This course supports the assessment for Ethical Leadership. The course covers 4 competencies and represents 3 competency units.

Introduction

Overview

The Ethical Leadership course examines the ethical issues and dilemmas managers face. This course provides a framework for analysis of management-related ethical issues and decision-making action required for satisfactory resolution of these issues.

Getting started

Welcome to Ethical Leadership! In this course, you will study four topics. Within each topic, you will be asked to read text and external articles, complete exercises, and review self-check questions. You will also be encouraged to review discussion questions and complete case studies in each topic. To help you track your progress in the course, view the pacing guide located in the Preparing for Success section. Competency will be demonstrated by the successful completion of a performance assessment.

Watch the following welcome video for an introduction to this course:

Note: To download this video, right-click the following link and choose "Save as...": download video.

Competencies

This course provides guidance to help you demonstrate the following 4 competencies:

- **Competency 3008.1.1: Practical Relevance of Ethical Theories**
  The graduate assesses the practical relevance of leading ethical theories and concepts.
- **Competency 3008.1.2: Ethical Leadership and Code of Ethics**
  The graduate identifies influences on ethical leadership and analyzes a code of ethics.
- **Competency 3008.1.3: Policy and Program Development**
  The graduate develops policies, practices, procedures, and programs that foster organizational ethics and socially responsible behavior.
- **Competency 3008.1.5: Legal and Regulatory Requirements**
  The graduate analyzes applicable legal and regulatory requirements to determine whether organizations meet legal responsibilities.

Course Instructor Assistance

As you prepare to demonstrate competency in this subject, remember that course instructors stand ready to help you reach your educational goals. As subject matter experts, mentors enjoy and take pride in helping students become reflective learners, problem solvers, and critical thinkers. Course instructors are excited to hear from you and eager to work with you.

Successful students report that working with a course instructor is the key to their success.

Course instructors are able to share tips on approaches, tools, and skills that can help you apply the content you're studying. They also provide guidance in assessment preparation strategies and troubleshoot areas of deficiency. Even if things don't work out on your first try, course instructors act as a support system to guide you through the revision process. You should expect to work with course instructors for the duration of your coursework, and you are encouraged to contact them as soon as you begin. Course instructors are fully committed to your success!

Preparing for Success

The information in this section is provided to detail the resources available for you to use as you complete this course.

Learning Resources

The learning resources listed in this section are required to complete the activities in this course. For many resources, WGU has provided automatic access through the course. However, you may need to enroll manually or acquire other resources independently. Read the full instructions provided to ensure that you have access to all of your resources in a timely manner.

Automatically Enrolled Resources

You can access the learning resources listed in this section by clicking on the links provided throughout the course. You may be prompted to log in to the WGU student portal to access the resources.

Ethical Lens Inventory

Enroll in Ethical Lens Inventory (ELI) from Ethics Game to gain insight on your personal ethical values and decision making. You will be directly linked to the ELI (ELC206) required within the activities that follow.

VitalSource E-Texts

The following textbook is available to you as an e-text within this course. You will be directly linked to the specific readings required within the activities that follow.

- Trevino, L.K, & Nelson, K.A. (2014). *Managing business ethics: Straight talk about how to do it right* (6th ed.). Hoboken, NJ: Wiley. ISBN: 9781118801697

Note: This e-text is available to you as part of your program tuition and fees, but you may purchase a hard copy at your own expense through VitalSource or a retailer of your choice. If you choose to purchase the text from a retailer, please use the ISBN listed to ensure that you receive the correct edition.

Directions for purchasing a printed text from VitalSource:

1. *Access the text using the course links.*
2. *Click on the Main Menu Icon in the upper left corner.*
3. *Click Print on Demand*

4. *If your text is available, it will be listed.*
5. *Click on the text and follow the prompts for purchasing the book.*

For more information, review the [Print on Demand Option for VitalSource Texts: Help](#) *documentation.*

Pacing Guide

The pacing guide suggests a weekly structure to pace your completion of learning activities. It is provided as a suggestion and does not represent a mandatory schedule. Follow the pacing guide carefully to complete the course in the suggested time frame.

