Accountability: Accepting and Ensuring Responsibility

A Report from ECI's Global Business Ethics Survey®

EXECUTIVE SUMMARY

Accountability is accepting or ensuring responsibility for decisions or actions, especially when those actions fail to live up to standards or core values. **Accountability is tied with behaviors and attitudes that leaders work hard to instill in their organizations.**

Using data[1] from the most recent iteration of the Global Business Ethics Survey® (GBES®), ECI explored: employees' perceptions and experiences; practices, particularly those of managers, that reinforce the belief that accountability is present; and the link between accountability and other facets of an organization's ethics culture.

- Accountability, satisfaction after reporting, and intent to report again are mutually reinforcing.
- There is widespread belief that accountability exists in organizations, but expectations of accountability exceed demonstrations of it—especially with respect to leaders.
- Accountability is connected with an increased belief that employees behave fairly toward one another.

Our findings underscore the importance of accountability and challenges that remain. Fortunately, **leaders have the power to drive positive change.**

> **Accountability:**
> Accepting or ensuring responsibility for decisions and actions, especially when those actions fail to live up to standards or core values.

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[1]This report discusses data collected from employees in 42 countries. Results in the report are the global median of the 42 countries. See Methodology for more information.

Accountability Matters

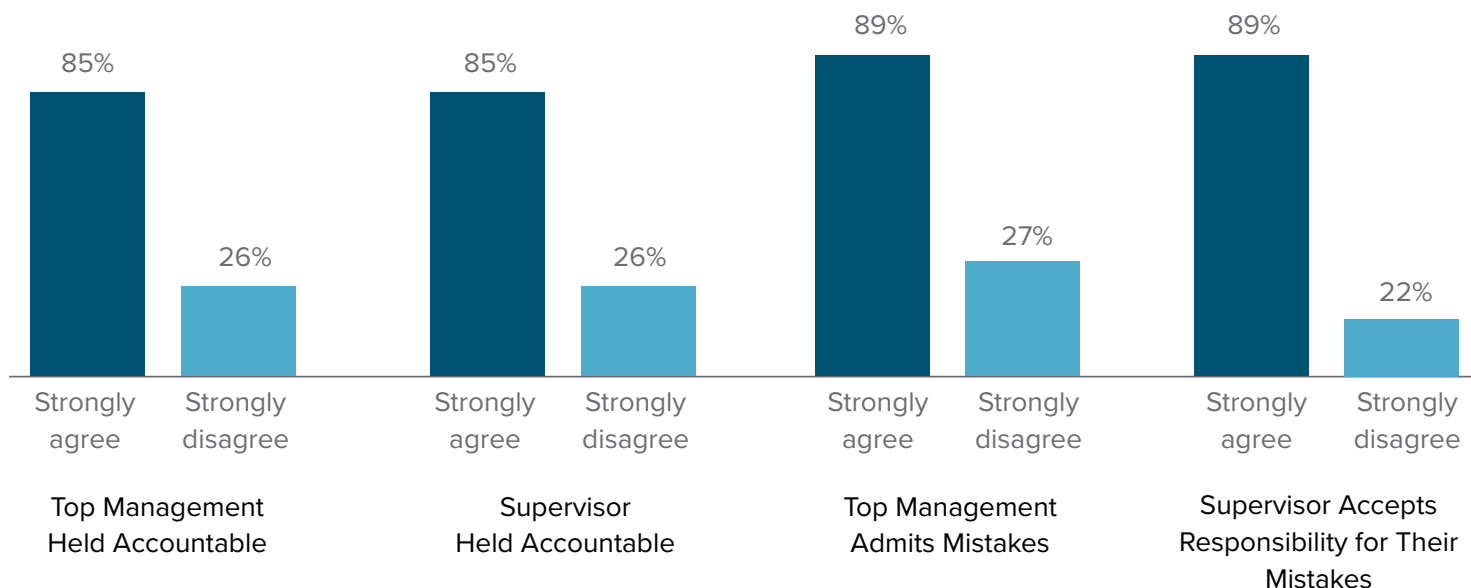Accountability is deeply tied to several attributes of healthy and ethical organizations:

- *Fairness,*
- *Positive reporting experiences,*
- *Satisfaction after reporting, and*
- *Willingness to speak-up and report in the future.*

Accountability is connected to fairness.

When employees believe that accountability exists in their organization, it engenders a sense of fairness, a quality that employees value and which promotes loyalty, commitment, and personal investment in an organization.

Employees are far more likely to believe that people in their organization are fair and just if they strongly agree that their leaders are held accountable, admit their mistakes, and/or accept responsibility for mistakes.

