

Learning Goal #2: Ethical Management

Definition: Ethical Management is the knowledge of standards in both accounting and corporate governance, and recognition of the link between ethics and organizational sustainability. Students will know the standards of accounting reporting requirements and the basic requirements of SOX as well as corporate monitoring practices that may be used to assess the alignment of owner and manager interests. They will also understand the connection between ethics and the sustainability of the organization.

This includes:

- Basic principles of corporate governance and reasons why it is important
- Internal and external mechanisms for aligning owner and manager interests
- Standard checks and balances that align owner-manager interests
- The problems that arise when proper corporate governance is not followed
- Goals and basic requirements of SOX
- New initiatives in corporate governance (International Accounting Standards, etc.)
- Recognizing the ethical foundation of decisions and the impact of business decisions on multiple stakeholder

Measurement:

- A. Knowledge of corporate governance and appropriate monitoring practices of management
 - Basic principles of corporate governance and reasons why it is important
 - Goals and basic requirements of SOX
 - External mechanisms for aligning owner and manager interests
 - Internal mechanisms for aligning owner and manager interests
- B. Recognize the link between ethics and sustainable competitive advantage of the organization
 - Relevancy of ethics to business
 - Knowledge of ethical frameworks
 - Understanding forms of corruption
 - Perspectives of decision consequences
- C. Knowledge of standards of accounting and the implications for accuracy in financial reporting
 - Policies that regulate public companies' reporting practices, including International Accounting Standards
 - Identify ambiguous areas in the financial reporting process

Coverage in the Curriculum:

BUSN 501	a. Policies that regulate public companies' reporting practices, including
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	International Accounting Standards b. Ambiguous areas in the financial reporting process
FIN 601	a. Basic principles of corporate governance and reasons why it is important b. Goals and basic requirements of SOX c. External mechanisms for aligning owner and manager interests
ORGB 631	a. Internal mechanisms for aligning owner and manager interests b. Relevancy of ethics to business c. Knowledge of ethical frameworks d. Understanding forms of corruption e. Perspectives of decision consequences

Data collection: Students in sections of the Executive, the One-Year and LEAD programs were asked to complete questionnaires focusing on the ORGB 631 goals in AY 2008-09. These questionnaires were completed anonymously and included a checklist of courses completed and the program in which they are enrolled.