Week 1

- Preparing for Success
- Practical Relevance of Ethical Theories
    - Ethical Theories and Concepts
    - Practical Relevance and Application of Ethical Theories and Concepts

Week 2

- Ethical Leadership and Code of Ethics
    - Ethical Leadership
    - Code of Ethics
- Complete Task 1 (performance assessment) and submit in Taskstream

Week 3

- Policy and Program Development
    - Development of Policies, Practices, Procedures, and Programs
    - Social Responsibility

Week 4

- Complete Task 2 (performance assessment) and submit in Taskstream

Week 5

- Legal and Regulatory Requirements

Week 6

- Legal and Regulatory Requirements

Week 7

- Complete Task 3 (performance assessment) and submit in Taskstream

Week 8

- Final Steps
  - You have now completed all of the assigned activities in the COS. Please schedule and complete the performance assessment!

Practical Relevance of Ethical Theories

This subject entails an overview of various prescriptive ethical theories and their practical relevance and application.

Ethical Theories and Concepts

The ethical theories covered in this section are prescriptive in nature, meaning that they provide a methodology for deciding what choice you *should* make as an ethical actor. Ultimately, these competing theories are unified into an ethical decision-making model.

This topic addresses the following competency:

- **Competency 3008.1.1: Practical Relevance of Ethical Theories**
  The graduate assesses the practical relevance of leading ethical theories and concepts.

This topic highlights the following objectives:

- Identify leading ethical frameworks.
- Apply an ethical framework to an ethical dilemma.
- Explain how treating employees fairly, with dignity, and with respect benefits the organization.
- Identify common conflicts of interest.
- Describe techniques to avoid conflicts of interest.

Complete the Ethical Lens Inventory

The Ethical Lens Inventory (ELI) is a tool to help you answer questions about your values through your actions. As we make choices, our values are translated into action. The inventory tool looks at your preferences and your core values in the decision-making process. These core values and preferences help you land in a particular ethical lens. As you complete the survey, you will have access to additional information to interpret the meaning of your ELI results. Once you complete the survey, you will create a PDF document with your results by pressing the icon in the upper-right corner of the results box. This way you may reference the results frequently. You will reflect on your personal ELI results as you complete Task 1.

- Complete the Ethical Lens Inventory

Note: Ask your program mentor for additional assistance if needed.

Read: Chapter 1: "Introducing Straight Talk About Managing Business Ethics: Where We're Going and Why"

This chapter provides an introduction to business ethics and provides factual information

supporting its relevance in today's business setting. The Financial Disaster of 2008 is presented as a case study in order to introduce various perspectives on business ethics.

Read the following chapter in *Managing Business Ethics:*

- [Chapter 1: "Introducing Straight Talk About Managing Business Ethics: Where We're Going and Why"](#)

Read: Chapter 2: "Deciding What's Right: A Prescriptive Approach"

This chapter initiates the focus on ethical decision making from an individual perspective. Philosophical theories are defined with examples to illustrate the foundation of these various schools of thought.

Read the following chapter in *Managing Business Ethics:*

- [Chapter 2: "Deciding What's Right: A Prescriptive Approach"](#)

Supplemental Resource: Pinto Fires Case

Read the following section in *Managing Business Ethics*:

- pages 63–67 of the "Pinto Fires" case by Gioia in [Chapter 2 "Deciding What's Right: A Prescriptive Approach"](#)

Answer the case questions presented on page 67 in order to apply your knowledge of Chapter 2.

Exercise: Clarifying Your Values

Complete the exercise in the following document:

- "[Clarifying Your Values](#)"

Self-Check: Multiple Choice Assessment

Complete the self-check questions in the following document:

- "[Self-Check Questions: Ethical Theories and Concepts](#)"

Practical Relevance and Application of Ethical Theories and Concepts

This topic details two specific examples of ethical issues frequently encountered in a business setting: conflicts of interest and whistleblowing. By engaging with these two issues, the practical relevance of the ethical theories can be observed. You will become familiar with these issues and critically examine conflicts of interest and whistleblowing prior to actually encountering them in the workplace. After examining these concepts, you should be able to evaluate organizational policies based on these issues.

This topic addresses the following competency:

- **Competency 3008.1.1: Practical Relevance of Ethical Theories**
  The graduate assesses the practical relevance of leading ethical theories and concepts.