The Percentage[2] of Employees Who Often[3]
Perceive That Others in Their Organization Are Fair and Just

	Top Management Held Accountable		Supervisor Held Accountable		Top Management Admits Mistakes		Supervisor Accepts Responsibility for Their Mistakes	
	Strongly agree	Strongly disagree	Strongly agree	Strongly disagree	Strongly agree	Strongly disagree	Strongly agree	Strongly disagree
	85%	26%	85%	26%	89%	27%	89%	22%

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[3] Often or Very Often

Accountability, satisfaction after reporting, and intent to report again are mutually reinforcing.

When any one element is in place, the others tend to be as well. Similarly, a deficiency in one predicts poor performance in the others.

Employee Beliefs

Would Report
Again

Satisfaction After
Reporting

Accountability

Personal accountability by managers greatly affects employees' reporting experiences, making satisfaction with reporting and intent to report in the future more likely. The actions of supervisors are more deeply tied to satisfaction after reporting, accountability, and intent to report again than the behavior of top management.

Employees who strongly agree (versus strongly disagree) that their **supervisor accepts responsibility for their mistakes** are:

  o Over **6X** more likely to be **satisfied or very satisfied**[4] after reporting misconduct

  o Over **2X** more likely to **agree or strongly agree**[5] that if they again observed misconduct, they would report

Employees who strongly agree (versus strongly disagree) that **top management admits their mistakes** are:

  o Over **4X** more likely to be **satisfied or very satisfied**[6] after reporting misconduct

  o Nearly **2X** more likely to **agree or strongly agree**[7] that if they again observed misconduct, they would report

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[4] The rate of satisfaction rises from 13% to 82%.

[5] The commitment to future reporting rate rises from 39% to 87%.

[6] The rate of satisfaction rises from 19% to 81%.

[7] The commitment to future reporting rate rises from 49% to 86%.

## Expectations of Accountability Exceed Demonstrations of It

There appears to be a "Say vs. Do" gap: Employees perceive that accountability exists at all levels, but do not see accountability taking place consistently.

The majority of employees trust that there would be consequences for misconduct; however, **they are more likely to believe that non-management employees would be held accountable compared with managers.**

_____ Would Be Held Accountable For Violating E&C Standards

Top Management	Supervisor	Non-Management Employees
73%	75%	80%
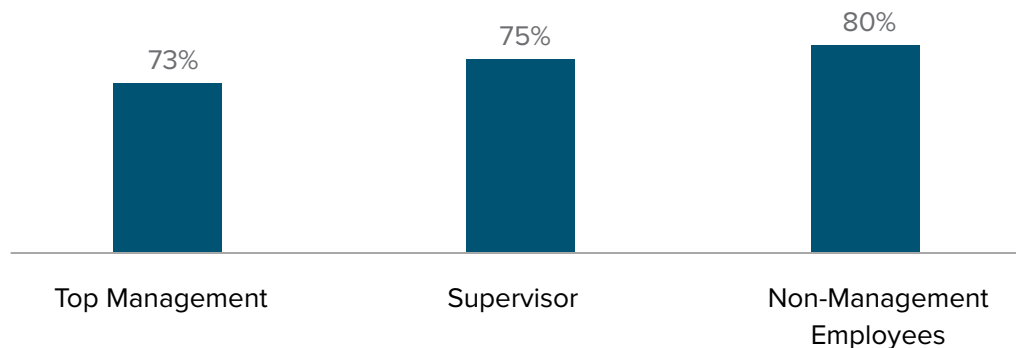
When it comes to actual experiences, the trend towards less positive views of higher-level employees appears again. **Employees are more likely to observe their supervisors taking responsibility for their mistakes than top management employees doing so.**
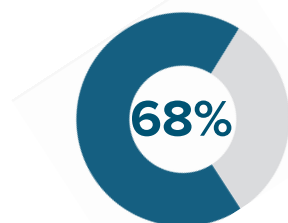
68%
of employees agree that their supervisor accepts responsibility for their mistakes
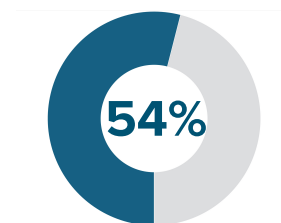
54%
of employees agree that top management accepts responsibility for their mistakes

