

Integrity in Business Survey Report

The catalyst for this survey was my involvement in the Professionalism Course, particularly the discussions around ethics and integrity. I am genuinely curious to identify the areas of business life where actuaries are most likely to stray from an objective interpretation of honesty. I am also interested in the rationale for those departures. The other purpose of the survey is to provide a gentle reminder of the wide range of possibilities of falling short of one's own high standards.

The following table shows a breakdown of the respondents by their membership status, which is used for the analysis throughout the article.

Accreditation	Count
Fellow	235
Associate	65
Student	30
Other	35

1) Running late for a meeting and not giving the real reason (in the last three months)?

Accreditation	No	Yes
Fellow	76%	24%
Associate	82%	18%
Student	70%	30%
Other	91%	9%

The result indicates that it is not unusual for people to give false excuses. The comments from those that answered Yes reflected a range of excuses: "saves the explanation of a long story", "necessary white lies", "personal reasons", and reflected people's principles: "what matters is the total contribution, not when it is done."

The comments tied to the No answers were generally individual commitments to either truth or punctuality or even habitual tardiness that is well known and no excuses are necessary.

2) Have you had a sick day when you haven't really been sick (in the last year)?

Accreditation	No	Yes
Fellow	91%	9%
Associate	75%	25%
Student	77%	23%
Other	100%	0%

It was recognised that this didn't apply to everyone. Nevertheless, an overall result of 12% of members "chucking a sickie" is worth exploring. One category of "Yes" responses legitimately applies to family responsibilities. The person was not sick but was using a sick day to care for a family member, especially those with young children. Some clues to the nature of the other category of "Yes" responses could be obtained from some refreshingly candid responses: "Mental Health Day", "couldn't be bothered going to work that day", "hung over".

Unsurprisingly, when you are a sole contractor or a casual employee, sick days mean that you don't get paid, so all that happens is that you end up with a hole in your pocket.

3) Have you modified your CV, omitted or exaggerated a role, project, achievement or title (in the last three years)?

Accreditation	No	Yes
Fellow	90%	10%
Associate	83%	17%
Student	77%	23%
Other	79%	21%

There were a number of issues that were raised by this question. Some people explained that it was a good idea to omit details for practical reasons, given their lengthy work history, which is understandable. There were also plenty of references to the principle that a CV is a "marketing document" and, as per my column in May AA 2009, I support that proposition. The challenge is to identify where to draw the line between fact and fiction when "selling yourself and maximising your packaging" as one person put it.

It makes sense to "highlight strengths not failures" but does that mean it is OK to leave out a recent role that was a poor experience? What about claiming ownership for a great project where you were a minor participant? One neat answer was "I put the most attractive yet truthful case forward".

There was one other side issue. I was surprised how many people do not have a current CV because they have been in the same company/job for some time. It may be worth pointing out that some people obtain satisfaction from updating their CV on an annual basis to reflect their achievements, whether or not they are looking for a new role. And it certainly helps when or if the time comes when they really need it.

However, some members appear very lucky and don't require "a little padding around the edges" or even "a total restructure" of their CV. They have "no need to exaggerate, as [they] really are that awesome" and their "work clearly speaks for itself." What a fantastic position to be in!

4) Have you exaggerated or misrepresented figures for remuneration discussions (in the last year)?

Accreditation	No	Yes
Fellow	97%	3%
Associate	94%	6%
Student	100%	0%
Other	97%	3%

Well there are certainly not many people pushing the envelope here, although some responses noted that the adverse economic environment over the past year was certainly a contributing factor. The aspect that concerned me was the number of people who do not feel that there is any room for negotiation in their organisation: "No ability to discuss my remuneration", "I take what is offered", "no discussion", "I haven't ever been in a position to be able to discuss remuneration".

Perhaps this is another assumption that could be questioned? The question seems to have provoked two respondents that suggest "perhaps should exaggerate the figures as my pay is always below average" and "with hindsight maybe I should have, because there are some very overpaid people in the market."

5) Have you discovered a material problem or error but chose not to raise the issue (in the last year)?

Accreditation	No	Yes
Fellow	98%	2%
Associate	94%	6%
Student	77%	23%
Other	94%	6%

It was gratifying to find, as expected, that there were very few Yes responses from Fellows here. There is a lot of emphasis in the profession, and the Professionalism Course, of raising your hand in these circumstances and the comments supported this. The most common theme was that is failing to raise the issues when first discovered will always come back to bit you. will eventually escape from under the rug, therefore it is easier to tackle the molehill now and always deliver any bad news early.

6) Have you agreed to timeframes that you know are unrealistic (in the last three months)?