This topic highlights the following objectives:

- Evaluate a conflict of interest policy for a sample organization.
- Evaluate a whistleblower policy for a sample organization.

Read: Chapter 4: "Addressing Individuals' Common Ethical Problems"

This section presents an analysis of conflicts of interest and whistleblowing in an organizational setting. Additionally, recommendations of whistleblowing are included and a business ethics perspective of the topic is presented.

Read the following chapter in *Managing Business Ethics:*

- [Chapter 4: "Addressing Individuals' Common Ethical Problems"](#)

Supplemental Resource: Discussion Questions

Review discussion questions 6 and 13 at the end of the following chapter:

- [Chapter 4 "Addressing Individuals' Common Ethical Problems"](#)

Self-Check: True/False and Multiple Choice Assessment

Complete the self-check questions in the following document:

- "[Self-Check Questions: Practical Relevance and Applications](#)"

Ethical Leadership and Code of Ethics

This section entails detailed coverage of ethical leadership, including the following topics:

- Psychological approach to business ethics
- Common ethical problems encountered by leaders in the workplace
- A leader's role in creating an ethical organizational culture

Ethical Leadership

Ethical leadership is critical to creating an ethical organization. This section focuses on the practical application of ethical leadership techniques at both an individual and organizational level. A descriptive approach, meaning analyzing how individuals actually behave in an ethical context, is presented. Additionally, several real-world examples of common ethical examples faced by leaders and their workers are presented and analyzed. Ultimately, the aforementioned concepts are applied to an organizational setting using techniques for creating an ethical organizational culture.

This topic addresses the following competency:

- **Competency 3008.1.2: Ethical Leadership and Code of Ethics**

The graduate identifies influences on ethical leadership and analyzes a code of ethics.

This topic highlights the following objectives:

- Explain the difference between organizational ethics and individual ethics.
- Identify individual and organizational factors that influence ethical decision making and behavior.
- Distinguish ethical from unethical leadership behavior.
- Describe the leader's role in creating and sustaining ethical culture in organizations.

Read: Chapter 3: "Deciding What's Right: A Psychological Approach"

This section presents a descriptive approach of business ethics, helping an ethical leader understand how people actually think and what people actually do by examining psychological factors. The critical concepts of ethical awareness and ethical judgment are presented. Individual differences, ethical judgment, and ethical behavior are also examined. These topics cover critical concepts, including ethical decision-making style, cognitive moral development, locus of control, Machiavellianism, and moral disengagement. Facilitators of and barriers to good ethical judgment are covered. The ability to discern and encourage or discourage these is also essential for the development of an ethically principled leader.

Read the following chapter in *Managing Business Ethics*:

- Chapter 3 "Deciding What's Right: A Psychological Approach"

Read: Chapter 4: "Addressing Individuals' Common Ethical Problems"

This section reviews common ethical issues that you will likely encounter in the workplace. Included will be the definition of each issue; why it is an ethical problem; and how one can analyze the issue, costs, and special information relevant to each issue. Additionally, the concept of identifying and giving voice to one's values is presented.

Review the following sections in Chapter 4: "Addressing Individuals' Common Ethical Problems"

- Identifying Your Values—and Voicing Them (pages 110–113)
- People Issues (pages 113–121)
- Customer Confidence Issues (pages 126–131)
- Use of Corporate Resources (pages 131–136)

Read: Chapter 5: "Ethics as Organizational Culture"

This section broadens the individual perspective on business ethics to the concept of an ethical organizational culture. Ethical culture has a significant impact on an individual's awareness, judgment, and action. A multisystem framework of ethical culture is presented with a variety of formal and informal systems impacting the culture. Formal systems involve executive leadership and include selection systems, policies, training, performance management, authority structure, and decision processes. Informal systems involve role models and include norms, rituals, and myths. It is critical that these two systems be in alignment. Methods for developing and changing a desirable corporate culture are also presented.