Although supervisors are perceived more positively than top management, and 67% of employees say their supervisor will hold employees accountable, **nearly one-third of employees observe their supervisor failing to uphold and enforce standards.**
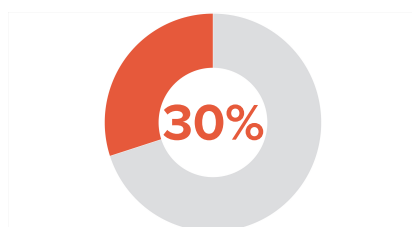
30%
of employees agree that their supervisor will overlook unethical conduct that achieves work goals
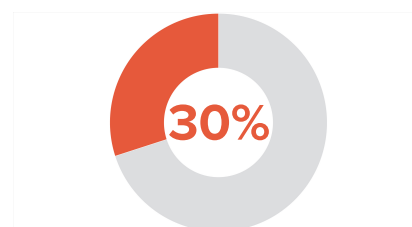
30%
of employees agree that their supervisor does not correct retaliatory behavior

Perhaps because of the preceding contradiction and management's failures to demonstrate accountability, **many employees see misconduct covered up or unacknowledged—then themselves fail to take action to address what they see.**

~ 1 in 5   employees **observed** misconduct being covered up or remaining uncorrected (19%)

> 1/2   of those employees who witnessed a coverup or no action being taken **did not report** their observation (56%)

RECOMMENDATIONS AND NEXT STEPS

Employee beliefs about accountability are tied with several behaviors and attitudes that leaders work hard to instill in their organizations, including fairness and an open culture where employees can raise questions and address concerns. This research undergirds not only the benefits of accountability, but also the work yet to be done. Fortunately, as with so much of organizational culture, *leaders have the power to drive positive change.*

- **Communicate about and lean further into existing systems.** Although most employees are aware of accountability systems, many still don't know about them, which is both a risk area and a critical opportunity.

- **Learn—out loud.** Mistakes happen, and they are an opportunity. Model candor and openness by admitting and owning up to times you have made mistakes or gone astray, while maintaining an attitude of learning.

- **Take the teachable moment.** When gray areas arise, take the opportunity to clarify what values-based behavior looks like and steer others away from ethical failings.

- **Communicate deliberately and regularly with those who report** to ensure that the process *is* and *feels* fair; to protect against actual and perceived retaliation; and to reinforce that the reporter's action made a difference.

- **Take action and share the results.** When misconduct has been uncovered and addressed, share anonymized versions of cases to communicate that actions have consequences, both the negative repercussions of violations and the positive impact of speaking up.

ECI Resources for Further Research

- *Encouraging Employee Reporting Through PROCEDURAL JUSTICE*
- *Ethical Leadership Around the World and Why It Matters*

ABOUT THE GLOBAL BUSINESS ETHICS SURVEY

Since 1994, the Ethics & Compliance Initiative (ECI) has conducted the most reliable longitudinal, cross-sectional study of workplace conduct from the employee's perspective. Now in its 17th iteration, ECI's Global Business Ethics Survey® (GBES®) data provide the global benchmark on the state of ethics & compliance in business across the globe. This version of the study is ECI's largest undertaking in its history. The international benchmark is a sample built from surveying employees in 42 countries across all regions of the world.

Results for all 42 countries, including demographic information and aggregated responses to approximately 40 GBES questions are available in ECI's new interactive, searchable, GBES Database. To access, visit www.ethics.org.

METHODOLOGY

The 2022/2023 GBES data collection took place between August 2022 and January 2023. Over 75,000 employees participated in the survey across 42 countries. Participants are representative of employees in businesses in each country conducted. **For more information, visit** www.ethics.org.

GBES FUNDERS

ECI's longstanding research on workplace integrity provides insights for evidence-based decisions by corporate, academic and other institutions across the globe. Corporations, foundations and individuals invest in the work of ECI because they value the research it provides.

We are grateful for the generosity of our funders and appreciate their ongoing support. Without their investments in our research, ECI could not collect data from employees around the world and provide mission-critical reports for business leaders and the Ethics & Compliance community.

With your ongoing support, ECI will continue to sustain its longitudinal data collection while expanding its focus on special topics of interest to the Ethics & Compliance community. Consider joining this illustrious group of funders to help ECI continue its research efforts. Your support provides the opportunity to expand our reach to serve others in meaningful ways.

Contact Information

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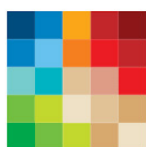
ABOUT ECI

ECI empowers organizations to build and sustain the programs that are proven to increase integrity in organizations. We help leaders create strong ethical workplace cultures and successful businesses that do the right thing.

Visit ECI's website at www.ethics.org to learn more. For media inquiries, please contact CarolL@ethics.org.