Accreditation	No	Yes
Fellow	72%	28%
Associate	75%	25%
Student	60%	40%
Other	81%	19%

This was very interesting with a material number of Yes responses, especially amongst the students. The comments indicated that there are two broad camps.

The first camp is the optimist camp. Words like hope, aspirational and stretch were used to defend the unrealistic timeframes. I agree that optimism is not a cardinal sin (as one person rationalised), but when does optimism become misleading and potentially dishonest?

The second camp is the victims camp. I was very sad to read how many responsible professionals feel that timeframes are imposed and that they are not given the choice. It was clear that many people feel they have limited power or that everyone does it.

I appreciate that clients, whether they be internal or external, are demanding and that there are some immovable deadlines (eg 30 June). However, I am concerned that agreeing to an unrealistic deadline could be compromising one's reputation. At least some of the victims were not passive so, at a minimum, it may be worthwhile (as per a couple of comments) to express your disagreement even if it will be ignored.

7) Have you attended a meeting where you remained silent on an issue, even though you could have added to the outcome (in the last three months)?

Accreditation	No	Yes
Fellow	68%	32%
Associate	62%	38%
Student	60%	40%
Other	69%	31%

8) Have you attended a work meeting where you expressed agreement (explicitly or by silence) on a conclusion or action that you didn't support (in the last three months)?

Accreditation	No	Yes
Fellow	62%	38%
Associate	65%	35%
Student	60%	40%
Other	69%	31%

There did not seem to be many people actively agreeing to courses of action that they did not support so the following section looks at these two questions together as there is a common theme of silence and a common response rate with over one third answering Yes to these questions. Most of the many comments were defending or explaining their silence.

There were a number of references to meeting behaviour in response to Question 7, citing the personalities and status of those in the room, as well as time pressure and conclusions that had been drawn well in advance of the meetings taking place.

It was reassuring to know that many members felt that whilst sometimes useful information is confidential and although it would help the discussion I may not have the right to share it and hence compromise the other person's position and integrity.

It was sad to read how many professionals felt there was no point or the decision was already made, especially when ego and emotions come into play. More alarming was the common view that consensus is very important. Certainly, once a decision is made by a team, it is important to support the team, even if the decision was contrary to one's individual view. My concern with this question is how often that actuaries are remaining silent before the decision is made. Many people pointed out the importance of picking your battles because you can't fight them all. It may be worth reflecting on the clarity of your criteria for picking your causes.

It is difficult to speak up for something that you believe in especially if you know that your concerns had been ignored before. As one respondent eloquently put it meeting attendees do not always want to hear about the elephant in the room, and it can be thankless to be the one to raise it.

However, it may also be worth thinking about the types of decisions that are worth standing up for. It would be a shame if the passive approach became so habitual that we forgot how (and when) to speak up or lost sight of what was really important to us, especially if you have some reservations about the ethics of the decision makers at the meeting.

9. Have you been uncomfortable with a report that you were responsible for (in the last year)?

Accreditation	No	Yes
Fellow	91%	9%
Associate	89%	11%
Student	77%	23%
Other	100%	0%

Like Question 5, it was reassuring that there were a lot less Yes responses here, given the emphasis of the Code of Conduct. I would have liked a little more insight into the circumstances of the Yes answers but there were not many comments. The few Yes answers tended to reflect discomfort with the personal

accountability associated with important reports - and this is probably a good thing.

One important thing to note is that the use of caveats, caveats, caveats will not always be sufficient in ensuring that any uncertainty, unreasonable assumptions or limitations are covered off. The position of the caveats, assumptions and reliances within a report is important. If they are buried at the back of the report, in amongst tables and figures, there is a much greater chance of the outcomes and conclusions of the report being used incorrectly.

10. Have you felt uncomfortable in answering these questions

Accreditation	No	Yes
Fellow	85%	15%
Associate	85%	15%
Student	83%	17%
Other	100%	0%

This was an opportunity for more general responses as well as a measure of the extent to which the survey achieved its second purpose. It was satisfying to read how many people found that the survey made you think or caused them to reflect on some of the decisions I make. The comments also illustrated the range of perspectives among the survey participants.

Some traditionalists felt that every professional should have been able to answer no while others felt that answers are not black and white. One person thought it was hilarious and one person went numb from the boredom. With an increasingly diverse membership there will always be room for different values and ethical positions. I hope that we can reconcile that diversity with a minimum threshold of integrity that enhances the reputation of the profession.

Finally, to those respondents who appeared concerned about their privacy, I can assure you that when all responses arrive they are, and will remain, anonymous!

Further thoughts, observations and opinions are most welcome, especially on the final comments of one respondent. These questions have made me think whether acting in a truly ethical way can come across as sanctimonious and produce the wrong long term result.

Report generated on 16 May 2010
***365 responses to the survey**