



News Release

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DELOITTE'S 2009 ETHICS & WORKPLACE SURVEY EXAMINES THE REPUTATIONAL RISK IMPLICATIONS OF SOCIAL NETWORKS

Results of Third Annual Study Reveals Tension between Employers and Employees around the Use of Social Media

NEW YORK, May 18, 2009 — According to the third annual Deloitte LLP Ethics & Workplace survey, 60 percent of business executives believe they have a right to know how employees portray themselves and their organizations in online social networks. However, employees disagree, as more than half (53 percent) say their social networking pages are not an employer's concern. This fact is especially true among younger workers, with 63 percent of 18–34 year old respondents stating employers have no business monitoring their online activity.

That said, employees appear to have a clear understanding of the risks involved in using online social networks, as 74 percent of respondents believe they make it easier to damage a company's reputation.

“With the explosive growth of online social networks, such as Facebook and Twitter, rapidly blurring the lines between professional and private lives, these virtual communities have increased the potential of reputational risk for many organizations and their brands,” said Sharon Allen, chairman of the board, Deloitte LLP. “While the decision to post videos, pictures, thoughts, experiences and observations is personal, a single act can create far reaching ethical consequences for individuals as well as employers. Therefore, it is important for executives to be mindful of the implications of this connected world and to elevate the discussion about the risks associated with it to the highest levels of leadership.”

A mere 17 percent of executives surveyed say they have programs in place to monitor and mitigate the possible reputational risks related to the use of social networks. Additionally, while less than a quarter have formal policies on the medium's use among their people, nearly half (49 percent) of employees indicate defined guidelines will not change their behavior online.

“One-third of employees surveyed never consider what their boss or customers might think before posting material online,” Allen continued. “This fact alone reinforces how vulnerable brands are as a result of the increased use of social networks. As business leaders, it is critical that we continue to foster solid values-based cultures that encourage employees to behave ethically regardless of the venue.”

The complete results of the 2009 Ethics & Workplace survey reflect opinions of employees and business executives on questions on ethics, work-life balance, reputational risk and the prevalence of boardroom participation as it relates to increased employee social networking.

Methodology

Opinion Research Corporation conducted a telephone survey on behalf of Deloitte LLP among a national probability sample of 2,008 employed adults comprising 1,000 men and 1,008 women 18 years of age and older, living in private households in the continental United States. Interviewing for these CARAVAN® Surveys was completed during the period April 9–13 and 16–19, 2009. Sampling error is +/- 2.5 percent.

Opinion Research Corporation also conducted an online survey of 500 business executives. The sample for the study came from a panel of executives across the United States, including company owners, directors, CEOs, controllers, EVPs, CIOs, VPs and board members. Invitations to participate in the study were sent beginning on April 10, 2009 and data collection continued through April 17, 2009.

About the Deloitte Chairman’s Survey

The Deloitte LLP Chairman’s survey is designed to measure workplace behavior and the impact leadership has on the workplace environment. Following up on last year’s survey, which uncovered a link between transparency of leadership and employee productivity, this year’s survey studied the impact of use of social networking on reputational risk, workplace ethics, and career-life fit. Sharon Allen, Chairman of the Board, Deloitte LLP, is the sponsor of the annual survey.

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