Read the following chapter in *Managing Business Ethics*:

- Chapter 5: "Ethics as Organizational Culture"

Supplemental Resources: Exercise and Case Studies

- Review the exercise, "Understanding Cognitive Moral Development" on page 104 in Chapter 3: "Deciding What's Right: A Psychological Approach" and answer the questions that follow in order to apply your knowledge of the readings.
- Review the short case on "Voicing Your Values" in Chapter 4: "Addressing Individuals' Common Ethical Problems" on page 145 and answer the questions.
- Review the case study "Culture Change at Texaco" in Chapter 5: "Ethics as Organizational Culture" on page 196 and answer the questions that follow.

Self-Check: Multiple Choice Assessment

Complete the self-check questions in the following document:

- "Self-Check Questions: Ethical Leadership"

Code of Ethics

This subject deals extensively with codes of ethics and effective ways to communicate codes and ethical concepts throughout an organization. Creating a code of ethics involves explaining its purpose, identifying common components, evaluating the code, and communicating the code.

This topic addresses the following competency:

- **Competency 3008.1.2: Ethical Leadership and Code of Ethics**
  The graduate identifies influences on ethical leadership and analyzes a code of ethics.

This topic highlights the following objectives:

- Explain the purpose of a code of ethics.
- Identify common components of an organizational code of ethics.
- Evaluate a sample code of ethics.
- Explain how a code of ethics can be communicated.

Read: Chapter 6: "Managing Ethics and Legal Compliance"

This section covers codes of ethics and methods for communicating ethics within an organizational setting. Missions or value statements are presented. These concepts are compared and contrasted with organizational policy and codes of conduct. These are all methods for communicating ethics. Additional topics required for effective communication of ethics are also presented.

Read the following chapter in *Managing Business Ethics*:

- Chapter 6: "Managing Ethics and Legal Compliance"

Code of Ethics Assessment

Locate the code of ethics of a company for which you have worked or search for one on the Internet. Analyze it based upon your knowledge of business ethics to determine the efficacy of the code.

Self-Check: Multiple Choice Assessment

Complete the self-check questions in the following document:

- "Self-Check Questions: Code of Ethics"

Complete: Task 1

Complete the following task in Taskstream:

- Application of Ethical Leadership: Task 1

For details about this performance assessment, see the "Assessment" tab in this course.

Policy and Program Development

This section deals with the construction of effective policies and programs that create an ethical organizational culture, including the development of policies, practices, procedures, and programs. Critically, the role of a leader in establishing an ethical culture and identifying attributes of a successful ethics training program are considered.

Development of Policies, Practices, Procedures, and Programs

The topics presented in this section deal with policy and program development from the perspective of a leader, including evaluation and evaluation review. The role of a leader in establishing an ethical culture is considered.

This topic addresses the following competency:

- **Competency 3008.1.3 Policy and Program Development**
  The graduate develops policies, practices procedures, and programs that foster organizational ethics and socially responsible behavior.

This topic highlights the following objectives:

- Perform an ethics audit of an organization.
- Identify attributes of successful ethics awareness programs.
- Evaluate a sample of ethics training programs.
- Describe the difference between formal and informal ethical culture systems.
- Explain the importance of aligning formal and informal ethical culture systems.
- Describe how a leader can establish an ethical culture.

Read: Chapter 6: "Managing Ethical and Legal Compliance"

The evaluation of ethics programs via the use of surveys and other tools is covered. Two

general approaches to the implementation of an ethics program are reviewed: values-based and compliance-based. Finally, the globalization of an ethics program is examined.

Review the following sections in Chapter 6: "Managing Ethics and Legal Compliance":

- Evaluating the Ethics Program (pages 239–241)
- Values or Compliance Approaches (pages 241–242)
- Globalizing an Ethics Program (242–245)

Read: Chapter 7: "Managing for Ethical Conduct"

This section presents the methodology for the creation of an ethical culture from a leader's perspective. In business, ethics is about behavior. This section discusses the concept of multiple ethical selves as well as rewards and discipline as techniques for effectuating ethical behavior. Several lessons from descriptive business ethics are reviewed.

Read the following chapter in *Managing Business Ethics:*

- Chapter 7: "Managing for Ethical Conduct"

Supplemental Resources: Case Studies

- Read the case on page 246, "What's Wrong With This Picture," in Chapter 6: "Managing Ethics and Legal Compliance" and answer the questions.
- Read the case on page 281, "Sears, Roebuck, and Co.: The Auto Center Scandal," in Chapter 7: "Managing for Ethical Conduct" and answer the questions to apply your knowledge of managing ethical conduct.

