with each of the following statements?

Please select one answer per row.

Strongly agree Tend to agree Neither agree nor disagree Tend to disagree Strongly disagree
Don't know

- Petty fiddling is inevitable in a modern organisation
- If we cracked down on every little fiddle we would soon find we had no staff
- If we cracked down on every little fiddle we would soon find we had no suppliers
- As long as I come in on time and within budget I am not going to worry about a bit of petty fiddling
- There is no real difference between fraud and a bit of petty fiddling
- It is acceptable to artificially increase profits in the books as long as no money is stolen

Base 2018 2018 = 366 managers in Singapore, 178 in Switzerland and 312 in the UK.

Related IBE Publications

IBE publications provide thought leadership and practical guidance to those involved in developing and promoting business ethics, including senior business people, corporate governance professionals and ethics and compliance practitioners. Some recent publications related to this topic which you might be interested in include:



Ethics at Work: 2018 survey of employees

Guendalina Dondé and Katja Somasundaram

Employees' views are a key indicator of the ethical temperature in today's organisations. *Ethics at Work: 2018 survey of employees* is the only survey of its kind that provides real insight into employees' views on ethics across all sectors and job roles. It covers Europe, Australia, Singapore, New Zealand and Singapore.

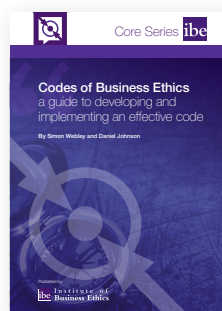
The survey, first introduced in 2005, asks employees how they experience ethical dilemmas in their day-to-day working lives. It looks at whether they have witnessed misconduct; whether they have reported it; the pressures they are under and what stops them speaking up. The *Ethics at Work* reports examine employees' experiences and the impact of formal ethics programmes on embedding ethical values into organisational culture and influencing behaviour.



Good Practice Guide: encouraging a speak up culture

Katherine Bradshaw

The freedom to raise concerns without fear of retaliation is a core component of a supportive ethical business culture – one where employees are confident they will be supported to 'do the right thing'. *Encouraging a Speak Up Culture* is the latest IBE Good Practice Guide. It examines practical ways that organisations can encourage a Speak Up culture by establishing a procedure to give employees the confidence to raise concerns about anything they find unsafe, unethical or unlawful without fear of retaliation. If companies do not support their employees in this way, they risk a concern becoming a crisis.



Codes of Business Ethics: a guide to developing and implementing an effective code

Simon Webley and Daniel Johnson

Updated guidance from the IBE on how to develop and implement an effective code of ethics. This Core IBE Report addresses many of the questions that arise when organisations wish to provide support and guidance to staff in ethical decision-making. It is intended to apply to organisations of any size, regardless of the sector in which they operate and will assist those charged with implementing or updating their organisation's code of ethics. *Codes of Business Ethics* follows the IBE 9-Step Model and shares examples of good practice.

Other IBE Resources



The IBE Speak Up Toolkit

The freedom to raise concerns is a core component of a supportive ethical culture where employees are confident they will be supported to 'do the right thing'.

Yet, despite increasing encouragement from organisations, employees still remain reticent. Speaking up can be an experience that provokes a mix of emotions; it may feel complex and daunting.

This is why the IBE has developed *The IBE Speak Up Toolkit*, to empower employees by demystifying the process and managing expectations.

The IBE Speak Up Toolkit helps employees prepare for raising a concern at work. It answers any questions you may have about the process – from noticing a problem and having a conversation through to what to expect if you call a Speak Up helpline or if your concern is investigated.

The IBE Speak Up Toolkit can be accessed free of charge or can be tailored for organisations wishing to link to their own policies and resources.

www.ibe.org.uk/speakuptoolkit



The IBE Say No Toolkit

The IBE Say No Toolkit is a decision-making tool to help organisations encourage employees to make the right decision in difficult situations.

The IBE Say No Toolkit delivers immediate guidance to employees on a wide range of common business issues, especially those that could lead to accusations of bribery.

Employees tap through a series of questions about the situation they face and the tool will provide the right decision to take: Say No, Say Yes or Ask. The answer also makes it clear why it is important to make that decision so your employees can have the confidence and the knowledge to respond correctly.

Organisations can use both *The IBE Say No Toolkit* app and website for free. The app can be downloaded on to any smartphone or tablet.

Simply go to www.saynotoolkit.net

The IBE Say No Toolkit can be customised and branded to suit your organisation's needs and detailed procedures. For more information email info@ibe.org.uk or call the IBE office on +44 20 7798 6040.

For details of all IBE publications and resources visit our website www.ibe.org.uk

Ethics at Work

2018 survey of employees

Singapore

Employees' views are a key indicator of the ethical temperature in Singaporean organisations.

What do employees think about the ethical business practices of their employer? Are formal ethics programmes effective in embedding ethical values into organisational culture and influencing behaviour? What are the challenges for organisations and what should be the focus going forward?

This report presents the IBE and the Stewardship Institute survey findings, which give a snapshot of the business ethics landscape in Singapore and include comparisons with Switzerland and the UK. The report focuses on three key themes. These relate to assessing the ethical culture of an organisation; identifying ethical risks and supporting ethics standards. Two specific issues that have a major impact on the culture of an organisation are also addressed: the ability of employees to voice their ethics-related concerns and the role of line managers in promoting ethics in the workplace.

Organisations can use the data provided to benchmark the views of their own employees with regard to levels of awareness of misconduct; willingness to raise concerns; perceptions of ethical culture and much more.