Self-Check: Multiple Choice Assessment

Complete the self-check questions in the following document:

- "Self-Check Questions: Policy Development"

Social Responsibility

The focus of this topic is corporate social responsibility (CSR) from a leader's perspective. This section covers the following concepts:

- definition of CSR
- types of CSR
- triple bottom line approach to ethical leadership
- benefits of operating a socially responsible business

This topic addresses the following competency:

- **Competency 3008.1.3: Policy and Program Development**
  The graduate develops policies, practices, procedures, and programs that foster organizational ethics and socially responsible behavior.

This topic highlights the following objectives:

- Define social responsibility.
- Identify methods organizations can use to be socially responsible.
- Explain how to incorporate social responsibility into strategic planning.
- Describe the benefits of organizational social responsibility.

Read: Chapter 9: "Corporate Social Responsibility"

This section presents a detailed analysis of corporate social responsibility (CSR), why an organization should choose to engage in CSR, the four types of CSR (economic, legal, ethical and philanthropic), and the concepts of triple bottom line and environmental sustainability. A number of reasons are presented to support social responsibility in corporations.

Read the following chapter in *Managing Business Ethics*:

- Chapter 9: "Corporate Social Responsibility"

Supplemental Resource: Case Study

Read the case "Merck and River Blindness" on page 345 in Chapter 9: "Corporate Social Responsibility" and answer the questions to apply your knowledge of CSR.

Self-Check: Multiple Choice Assessment

Complete the self-check questions in the following document:

- "Self-Check: Social Responsibility"

Complete: Task 2

Complete the following task in Taskstream:

- Application of Ethical Leadership: Task 2

For details about this performance assessment, see the "Assessment" tab in this course.

Legal and Regulatory Requirements

This section covers the legal and regulatory requirements of which a leader should be aware. Common legal and ethical safeguards utilized in the business setting, costs associated with non-compliance, and the legal regulations that apply particularly to whistleblowers will be examined.

Legal and Regulatory Requirements

Numerous pieces of statutory law are examined in order to preview the legal framework within which an ethical leader should operate.

This topic addresses the following competency:

- **Competency 3008.1.5 Legal and Regulatory Requirements**

The graduate analyzes applicable legal and regulatory requirements to determine whether organizations meet legal responsibilities.

This topic highlights the following objectives:

- Identify common legal and ethical safeguards employed by business organizations.
- Describe the implications of non-compliance with legal mandates.
- Explain the regulations that apply to whistleblowers.

Read Chapter 6: "Managing Ethics and Legal Compliance"

This section reviews applicable statutory law and its implications upon organizational leaders.

Review the following section in Chapter 6: "Managing Ethics and Legal Compliance":

- "Structuring Ethics Management" (pages 208–215)

Read: Chapter 4: "Addressing Individuals' Common Ethical Problems"

The regulations that apply to whistleblowers including the False Claims Act, the Sarbanes-Oxley Act (SOX), and the Dodd-Frank Wall Street Reform and Consumer Protection Act are addressed in this section. Each of these pieces of statutory law has implications for whistleblowers.

Review the following section in Chapter 4: "Addressing Individuals' Common Ethical Problems":

- "How to Blow the Whistle" (pages 140–144)

Appendix

Review page 247, Appendix ("How Fines Are Determined under the U.S. Sentencing Guidelines"") of Chapter 6: "Managing Ethics and Legal Compliance" to further your knowledge of these guidelines.

Supplemental Resource: Discussion Question

Answer discussion question 14 on page 145 of Chapter 4: "Addressing Individuals' Common Ethical Problems" to test your knowledge of whistleblowing.

Self-Check: Multiple Choice Assessment

Complete the self-check questions in the following document:

- "Self-Check Questions: Legal and Regulatory Requirements"

Complete: Task 3

Complete the following task in Taskstream:

- Application of Ethical Leadership: Task 3

For details about this performance assessment, see the "Assessment" tab in this course.

Final Steps

Congratulations on completing the activities in this course! This course has prepared you to complete the assessment associated with this course. If you have not already been directed to complete it, schedule and complete the assessment now.